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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 JUNE 27, 2004

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 1-1370

BRIGGS & STRATTON CORPORATION

(Exact name of registrant as specified in its charter)

A Wisconsin Corporation **(State or other jurisdiction of incorporation or organization)**	**39-0182330** **(I.R.S. Employer Identification No.)**
12301 WEST WIRTH STREET **WAUWATOSA, WISCONSIN** **(Address of principal executive offices)**	**53222** **(Zip Code)**

Registrant's telephone number, including area code: 414-259-5333

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

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock (par value $0.01 per share)	New York Stock Exchange
Common Share Purchase Rights	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: NONE

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 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 an accelerated filer (as defined in Rule 12b-2 of the Act). Yes ☑ No ☐

The aggregate market value of Common Stock held by nonaffiliates of the registrant was approximately $1,457,565,089 based on the reported last sale price of such securities as of December 26, 2003, the last business day of the most recently completed second fiscal quarter.

Number of Shares of Common Stock Outstanding at August 25, 2004: 25,612,270.

DOCUMENTS INCORPORATED BY REFERENCE

Document	Part of Form 10-K Into Which Portions of Document are Incorporated
Proxy Statement for Annual Meeting on October 20, 2004	Part III

The Exhibit Index is located on page 50.

BRIGGS & STRATTON CORPORATION
FISCAL 2004 FORM 10-K
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Cautionary Statement on Forward-Looking Statements

Certain statements in Management's Discussion and Analysis of Financial Condition and Results of Operations may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those projected in the forward-looking statements. The words "anticipate," "believe," "estimate," "expect," "forecast," "intend," "may," "objective," "plan," "project," "seek," "think," "will" and similar expressions are intended to identify forward-looking statements. The forward-looking statements are based on Briggs & Stratton's current views and assumptions and involve risks and uncertainties that include, among other things: our ability to successfully forecast demand for our products and appropriately adjust our manufacturing and inventory levels; changes in our operating expenses; changes in interest rates; the effects of weather on the purchasing patterns of consumers and original equipment manufacturers (OEMs); actions of engine manufacturers and OEMs with whom we compete; the seasonal nature of our business; changes in laws and regulations, including environmental, pension funding and accounting standards; work stoppages or other consequences of any deterioration in our employee relations; work stoppages by other unions that affect the ability of suppliers or customers to manufacture; acts of war or terrorism that may disrupt our business operations or those of our customers and suppliers; changes in customer and OEM demand; changes in prices of purchased raw materials and parts that we purchase; changes in domestic economic conditions, including housing starts and changes in consumer disposable income; changes in foreign economic conditions, including currency rate fluctuations; new facts that come to light in the future course of litigation proceedings which could affect our assessment of those matters; our ability to successfully integrate the Simplicity Manufacturing, Inc. acquisition; and other factors that may be disclosed from time to time in our SEC filings or otherwise. Some or all of the factors may be beyond our control. We caution you that any forward-looking statement reflects only our belief at the time the statement is made. We undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made.

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PART I

ITEM 1. BUSINESS

Briggs & Stratton is the world's largest producer of air cooled gasoline engines for outdoor power equipment. Briggs & Stratton designs, manufactures, markets and services these products for original equipment manufacturers (OEMs) worldwide. These engines are primarily aluminum alloy gasoline engines ranging from 3 to 31 horsepower.

Additionally, through its wholly owned subsidiary, Briggs & Stratton Power Products Group, LLC, Briggs & Stratton is a leading designer, manufacturer and marketer of portable generators, pressure washers and related accessories.

Briggs & Stratton conducts its operations in two reportable segments: Engines and Power Products. Further information about Briggs & Stratton's business segments is contained in Note 5 of the Notes to Consolidated Financial Statements.

The Company's Internet address is www.briggsandstratton.com. The Company makes available free of charge (other than an investor's own Internet access charges) through its Internet website the Company's Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as soon as reasonably practicable after it electronically files such material with, or furnishes such material to, the Securities and Exchange Commission. Charters of the Audit, Compensation, Nominating and Governance Committees; Corporate Governance Guidelines and code of business conduct and ethics contained in the Briggs & Stratton Business Integrity Manual are available on the Company's website and are available in print to any shareholder upon request to the Corporate Secretary.

Engines

General

Briggs & Stratton's engines are used primarily by the lawn and garden equipment industry, which accounted for 77% of fiscal 2004 engine sales to OEMs. Major lawn and garden equipment applications include walk-behind lawn mowers, riding lawn mowers and garden tillers. The remaining 23% of OEM sales in fiscal 2004 were for use on products for industrial, construction, agricultural and other consumer applications, that include generators, pumps and pressure washers. Many retailers specify Briggs & Stratton's engines on the powered equipment they sell, and the Briggs & Stratton name is often featured prominently on a product despite the fact that the engine is only a component. Briggs & Stratton engines are marketed under various brand names including Classic™, Sprint™, Quattro™, Quantum®, INTEK™, I/C®, Industrial Plus™ and Vanguard™.

In fiscal 2004, approximately 17% of Briggs & Stratton's net sales were derived from sales in international markets, primarily to customers in Europe. Briggs & Stratton serves its key international markets through its European regional office in Switzerland, its distribution center in the Netherlands and sales and service subsidiaries in Australia, Austria, Canada, China, the Czech Republic, England, France, Germany, Mexico, New Zealand, the Philippines, Russia, South Africa, Spain, Sweden and United Arab Emirates. Briggs & Stratton is a leading supplier of gasoline engines in developed countries where there is an established lawn and garden equipment market. Briggs & Stratton also exports engines to developing nations where its engines are used in agricultural, marine, construction and other applications. More detailed information about our foreign operations is in Note 5 of the Notes to Consolidated Financial Statements.

Briggs & Stratton engines are sold primarily by its worldwide sales force through direct calls on customers. Briggs & Stratton's marketing staff and engineers in the United States provide support and technical assistance to its sales force.

Briggs & Stratton also manufactures replacement engines and service parts and sells them to sales and service distributors. Briggs & Stratton owns its principal international distributors. In the United States the distributors are independently owned and operated. These distributors supply service parts and replacement engines directly to approximately 39,000 independently owned, authorized service dealers throughout the world. These distributors and service dealers implement Briggs & Stratton's commitment to reliability and service.

Customers

Briggs & Stratton’s engine sales are made primarily to OEMs. Briggs & Stratton’s three largest engine customers in each of the last three fiscal years were AB Electrolux (principally its Electrolux Home Products Group), MTD Products Inc. and Murray Inc. (owned by Summersong Investments, Inc.). Sales to each of these customers were more than 9% of net sales in fiscal 2004, 2003 and 2002. Sales to all three combined were 42%, 41% and 47% of consolidated net sales in fiscal 2004, 2003 and 2002, respectively. Under purchasing plans available to all of its gasoline engine customers, Briggs & Stratton typically enters into annual engine supply arrangements with these large customers.

Briggs & Stratton believes that in fiscal 2004 more than 80% of all lawn and garden equipment sold in the United States was sold through mass merchandisers such as Sears, Roebuck and Co. (Sears), The Home Depot, Inc. (The Home Depot), Wal*Mart Stores, Inc. (Wal*Mart) and Lowe’s Home Centers, Inc. (Lowe’s). Given the buying power of the mass merchandisers, Briggs & Stratton, through its customers, has continued to experience pricing pressure. Briggs & Stratton expects that this pricing trend will continue in the foreseeable future. Briggs & Stratton believes that a similar trend has developed for its products in industrial and consumer applications outside of the lawn and garden market.

Competition

Briggs & Stratton’s major domestic competitors in engine manufacturing are Tecumseh Products Company (Tecumseh), Honda Motor Co., Ltd. (Honda), Kohler Co. and Kawasaki Heavy Industries, Ltd. (Kawasaki). Several Japanese small engine manufacturers, of which Honda and Kawasaki are the largest, compete directly with Briggs & Stratton in world markets in the sale of engines to other OEMs and indirectly through their sale of end products. Tecumseh Europa S.p.A., located in Italy, is a major competitor in Europe.

Briggs & Stratton believes it has a significant share of the worldwide market for engines that power outdoor equipment.

Briggs & Stratton believes the major areas of competition from all engine manufacturers include product quality, brand strength, price, timely delivery and service. Other factors affecting competition are short-term market share objectives, short-term profit objectives, exchange rate fluctuations, technology, product support and distribution strength. Briggs & Stratton believes its product value and service reputation have given it strong brand name recognition and enhance its competitive position.

Seasonality of Demand

Sales of engines to lawn and garden OEMs are highly seasonal because of consumer buying patterns. The majority of lawn and garden equipment is sold during the spring and summer months when most lawn care and gardening activities are performed. Sales of lawn and garden equipment are also influenced by weather conditions. Sales in Briggs & Stratton’s fiscal third quarter have historically been the highest, while sales in the first fiscal quarter have historically been the lowest.

In order to efficiently use its capital investments and meet seasonal demand for engines, Briggs & Stratton pursues a relatively balanced production schedule throughout the year. The schedule is adjusted to reflect changes in estimated demand, customer inventory levels and other matters outside the control of Briggs & Stratton. Accordingly, inventory levels generally increase during the first and second fiscal quarters in anticipation of customer demand. Inventory levels begin to decrease as sales increase in the third fiscal quarter. This seasonal pattern results in high inventories and low cash flow for Briggs & Stratton in the second and the beginning of the third fiscal quarters. The pattern results in higher cash flow in the latter portion of the third fiscal quarter and in the fourth fiscal quarter as inventories are liquidated and receivables are collected.

Manufacturing

Briggs & Stratton manufactures engines and parts at the following locations: Wauwatosa, Wisconsin; Murray, Kentucky; Poplar Bluff and Rolla, Missouri; Auburn, Alabama; Statesboro, Georgia; and Chongqing, China. Briggs & Stratton has a parts distribution center in Menomonee Falls, Wisconsin.

Briggs & Stratton manufactures a majority of the structural components used in its engines, including aluminum die castings, carburetors and ignition systems. Briggs & Stratton purchases certain parts such as piston rings, spark plugs, valves, ductile and grey iron castings, zinc die castings and plastic components, some stampings and screw machine parts and smaller quantities of other components. Raw material purchases consist primarily of aluminum and steel. Briggs & Stratton believes its sources of supply are adequate.

Briggs & Stratton has joint ventures with Daihatsu Motor Company for the manufacture of engines in Japan and with Starting Industrial of Japan for the production of rewind starters in the U.S.

Briggs & Stratton has a strategic relationship with Mitsubishi Heavy Industries (MHI) for the global distribution of air cooled gasoline engines manufactured by MHI in Japan under Briggs & Stratton's Vanguard™ brand.

Power Products

General

Briggs & Stratton Power Products Group, LLC's (BSPPG) two principal product lines are portable and home stand-by generators ("generators") and pressure washers. BSPPG sells its products through multiple channels of retail distribution, including home centers, warehouse clubs, mass merchants and independent dealers.

BSPPG has assembled a comprehensive after-sales service network in North America for generators and pressure washers comprised of approximately 4,300 authorized independent dealers. BSPPG maintains its independent dealer network for the purpose of providing the after-sales service capability that supports its products.

To support its international business, BSPPG has leveraged the existing Briggs & Stratton worldwide distribution network.

Customers

BSPPG sells to consumer home centers and warehouse clubs, as well as mass merchants and independent dealers. Historically, BSPPG's major customers have been Lowe's, The Home Depot and Sears. Other U.S. retail customers include Tractor Supply Company, Tru-Serv Incorporated, and Wal*Mart.

Competition

The U.S. engine powered equipment industry (the "power products industry"), in which Briggs & Stratton competes is served by approximately five competitors. The principal competitive factors in the power products industry include price, service, product performance, technical innovation and delivery. In the manufacture and sale of generators, BSPPG competes primarily with Coleman Powermate and Honda. In the manufacture and sale of pressure washers, BSPPG competes primarily with DeVilbiss Air Power Company, and to a lesser extent with Coleman Powermate, Alfred Karcher GmbH & Co. and Campbell Hausfeld (part of Berkshire Hathaway, Inc.).

BSPPG believes it has a significant share of the North American market for generators and consumer pressure washers.

Seasonality of Demand

Sales of BSPPG's products are subject to seasonal patterns. Due to seasonal and regional weather factors, sales of pressure washers and related working capital requirements are typically higher during the fiscal third and fourth quarters than at other times of the year. Sales of generators are typically higher during the summer and fall tropical storm seasons.

Manufacturing

BSPPG's U.S. manufacturing facility is located in Jefferson, Wisconsin. BSPPG produces generators and pressure washers at this location.

BSPPG manufactures core components for generators, where such integration improves operating profitability by providing lower costs.

BSPPG purchases engines from its parent, Briggs & Stratton, as well as from Generac Power Systems, Inc. and Honda. BSPPG has not experienced any difficulty obtaining necessary purchased components.

To service BSPPG's international customer base more effectively, BSPPG designs and assembles its international products at its Jefferson, Wisconsin location and through a contract manufacturing arrangement in the Netherlands.

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Consolidated

General Information

Briggs & Stratton holds patents on features incorporated in its products; however, the success of Briggs & Stratton's business is not considered to be primarily dependent upon patent protection. Trademarks, licenses, franchises and concessions are not a material factor in Briggs & Stratton's business.

For the years ending June 27, 2004, June 29, 2003 and June 30, 2002, Briggs & Stratton spent approximately $25.9 million, $26.4 million and $23.7 million, respectively, on research activities relating to the development of new products or the improvement of existing products.

The average number of persons employed by Briggs & Stratton during the fiscal year was 7,438. Employment ranged from a low of 7,094 in September 2003 to a high of 7,732 in June 2004.

Export Sales

Export sales for fiscal 2004, 2003 and 2002 were $336.7 million (17% of net sales), $401.2 million (24% of net sales) and $365.5 million (24% of net sales), respectively. These sales were principally to customers in European countries. Refer to Note 5 of Notes to Consolidated Financial Statements for financial information about geographic areas. Also, refer to Item 7A of this Form 10-K and Note 12 of Notes to Consolidated Financial Statements for information about Briggs & Stratton's foreign exchange risk management.

ITEM 2. PROPERTIES

The corporate offices and one of Briggs & Stratton's engine manufacturing facilities are located in Wauwatosa, Wisconsin. Briggs & Stratton also has engine manufacturing facilities in Murray, Kentucky; Poplar Bluff and Rolla, Missouri; Auburn, Alabama and Statesboro, Georgia. These are owned facilities containing 3.6 million square feet of office and production area. Briggs & Stratton occupies warehouse space totalling approximately 380,000 square feet in Menomonee Falls, Wisconsin under a reservation of interest agreement. Briggs & Stratton also leases warehouse space in the localities of its engine manufacturing facilities, except Wisconsin, totalling 500,000 square feet.

BSPPG's office and domestic manufacturing facility are located in Jefferson, Wisconsin and contain 250,000 square feet of office and production area. BSPPG leases warehouse space totaling 625,000 square feet in three communities in Wisconsin.

The engine business with the OEMs is seasonal, with demand for engines at its height in the winter and early spring. Engine manufacturing operations run at capacity levels during the peak season, with many operations running three shifts. Engine operations generally run fewer shifts in the summer, when demand is weakest and production levels are lower. During the winter, when finished goods inventories reach their highest levels, owned warehouse space may be insufficient and capacity may be expanded through rented space.

Briggs & Stratton leases approximately 360,000 square feet of space to house its foreign sales and service operations in Australia, Austria, Canada, China, the Czech Republic, England, France, Germany, Mexico, the Netherlands, New Zealand, the Philippines, Russia, South Africa, Spain, Sweden, Switzerland and United Arab Emirates.

Briggs & Stratton's owned properties are well maintained. Briggs & Stratton believes that its owned and leased facilities are adequate to perform its operations in a reasonable manner.

ITEM 3. LEGAL PROCEEDINGS

Briggs & Stratton is subject to various unresolved legal actions which arise in the normal course of its business, the most prevalent of which relate to product liability (including asbestos-related liability) and patent and trademark matters.

On June 3, 2004, eight individuals who claim to have purchased lawnmowers in Illinois and Minnesota filed a lawsuit *(Ronnie Phillips et al. v. Sears Roebuck Corporation et al.*, No. 04-L-334 (20th Judicial Circuit, St. Clair County, IL)) against the Company and other defendants alleging that the horsepower labels on the products they purchased were inaccurate. The plaintiffs seek certification of a class of all persons in the United States who, beginning January 1, 1995 through the present, purchased a lawnmower containing a two stroke or four stroke gas combustible engine up to 20 horsepower that was manufactured by defendants.

The complaint seeks an injunction, compensatory and punitive damages, and attorneys' fees. No orders have been entered in the case, and there has been no discovery. The Company intends to vigorously defend this case.

Although it is not possible to predict with certainty the outcome of these unresolved legal actions or the range of possible loss, Briggs & Stratton believes these unresolved legal actions will not have a material effect on its financial position or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders, through the solicitation of proxies or otherwise, during the three months ended June 27, 2004.

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Executive Officers of the Registrant

Name, Age, Position	Business Experience for Past Five Years
JOHN S. SHIELY, 52 Chairman, President and Chief Executive Officer (1)(2)(3)	Mr. Shiely was elected to his current position effective January 2003, after serving as President and Chief Executive Officer since July 2001 and President and Chief Operating Officer since August 1994.
JAMES E. BRENN, 56 Senior Vice President and Chief Financial Officer	Mr. Brenn was elected to his current position in October 1998, after serving as Vice President and Controller since November 1988. He also served as Treasurer from November 1999 until January 2000.
DAVID G. DEBAETS, 41 Vice President and General Manager – Large Engine Division	Mr. DeBaets was elected to his current position effective September 2003. He has served as Vice President and General Manager – Large Engine Division since April 2000. He also served as Vice President and General Manager – Die Cast Components from May 1996 to April 2000.
RICKY T. DILLON, 33 Controller	Mr. Dillon was elected an executive officer effective September 1, 2004. He has served as Controller since March 2002. He previously served for 9 years with Arthur Andersen LLP.
MARK R. HAZELTINE, 61 Vice President and Sales Manager – Consumer Products	Mr. Hazeltine was elected to his current position in May 2002, after serving as Vice President and Sales Manager – Consumer Lawn & Garden since July 1999. He also served as Sales Manager from February 1995 to June 1999.
ROBERT F. HEATH, 56 Secretary	Mr. Heath was elected to his current position in January 2002. He served as Assistant Secretary from January 2001 to December 2001. In addition, Mr. Heath is Vice President and General Counsel and has served in these positions since January 2001. He also served as General Counsel since December 1997.
PAUL M. NEYLON, 57 Senior Vice President – Engine Products Group	Mr. Neylon was elected to his current position in October 2001, after serving as Senior Vice President – Production from August 2000 to October 2001 and as Vice President – Production from May 1999 to July 2000. He previously served as Vice President – Operations Support since January 1999 and prior to that held the position of Vice President and General Manager – Spectrum Division.
WILLIAM H. REITMAN, 48 Vice President – Marketing	Mr. Reitman was elected to his current position effective April 1998. He has served as Vice President – Marketing since November 1995.
STEPHEN H. RUGG, 57 Senior Vice President – Sales and Service	Mr. Rugg was elected to his current position in May 1999, after serving as Vice President – Sales since November 1995.
THOMAS R. SAVAGE, 56 Senior Vice President – Administration	Mr. Savage was elected to his current position effective July 1997, after serving as Vice President – Administration and General Counsel since November 1994. He also served as Secretary from November 1999 to June 2000.

MICHAEL D. SCHOEN, 44 Vice President – International Group	Mr. Schoen was elected to his current position effective July 2001. He was elected an executive officer in August 2000, after serving as Vice President – Operations Support since July 1999. He previously held the position of Vice President – International Operations since July 1996.
VINCENT R. SHIELY, 44 Vice President and General Manager – Engine Products Group (3)	Mr. Shiely was elected to his current position effective September 2002 after serving as Vice President and General Manager – Business Units since December 2001. He also served as Vice President and General Manager – Electrical Products Division since October 1998.
TODD J. TESKE, 39 Senior Vice President and President – Briggs & Stratton Power Products Group, LLC	Mr. Teske was elected to his current position effective September 2003 after serving as Vice President and President – Briggs & Stratton Power Products Group, LLC since February 2003. He also served as Vice President – Corporate Development from March 2001 after serving as Controller since October 1998.
CARITA R. TWINEM, 49 Treasurer	Ms. Twinem was elected to her current position in February 2000, after serving as Tax Director since July 1994.
JOSEPH C. WRIGHT, 45 Vice President and General Manager – Lawn and Garden Division	Mr. Wright was elected to his current position in September 2004. He was elected an executive officer effective September 2002. He previously served as Vice President and General Manager – Small Engine Division since July 1997.

(1) Officer is also a Director of Briggs & Stratton.

(2) Member of Executive Committee.

(3) John S. Shiely and Vincent R. Shiely are brothers.

Officers are elected annually and serve until they resign, die, are removed, or a different person is appointed to the office.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Briggs & Stratton common stock and its common share purchase rights are traded on the NYSE under the symbol "BGG". Information required by this Item is incorporated by reference from the "Quarterly Financial Data, Dividend and Market Information" (unaudited) on page 45.

Changes in Securities, Use of Proceeds and Issuer Purchases of Equity Securities

Briggs & Stratton did not make any purchases of equity securities registered by the Company pursuant to Section 12 of the Exchange Act.

ITEM 6. SELECTED FINANCIAL DATA

Fiscal Year	2004	2003	2002	2001	2000
(dollars in thousands, except per share data)					
SUMMARY OF OPERATIONS [1]					
NET SALES	**$1,947,364**	$1,657,633	$1,529,300	$1,306,638	$1,591,442
GROSS PROFIT ON SALES	**439,872**	328,079	269,964	233,255	338,332
PROVISION FOR INCOME TAXES	**68,890**	37,940	27,390	23,860	80,150
NET INCOME [2]	**136,114**	80,638	53,120	48,013	136,473
PER SHARE OF COMMON STOCK:					
Basic Earnings	**6.01**	3.73	2.46	2.22	5.99
Diluted Earnings	**5.53**	3.49	2.36	2.21	5.97
Cash Dividends	**1.32**	1.28	1.26	1.24	1.20
Shareholders' Investment	**$ 32.05**	$ 23.66	$ 20.78	$ 19.57	$ 18.83
WEIGHTED AVERAGE NUMBER OF SHARES OF COMMON STOCK OUTSTANDING (in 000's)	**22,643**	21,639	21,615	21,598	22,788
DILUTED NUMBER OF SHARES OF COMMON STOCK OUTSTANDING (in 000's)	**25,340**	24,480	24,452	21,966	22,842
OTHER DATA [1]					
SHAREHOLDERS' INVESTMENT	**$ 817,595**	$ 514,987	$ 449,646	$ 422,752	$ 409,465
LONG-TERM DEBT	**360,562**	503,397	499,022	508,134	98,512
TOTAL ASSETS	**1,637,153**	1,475,193	1,356,601	1,306,243	940,950
PLANT AND EQUIPMENT	**867,987**	876,664	879,635	890,191	838,655
PLANT AND EQUIPMENT, NET OF RESERVES	**356,542**	370,784	395,215	416,361	395,580
PROVISION FOR DEPRECIATION	**59,816**	58,325	61,091	56,117	51,097
EXPENDITURES FOR PLANT AND EQUIPMENT	**52,962**	40,154	43,928	61,322	71,441
WORKING CAPITAL	**$ 681,432**	$ 505,752	$ 411,241	$ 381,443	$ 170,326
Current Ratio	**3.3 to 1**	2.7 to 1	2.6 to 1	2.6 to 1	1.5 to 1
NUMBER OF EMPLOYEES AT YEAR-END	**7,732**	7,249	6,971	6,974	7,233
NUMBER OF SHAREHOLDERS AT YEAR-END	**4,230**	4,503	4,686	4,129	4,385
QUOTED MARKET PRICE:					
High	**$ 88.44**	$ 51.50	$ 48.39	$ 48.38	$ 63.63
Low	**$ 49.35**	$ 30.75	$ 29.65	$ 30.38	$ 31.00

(1) The amounts include the acquisition of BSPPG since May 15, 2001. Refer to the Notes to Consolidated Financial Statements.

(2) Fiscal year 2000 includes a $10.4 million gain on the disposition of foundry assets.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Acquisition

On July 7, 2004 Briggs & Stratton Corporation and its subsidiary, Briggs & Stratton Power Products Group, LLC, acquired Simplicity Manufacturing, Inc. ("Simplicity") for $227 million plus certain transaction related expenses. Simplicity designs, manufactures and markets a wide variety of premium yard and garden tractors, lawn tractors, riding mowers, snow throwers, attachments, and other lawn and garden products like rototillers and chipper shredders. See Note 15 of the Notes to Consolidated Financial Statements for additional information on this acquisition. The following Management Discussion and Analysis does not include a discussion of Simplicity's operating results because this transaction occurred subsequent to our fiscal year-end.

Results of Operations

FISCAL 2004 COMPARED TO FISCAL 2003

Net Sales

Fiscal 2004 consolidated net sales were approximately $1.9 billion, an increase of $290 million, or 17% compared to the previous year. The improvement was driven primarily by increased sales volume in both Segments. Engine Segment net sales were $1.6 billion in fiscal 2004, an increase of $189 million or 13% compared to the prior year. Engine Segment increases were driven by an 11% increase in unit volume resulting in $163 million in net sales. $59 million or 4% of the increase in engine unit volume is attributable to sales to our Power Products Segment. Lawn and garden sales volume gains were driven by a strong selling season at retail. Inventory levels were low at the major original equipment manufacturers going into this fiscal year. As a result, the demand for engines was high all year long in anticipation of a strong season, which materialized. We believe the volume increase is reflective of market growth and market penetration in the U.S. While our European sales unit volume was down due to the drought conditions in Europe during much of fiscal 2004, the Euro exchange rate drove a $26 million increase in net sales. Power Products net sales were $489 million in fiscal 2004, an increase of $160 million, or 48%, over fiscal 2003. Generator volume benefited significantly by the wide spread power outages that occurred in the first quarter of fiscal 2004, as a result of the eastern electrical grid failure and the landfall of a major hurricane. There were no major power outages in fiscal 2003. These events, along with increased marketing efforts, increased consumer awareness which continued to drive the demand for generators higher in fiscal 2004. Pressure washer net sales gains were driven by continued advertising and promotions at major retailers, consistent with programs launched in the prior year and increased placement at a major retailer.

Gross Profit

Consolidated gross profit increased $112 million between years. Volume increases generated $76 million of the improvement; with approximately $60 million from increases in the Engine Segment and the remainder from the Power Products Segment. The remaining $36 million of gross margin increases came from gross margin percentage improvements in the Engine Segment. Engine Segment margins improved from 20% to 24%. Pricing improvement due to the impact of a stronger Euro on European sales contributed $26 million to the improvement. A 14% increase in production volume contributed $18 million in absorption benefits and our manufacturing cost reduction programs contributed an additional $14 million to the improvement. These positive margin enhancers were partially offset by a $22 million net increase in manufacturing costs, primarily overhead, raw materials and component costs. These cost increases reflect initiatives by many vendors to pass along higher costs due to price pressures on scrap aluminum and steel. We expect these cost increases to continue in fiscal 2005. We currently anticipate that our cost reduction programs and sales pricing initiatives should offset these higher costs. The Power Products Segment margin was at 12% in both fiscal 2004 and fiscal 2003. A 55% production volume improvement and manufacturing cost reduction efforts were offset by increased purchased component costs. The Power Products Segment purchases a major pressure washer component from a European supplier in Euros. In fiscal 2004 the Euro purchases reduced gross margins of the Power Products Segment by approximately $12 million. Under the Company's foreign currency management program, this negative impact on margins was offset by the positive impact of the Euro discussed for the Engine Segment.

Engineering, Selling, General and Administrative Costs

Engineering, selling, general and administrative costs increased $28 million or 15% compared to fiscal 2003. Increases in this category include salaries and fringe benefit cost increases of approximately $6 million, professional services of $6 million, marketing cost increases of $5 million and international variable selling cost increases of $6 million. In addition, $2 million of the increase is attributable to bad debt expense associated with a prior fiscal year customer bankruptcy. The increases in salaries and fringe benefits reflect increased incentive compensation awards in the current year, as well as increased employee benefit costs, essentially pension and health care. The increase in professional services is attributable to several consulting projects related to our distributor channels, emissions regulations and Sarbanes-Oxley compliance efforts. Increased marketing costs were driven by increased spending on Power Products' market expansion and international marketing efforts. Increases in international variable selling costs include $2 million attributable to translating Euro denominated expenditures by a stronger Euro.

Interest Expense

Interest expense decreased $3 million in fiscal 2004 compared to fiscal 2003. The decrease is essentially the result of reduced working capital borrowings in the current year and the impact of a fixed to variable interest rate swap. On March 16, 2004, the Company called for the redemption of its $140 million 5% convertible senior notes due in 2006. Substantially all of the holders of the notes exercised their conversion rights prior to the redemption date of May 15, 2004. This resulted in the issuance of approximately three million treasury shares in May 2004 and the write-off of approximately $2 million in deferred financing costs. The redemption of these bonds eliminated all convertible debt and reduced our long-term debt to approximately $361 million. The redemption will also eliminate approximately $7 million in interest expense in fiscal 2005. In April 2004, all interest rate swaps were terminated resulting in a net gain of approximately $500 thousand.

Other Income

Other income remained at approximately $9 million in fiscal 2004, consistent with prior years. Refer to Note 8 of the Notes to Consolidated Financial Statements for detail of the components of other income.

Provision for Income Taxes

The effective tax rate increased from 32% in fiscal 2003 to 34% in fiscal 2004. The rate reflects less of a benefit from foreign and state tax credits. Earnings from some of our foreign subsidiaries was down due to market conditions, while the domestic income contribution increased. The impact of lower tax credits was offset by a reduction in the tax provision due to the closing of a tax audit year and recording additional tax benefits related to the filing of our fiscal 2003 income tax return.

FISCAL 2003 COMPARED TO FISCAL 2002

Net Sales

Fiscal 2003 consolidated net sales were approximately $1.7 billion, an increase of $128 million, or 8% compared to the previous year. Power Products sales increased $105 million, accounting for the majority of the increase. Generator sales increased $54 million to $152 million, up from $98 million in 2002. Fiscal 2003 marked the return of significant demand-creating events such as hurricanes and ice storms after a two-year absence of significant activity. The generator market decreased significantly after the record demand created by the concern over year 2000 issues. We do not believe this market to be mature and have developed marketing campaigns to increase brand awareness and drive purchase decisions. We believe our efforts have generated demand resulting in increased household penetration. Our marketing efforts in fiscal 2003 included retailer specific flyers and promotions, national and regional advertising, and television and radio ads. We believe the return of weather events and our cooperative promotional activities together resulted in the sales increase in fiscal 2003. Pressure washer sales increased $49 million to $164 million, up from $115 million in fiscal 2002. Pressure washer sales also benefited from similar promotional campaigns, as described above. The remainder of the consolidated sales increase was attributable to the Engine Segment. Improved engine unit volume resulted in a $28 million sales increase and greater volume in component parts and international service sales provided another $22 million sales increase. The remainder of the increase was primarily price improvement on international sales, as a result of a stronger Euro. Offsetting the Engine Segment improvements were $46 million of increased sales to the Power Products Segment that were eliminated in consolidation. Engine Segment volume improvements were driven by market growth.

Gross Profit

Consolidated gross profit increased $58 million over the previous year. Volume increases generated $23 million of the improvement, with approximately $13 million from volume increases in the Engine Segment and the remainder from the Power Products Segment volume. The remaining $35 million of gross margin increases came from improvements in gross margin percentages in both business Segments. Engines improved from 18% to 20% and Power Products improved from 10% to 12%. The gross margin percentage change in Engines resulted in approximately $28 million of improvement to gross margins between years. Pricing improvement, primarily due to the impact on European sales of a stronger Euro, contributed $12 million to the improvement and net reductions in manufacturing costs and an 11% increase in production volume each provided another $8 million of gross margin improvement.

On an ongoing basis we challenge our operations group to lower our manufacturing costs in order to remain competitive in the marketplace. Historical areas of focus have been product engineering, labor productivity, controllable overhead spending, warranty and quality costs, as well as purchased component pricing. While none of these items account for an individually significant portion of our savings, the net impact across our six production facilities was a reduction in cost of $8 million.

The Power Products gross margin percentage increase of 2% resulted in approximately $7 million of improved gross margin. A 59% production volume increase was the primary driver of the improvement. As previously discussed, an increase in weather related events and promotional activities increased demand for generators and pressure washers in fiscal 2003. The increased demand allowed us to increase production volume between years.

Engineering, Selling, General and Administrative Costs

Engineering, selling, general and administrative costs increased $24 million or 16% compared to fiscal 2002. Increases in this category include salaries and fringe benefit cost increases of approximately $13 million, marketing cost increases of $6 million and international variable selling cost increases of $4 million. The increases in salaries and fringe benefits reflect increased incentive compensation awards in fiscal 2003, as well as increased employee benefit costs, essentially pension and health care. Increased marketing costs were driven by increased spending on Power Products market expansion and international marketing efforts.

Interest Expense

Interest expense decreased $4 million in fiscal 2003 compared to fiscal 2002. The decrease is essentially the result of reduced working capital borrowings in the current year and the impact of a fixed to variable interest rate swap.

Other Income

Other income remained at $9 million in fiscal 2003, consistent with prior years. Refer to Note 8 of the Notes to Consolidated Financial Statements for detail as to the components of other income.

Provision for Income Taxes

The effective tax rate decreased from 34% in fiscal 2002 to 32% in fiscal 2003. This decrease is attributable to tax credits related to increased foreign sourced income.

Liquidity and Capital Resources

FISCAL YEARS 2004, 2003 AND 2002

Cash flows from operating activities were $46 million, $167 million and $200 million, in fiscal 2004, 2003 and 2002, respectively.

The fiscal 2004 cash flow from operating activities were $122 million lower than the prior year. Fiscal 2004 experienced a significant increase in inventory levels, which reduced cash flows from operating activities by $129 million in fiscal 2004 and $117 million between years. Engine inventories increased $76 million between years. This increase is attributable to strong production levels through the end of the fiscal year driven by a strong selling season at retail. In addition we believe that the increased inventory is needed to meet our forecast for fiscal 2005. Our Power Products Segment also experienced an increase in inventory levels of $53 million between years. This increase in inventory reflects strong production levels throughout the year in order to replenish depleted inventories after the demand creating events for generators in the current year. The current inventory levels reflect our judgment of levels needed to maintain our position as the market leader in responsiveness to customer demand. Pressure washer inventory levels reflect increasing demand for the product due to significant market growth in the category. Inventory on hand will always reflect demand and our ability to respond to market changes at our production facilities in a timely manner.

Also contributing to the lower cash flows from operating activities were increased receivables growth between years of $23 million, which reflects our sales growth at both Segments and timing of payments, lower payable increases between years of $40 million and lower deferred tax provisions between years of $11 million. Offsetting these reductions in cash flows were increased earnings of $55 million, a reduction in prepaid expenses between years of $7 million and lower pension income of $7 million.

The fiscal 2003 cash flow from operating activities was $32 million lower than the prior year. Fiscal 2003 did not experience the significant reduction in inventory investment experienced in fiscal 2002, which caused cash flows to be $134 million less between years. Inventory levels are a function of planned production levels based on anticipated demand, contrasted with actual sell through of product at retail. In fiscal 2001 the market was soft resulting in lower than anticipated sales for the year and increased inventory levels throughout the channel. As a result of the unusually high inventory levels at the end of fiscal 2001, we lowered our planned production in 2002. The 2002 lawn and garden selling season was strong, and we were successful in getting our inventory levels back to a level we considered normal. The fiscal 2003 selling season was also strong resulting in no significant change in our inventory levels.

Offsetting this reduction in cash flow were improved cash flows related to increased earnings of $28 million, a lower accounts receivable increase between years of $51 million and higher current liabilities of $19 million. Accounts receivable levels increased in fiscal 2002 because of strong fourth quarter sales versus the prior year. Sales strength in the fourth quarter was similar between fiscal 2003 and 2002 resulting in an accounts receivable balance that did not change significantly. Current liabilities, primarily accruals for profit sharing were greater between years because better performance in fiscal 2003 resulted in larger bonus awards than the prior year.

Cash used in investing activities was $42 million, $27 million and $38 million in fiscal 2004, 2003 and 2002, respectively. Cash flows include capital expenditures of $53 million, $40 million and $44 million in fiscal 2004, 2003 and 2002, respectively. These capital expenditures relate primarily to reinvestment in equipment, capacity additions and new products.

In fiscal 2004, Briggs & Stratton received $6 million as a refund of a portion of the cash paid for the BSPPG acquisition in fiscal 2001. The amount was to adjust the original purchase price for the actual value received in acquired receivables and inventory.

In fiscal 2003, Briggs & Stratton increased its investment in its China joint venture from 52% to 90%. This increase in ownership interest gave Briggs & Stratton control over the joint venture. Accordingly, its operating results are now reflected in Briggs & Stratton's consolidated financial statements. The actual cash outlay in fiscal 2003 for the restructuring was $343 thousand; however, the consolidation resulted in an increase in cash of approximately $4 million.

Briggs & Stratton provided cash from financing activities totaling $13 million in fiscal 2004. Briggs & Stratton used cash in financing activities totaling $37 million and $38 million in fiscal 2003 and 2002, respectively. During fiscal 2004 the company received $45 million from the exercise of stock options as opposed to $5 million and $1 million in fiscal 2003 and 2002, respectively. The stock option activity is a direct reflection of option strike prices, which encouraged the exercise of the options. During fiscal 2003 the Company paid down $15 million of its short-term loans and notes payable. These loans were primarily used to fund the short-term working capital needs of Briggs & Stratton's foreign operations. Given the level of cash flows the last two fiscal years and the available cash on hand, Briggs & Stratton made the decision to pay off these borrowings and fund these operations with available cash. Briggs & Stratton did not use its revolver to finance working capital needs during fiscal 2004. In fiscal 2004 Briggs & Stratton also incurred $2 million to negotiate a new revolving credit agreement. During fiscal 2002 Briggs & Stratton repaid $10 million of its 7.25% Senior Notes due in 2007.

Future Liquidity and Capital Resources

As previously noted, Briggs & Stratton acquired Simplicity Manufacturing, Inc. in July of fiscal 2005, using its available cash. We don't believe the acquisition of Simplicity will significantly alter our future liquidity and capital needs given its profitability and existing receivable financing arrangements.

Briggs & Stratton has negotiated a new five-year $275 million revolving credit facility that expires in May 2009. This credit facility will be used to fund seasonal working capital requirements and other financing needs. This facility and Briggs & Stratton's other indebtedness contain certain restrictive covenants described in Note 7 of the Notes to Consolidated Financial Statements. Because of our financial strength we were able to negotiate less restrictive covenants under the new revolving credit facility, specifically the covenants do not include the springing lien provisions of our previous credit facility.

Briggs & Stratton expects capital expenditures to be $87 million in fiscal 2005. These anticipated expenditures reflect our plans to continue to reinvest in equipment, new products, and capacity enhancements.

Management believes that available cash, the credit facility, cash generated from future operations, existing lines of credit and access to debt markets will be adequate to fund Briggs & Stratton's capital requirements for the foreseeable future.

Financial Strategy

Management believes that the value of Briggs & Stratton is enhanced if the capital invested in operations yields a cash return that is greater than the cost of capital. Consequently, management's first priority is to reinvest capital into physical assets and products that maintain or grow the global cost leadership and market positions that Briggs & Stratton has achieved, and drive the economic value of the Company. Management's next financial objective is to identify strategic acquisitions or alliances that enhance revenues and provide a superior economic return. Several successful joint ventures and the acquisition of BSPPG are examples of our successful execution of this strategy. Finally, management believes that when capital cannot be invested for returns greater than the cost of capital, we should return capital to the capital providers. This approach is apparent in the programs we executed to repurchase common stock from fiscal 1997 through 2001.

Off-Balance Sheet Arrangements

Briggs & Stratton has no off-balance sheet arrangements or significant guarantees to third parties not fully recorded in our Balance Sheets or fully disclosed in our Notes to Consolidated Financial Statements. Briggs & Stratton's significant contractual obligations include our debt agreements and certain employee benefit plans.

Briggs & Stratton is subject to financial and operating restrictions in addition to certain financial covenants under its domestic debt agreements. As is fully disclosed in Note 7 of the Notes to Consolidated Financial Statements, these restrictions could limit our ability to: pay dividends; incur further indebtedness; create liens; enter into sale and/or leaseback transactions; consolidate, sell or lease all or substantially all of our assets; and dispose of assets or the proceeds of our assets. We believe we will remain in compliance with these covenants in fiscal 2005. Briggs & Stratton has obligations concerning certain employee benefits including its pension plans, post retirement benefit obligations and deferred compensation arrangements. All of these obligations are recorded on our Balance Sheets and disclosed more fully in the Notes to Consolidated Financial Statements.

Contractual Obligations

A summary of the Company's expected payments for significant contractual obligations as of June 27, 2004 is as follows (in thousands):

	2005	2006-2007	2008-2009	Thereafter	Total
Long-Term Debt	$ —	$ 89,403	$ —	$271,159	$360,562
Interest on Long-Term Debt	30,931	57,512	48,812	42,710	179,965
Operating Leases	7,552	6,845	2,794	1,265	18,456
	$38,483	$153,760	$51,606	$315,134	$558,983

As of June 27, 2004, the Company had no material purchase obligations other than those created in the ordinary course of business related to inventory and property, plant and equipment which generally have terms of less than 90 days. The Company also has long-term obligations related to its pension and postretirement plans which are discussed in detail in Note 13 to the financial statements. As of its most recent actuarial measurement date, no pension plan contributions are required in fiscal 2005, and postretirement medical claims are paid as they are submitted.

Other Matters

Early Retirement Incentive Program

In the second quarter of fiscal 2002, Briggs & Stratton offered and finalized an early retirement incentive program. The net reduction in the global salaried workforce was approximately 7%.

The impact for fiscal year 2002 was a reduction in net income on an after-tax basis of $2.5 million, after consideration of approximately $3 million in savings for lower salary related expenditures. The majority of the impact on net income was the result of recognizing the cost of the special termination benefits, which reduced net periodic pension income.

Labor Agreement

Briggs & Stratton has collective bargaining agreements with its unions. These agreements expire in 2006 for the Engines Segment and in 2007 for the Power Products Segment.

Emissions

The U.S. Environmental Protection Agency (EPA) has developed national emission standards under a two phase process for small air cooled engines. Briggs & Stratton currently has a complete product offering which complies with the EPA’s Phase I engine emission standards. The Phase II program imposes more stringent standards over the useful life of the engine and is being phased in through 2005 for Class II (225 or greater cubic centimeter) displacement engines and through 2008 for Class I (under 225 cubic centimeter) displacement engines. The majority of Briggs & Stratton’s engines are certified to be compliant with the EPA’s Phase II standards. Accordingly, Briggs & Stratton does not believe compliance with the new standards will have a material adverse effect on its financial position or results of operations.

EPA is also evaluating the development of Phase III standards to further reduce engine exhaust emissions and to control evaporative emissions from small off-road engines and equipment they are used in. A draft regulation is scheduled for publication by the end of calendar year 2004. We cannot predict the scope of any proposal or of the final regulations that EPA may ultimately adopt, and accordingly cannot estimate what, if any, impact such regulations could have on future financial performance.

The California Air Resources Board (CARB) staff issued a revised proposed Tier 3 regulation requiring additional reductions to engine exhaust emissions and also requiring new controls on evaporative emissions from small engines. The CARB staff proposal is phased in between 2006 and 2008 depending upon the size of the engine and type of control. While Briggs & Stratton believes the cost of the proposed regulation on a per engine basis may be significant, Briggs & Stratton does not believe the CARB staff proposal will have a material effect on its financial condition or results of operations. This assessment is based on a number of factors, including the “Bond Amendment” which precludes other states from opting into the California standard, revisions CARB made to its proposal from that published in September 2003 in response to recommendations from Briggs & Stratton and others in the regulated category, the fact that California represents a relatively small percentage of Briggs & Stratton’s engine sales and our ability and intention to pass increased costs associated with the CARB regulation on to California consumers.

The European Commission adopted an engine emission Directive regulating exhaust emissions from engines manufactured by Briggs & Stratton. The European Directive parallels the regulation previously promulgated by the U.S. EPA; therefore, Briggs & Stratton anticipates having a full product line offering which complies with Stage I and II of the Directive. Briggs & Stratton does not believe compliance with the new Directive will have a material adverse effect on its financial position or results of operations.

Critical Accounting Policies

Briggs & Stratton’s critical accounting policies are more fully described in Note 2 and Note 9 of the Notes to Consolidated Financial Statements. As discussed in Note 2, the preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes. Future events and their effects cannot be determined with absolute certainty. Therefore, the determination of estimates requires the exercise of judgment. Actual results inevitably will differ from those estimates, and such differences may be material to the financial statements.

The most significant accounting estimates inherent in the preparation of our financial statements include estimates as to the recovery of accounts receivable and inventory reserves, as well as those used in the determination of liabilities related to customer rebates, pension obligations, postretirement benefits, warranty, product liability, litigation and taxation.

The reserves for customer rebates, warranty, product liability, inventory reserves and doubtful accounts are fact specific and take into account such factors as specific customer situations, historical experience, and current and expected economic conditions. Changes in these reserves may be required if actual experience differs from the original estimates.

The Company's estimate of income taxes payable, deferred income taxes, and the effective tax rate is based on a complex analysis of many factors including interpretations of Federal, state and foreign income tax laws, the difference between tax and financial reporting basis of assets and liabilities, estimates of amounts currently due or owed in various jurisdictions, and current accounting standards. We review and update our estimates on a quarterly basis as facts and circumstances change and actual results are known. In addition, Federal, state and foreign taxing authorities periodically review the Corporation's estimates and interpretation of income tax laws. Adjustments to the effective income tax rate and recorded assets and liabilities may occur in future periods if actual results differ significantly from original estimates and interpretations.

The pension benefit obligation and related pension income are calculated in accordance with Statement of Financial Accounting Standard (SFAS) No. 87, "Employers Accounting for Pensions", and are impacted by certain actuarial assumptions, including the discount rate and the expected rate of return on plan assets. These rates are evaluated on an annual basis considering such factors as market interest rates and historical asset performance. Actuarial valuations at June 27, 2004 used a discount rate of 6.25% and an expected rate of return on plan assets of 8.75%. A 0.25% decrease in the discount rate would decrease annual pension income by approximately $1.3 million. A 0.25% decrease in the expected return on plan assets would decrease our annual pension income by approximately $2.0 million.

The Other Postretirement Benefits Obligation and related expense charge are calculated in accordance with SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" and are impacted by certain actuarial assumptions, including the health care trend rate. An increase of one percentage point in health care costs would increase the accumulated postretirement benefit obligation by $16.1 million and would increase the service and interest cost by $900 thousand. A corresponding decrease of one percentage point, would decrease the accumulated postretirement benefit by $15.0 million and decrease the service and interest cost by $900 thousand.

New Accounting Pronouncements

In January 2003, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 46 (Revised December 2003), "Consolidation of Variable Interest Entities, and an Interpretation of ARB No. 51". This statement addresses the consolidation by business enterprises of variable interest entities ("VIEs"), as defined by the statement. The Company has adopted the provisions of this statement, evaluated its interest in VIEs and determined it is not the primary beneficiary of any VIEs. The Company also does not believe its variable interest in any VIE is significant to its financial statements taken as a whole. As such, the adoption of this statement did not have an effect on the Company's financial condition or results of operations.

In December 2003, the FASB revised SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits". This statement revises employers' disclosure about pension plans and other postretirement benefit plans. It does not change the measurement or recognition of those plans required by SFAS No. 87, "Employers' Accounting for Pensions", SFAS No. 88, "Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits", and SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions". It requires additional disclosures to those in the original SFAS No. 132. The adoption of this statement had no effect on the Company's financial condition or results of operations.

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ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Briggs & Stratton is exposed to market risk from changes in foreign exchange and interest rates. To reduce the risk from changes in foreign exchange rates, Briggs & Stratton uses financial instruments. Briggs & Stratton does not hold or issue financial instruments for trading purposes.

Foreign Currency

Briggs & Stratton's earnings are affected by fluctuations in the value of the U.S. dollar against the Japanese Yen and the Euro. The Yen is used to purchase engines from Briggs & Stratton's joint venture. Briggs & Stratton purchases components in Euros from third parties and receives Euros for certain products sold to European customers. Forward foreign exchange contracts are used to partially hedge against the earnings effects of such fluctuations. At June 27, 2004, Briggs & Stratton had the following forward foreign exchange contracts outstanding with the Fair Value (Gains) Losses shown (in thousands):

Hedge Currency	Notional Value	Fair Market Value	Conversion Currency	(Gain)/Loss at Fair Value
Japanese Yen	1,680,000	$ 15,698	U.S.	$ (171)
Euro	87,000	$105,747	U.S.	$ 2,839
Australian Dollars	375	$ 261	U.S.	$ 14

All of the above contracts expire within twelve months.

Fluctuations in currency exchange rates may also impact the shareholders' investment in Briggs & Stratton. Amounts invested in Briggs & Stratton's non-U.S. subsidiaries are translated into U.S. dollars at the exchange rates in effect at fiscal year-end. The resulting cumulative translation adjustments are recorded in Shareholders' Investment as Accumulated Other Comprehensive Income. The cumulative translation adjustments component of Shareholders' Investment increased $3.0 million during the year. Using the year-end exchange rates, the total amount invested in non-U.S. subsidiaries on June 27, 2004 was $59.4 million.

Interest Rates

Briggs & Stratton is exposed to interest rate fluctuations on its borrowings. Depending on general economic conditions, Briggs & Stratton has typically used variable rate debt for short-term borrowings and fixed rate debt for longer-term borrowings.

On June 27, 2004, Briggs & Stratton had the following short-term loans outstanding (in thousands):

Currency	Amount	Weighted Average Interest Rate
Australian Dollars	1,000	7.01%
Euro	993	8.00%
U.S. Dollars	1,220	2.98%

These loans carry variable interest rates. Assuming borrowings are outstanding for an entire year, an increase (decrease) of one percentage point in the weighted average interest rate, would increase (decrease) interest expense by $32 thousand.

Long-term loans, net of unamortized discount, consisted of the following (in thousands):

Description	Amount	Maturity
7.25% Notes	$ 89,403	2007
8.875% Notes	$271,159	2011

These loans carry fixed rates of interest.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Consolidated Balance Sheets

AS OF JUNE 27, 2004 AND JUNE 29, 2003
(in thousands)

	2004	2003
ASSETS		
CURRENT ASSETS:		
Cash and Cash Equivalents	**$ 342,394**	$ 324,815
Receivables, Less Reserves of $1,584 and $1,780, Respectively	**230,510**	201,948
Inventories:		
Finished Products and Parts	**206,638**	128,998
Work in Process	**124,483**	76,929
Raw Materials	**6,610**	3,211
Total Inventories	**337,731**	209,138
Deferred Income Tax Asset	**47,623**	48,674
Prepaid Expenses and Other Current Assets	**23,735**	22,572
Total Current Assets	**981,993**	807,147
GOODWILL	**151,991**	159,756
INVESTMENTS	**49,259**	44,175
PREPAID PENSION	**81,730**	74,005
DEFERRED LOAN COSTS, Net	**6,325**	8,314
OTHER LONG-TERM ASSETS, Net	**9,313**	11,012
PLANT AND EQUIPMENT:		
Land and Land Improvements	**16,027**	15,938
Buildings	**163,621**	156,823
Machinery and Equipment	**674,047**	689,100
Construction in Progress	**14,292**	14,803
	867,987	876,664
Less - Accumulated Depreciation	**511,445**	505,880
Total Plant and Equipment, Net	**356,542**	370,784
	$1,637,153	$1,475,193

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

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AS OF JUNE 27, 2004 AND JUNE 29, 2003
(in thousands, except per share data)

	2004	2003
LIABILITIES AND SHAREHOLDERS' INVESTMENT		
CURRENT LIABILITIES:		
Accounts Payable	**$ 120,409**	$ 134,441
Domestic Notes Payable	**1,220**	2,075
Foreign Loans	**1,907**	865
Accrued Liabilities:		
Wages and Salaries	**55,528**	44,667
Warranty	**43,148**	47,590
Accrued Postretirement Health Care Obligation	**22,000**	17,000
Other	**56,349**	54,757
Total Accrued Liabilities	**177,025**	164,014
Total Current Liabilities	**300,561**	301,395
DEFERRED REVENUE ON SALE OF PLANT AND EQUIPMENT	**14,929**	15,163
DEFERRED INCOME TAX LIABILITY	**70,454**	57,917
ACCRUED PENSION COST	**20,603**	20,368
ACCRUED EMPLOYEE BENEFITS	**14,201**	13,901
ACCRUED POSTRETIREMENT HEALTH CARE OBLIGATION	**38,248**	48,065
LONG-TERM DEBT	**360,562**	503,397
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' INVESTMENT:		
Common Stock -		
Authorized 60,000 Shares $.01 Par Value, Issued 28,927 Shares	**289**	289
Additional Paid-in Capital	**48,657**	35,074
Retained Earnings	**927,766**	822,060
Accumulated Other Comprehensive Income (Loss)	**4,028**	(734)
Unearned Compensation on Restricted Stock	**(1,490)**	(287)
Treasury Stock at cost, 3,382 Shares in 2004 and 7,142 Shares in 2003	**(161,655)**	(341,415)
Total Shareholders' Investment	**817,595**	514,987
	$1,637,153	$1,475,193

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

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Consolidated Statements of Earnings

FOR THE FISCAL YEARS ENDED JUNE 27, 2004, JUNE 29, 2003 AND JUNE 30, 2002
(in thousands, except per share data)

	2004	2003	2002
NET SALES	**$1,947,364**	$1,657,633	$1,529,300
COST OF GOODS SOLD	**1,507,492**	1,329,554	1,259,336
Gross Profit on Sales	**439,872**	328,079	269,964
ENGINEERING, SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	**205,663**	178,157	153,712
Income from Operations	**234,209**	149,922	116,252
INTEREST EXPENSE	**(37,665)**	(40,389)	(44,433)
OTHER INCOME, Net	**8,460**	9,045	8,691
Income Before Provision for Income Taxes	**205,004**	118,578	80,510
PROVISION FOR INCOME TAXES	**68,890**	37,940	27,390
NET INCOME	**$ 136,114**	$ 80,638	$ 53,120
Weighted Average Shares Outstanding	**22,643**	21,639	21,615
BASIC EARNINGS PER SHARE	**$ 6.01**	$ 3.73	$ 2.46
Diluted Average Shares Outstanding	**25,340**	24,480	24,452
DILUTED EARNINGS PER SHARE	**$ 5.53**	$ 3.49	$ 2.36

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

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Consolidated Statements of Shareholders' Investment

FOR THE FISCAL YEARS ENDED JUNE 27, 2004, JUNE 29, 2003 AND JUNE 30, 2002
(in thousands, except per share data)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Unearned Compensation on Restricted Stock	Treasury Stock	Comprehensive Income
BALANCES, JULY 1, 2001	$ 289	$ 36,043	$ 743,230	$ (6,182)	$ (305)	$ (350,323)	
Comprehensive Income:							
Net Income	—	—	53,120	—	—	—	$ 53,120
Foreign Currency Translation Adjustments	—	—	—	4,017	—	—	4,017
Unrealized Loss on Marketable Securities, net of tax of $(95)	—	—	—	(148)	—	—	(148)
Unrealized Loss on Derivatives	—	—	—	(4,313)	—	—	(4,313)
Total Comprehensive Income	—	—	—	—	—	—	$ 52,676
Cash Dividends Paid ($1.26 per share)	—	—	(27,219)	—	—	—	
Exercise of Stock Options	—	(576)	—	—	—	1,877	
Amortization of Unearned Compensation	—	—	—	—	106	—	
Shares Issued to Directors	—	(8)	—	—	—	38	
BALANCES, JUNE 30, 2002	$ 289	$ 35,459	$ 769,131	$ (6,626)	$ (199)	$ (348,408)	
Comprehensive Income:							
Net Income	—	—	80,638	—	—	—	$ 80,638
Foreign Currency Translation Adjustments	—	—	—	4,454	—	—	4,454
Unrealized Gain on Marketable Securities, net of tax of $581	—	—	—	901	—	—	901
Unrealized Gain on Derivatives	—	—	—	3,100	—	—	3,100
Minimum Pension Liability Adjustment, net of tax of $(1,638)	—	—	—	(2,563)	—	—	(2,563)
Total Comprehensive Income	—	—	—	—	—	—	$ 86,530
Cash Dividends Paid ($1.28 per share)	—	—	(27,709)	—	—	—	
Exercise of Stock Options	—	(234)	—	—	—	5,835	
Restricted Stock Issued	—	(97)	—	—	(238)	335	
Amortization of Unearned Compensation	—	—	—	—	150	—	
Issuance of Treasury Shares	—	(44)	—	—	—	760	
Shares Issued to Directors	—	(10)	—	—	—	63	
BALANCES, JUNE 29, 2003	**$ 289**	**$ 35,074**	**$ 822,060**	**$ (734)**	**$ (287)**	**$ (341,415)**	
Comprehensive Income:							
Net Income	—	—	**136,114**	—	—	—	**$ 136,114**
Foreign Currency Translation Adjustments	—	—	—	**3,042**	—	—	**3,042**
Unrealized Gain on Derivatives	—	—	—	**487**	—	—	**487**
Minimum Pension Liability Adjustment, net of tax of $(788)	—	—	—	**1,233**	—	—	**1,233**
Total Comprehensive Income	—	—	—	—	—	—	**$ 140,876**
Cash Dividends Paid ($1.32 per share)	—	—	**(30,408)**	—	—	—	
Exercise of Stock Options	—	**7,667**	—	—	—	**41,194**	
Restricted Stock Issued	—	**322**	—	—	**(1,494)**	**1,171**	
Amortization of Unearned Compensation	—	—	—	—	**291**	—	
Issuance of Treasury Shares	—	**5,546**	—	—	—	**137,270**	
Shares Issued to Directors	—	**48**	—	—	—	**125**	

BALANCES, JUNE 27, 2004	**$ 289**	**$ 48,657**	**$927,766**	**$ 4,028**	**$ (1,490)**	**$(161,655)**

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

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Consolidated Statements of Cash Flows

FOR THE FISCAL YEARS ENDED JUNE 27, 2004, JUNE 29, 2003 AND JUNE 30, 2002
(in thousands)

	2004	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income	**$ 136,114**	$ 80,638	$ 53,120
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	**66,898**	63,526	65,968
Equity in Earnings of Unconsolidated Affiliates	**(7,876)**	(5,224)	(6,181)
Loss on Disposition of Plant and Equipment	**7,390**	3,850	3,192
Provision for Deferred Income Taxes	**12,800**	24,278	20,286
Change in Operating Assets and Liabilities, Net of Effects of Acquisition:			
Increase in Receivables	**(28,588)**	(5,958)	(56,684)
(Increase) Decrease in Inventories	**(128,594)**	(11,932)	121,713
Decrease (Increase) in Prepaid Expenses and Other Current Assets	**2,017**	(4,663)	(1,519)
Increase in Accounts Payable, Accrued Liabilities and Income Taxes	**4,696**	44,321	24,979
Increase in Prepaid Pension	**(6,070)**	(13,566)	(22,812)
Other, Net	**(13,023)**	(7,875)	(2,245)
Net Cash Provided by Operating Activities	**45,764**	167,395	199,817
CASH FLOWS FROM INVESTING ACTIVITIES:			
Additions to Plant and Equipment	**(52,962)**	(40,154)	(43,928)
Proceeds Received on Disposition of Plant and Equipment	**720**	3,464	406
Refund of Cash Paid for Acquisition	**5,686**	—	—
Increase in Investment in China Joint Venture	**—**	3,531	—
Other, Net	**4,392**	6,330	5,120
Net Cash Used by Investing Activities	**(42,164)**	(26,829)	(38,402)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net Borrowings (Repayments) on Loans and Notes Payable	**187**	(14,955)	(1,696)
Repayments on Long-Term Debt	**(22)**	—	(10,393)
Issuance Cost of Debt	**(1,789)**	—	—
Cash Dividends Paid	**(30,408)**	(27,709)	(27,219)
Proceeds from Exercise of Stock Options	**45,314**	5,490	1,078
Net Cash Provided by (Used by) Financing Activities	**13,282**	(37,174)	(38,230)
EFFECT OF FOREIGN CURRENCY EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**697**	5,478	4,017
NET INCREASE IN CASH AND CASH EQUIVALENTS	**17,579**	108,870	127,202
CASH AND CASH EQUIVALENTS:			
Beginning of Year	**324,815**	215,945	88,743
End of Year	**$ 342,394**	$324,815	$215,945
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Interest Paid	**$ 38,884**	$ 39,448	$ 40,488
Income Taxes Paid	**$ 53,253**	$ 20,724	$ 3,222

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Notes to Consolidated Financial Statements

FOR THE FISCAL YEARS ENDED JUNE 27, 2004, JUNE 29, 2003 AND JUNE 30, 2002

(1) Nature of Operations:

Briggs & Stratton ("the Company") is a U.S. based producer of air cooled gasoline engines. These engines are sold worldwide, primarily to original equipment manufacturers of lawn and garden equipment and other gasoline engine powered equipment. Additionally, through the Company's wholly owned subsidiary, Briggs & Stratton Power Products Group, LLC ("BSPPG"), the Company is a designer, manufacturer and marketer of portable and standby generators, pressure washers and related accessories. BSPPG's products are sold throughout the United States, Canada and Europe.

(2) Summary of Significant Accounting Policies:

Fiscal Year: The Company's fiscal year consists of 52 or 53 weeks, ending on the Sunday nearest the last day of June in each year. Therefore, the 2004, 2003 and 2002 fiscal years were 52 weeks long. All references to years relate to fiscal years rather than calendar years.

Principles of Consolidation: The consolidated financial statements include the accounts of the Company and its majority owned domestic and foreign subsidiaries after elimination of intercompany accounts and transactions.

Accounting Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Cash and Cash Equivalents: This caption includes cash, commercial paper and certificates of deposit. The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Inventories: Inventories are stated at cost, which does not exceed market. The last-in, first-out (LIFO) method was used for determining the cost of approximately 56% of total inventories at June 27, 2004 and 60% of total inventories at June 29, 2003. The cost for the remaining portion of the inventories was determined using the first-in, first-out (FIFO) method. During fiscal 2003 and 2002, a reduction in inventory quantities resulted in a liquidation of LIFO inventories carried at lower costs prevailing in prior years. The liquidation of these inventories reduced cost of goods sold by $0.2 million in 2003 and $2.6 million in 2002. There was no such reduction of inventory in fiscal 2004. If the FIFO inventory valuation method had been used exclusively, inventories would have been $51.4 million and $47.3 million higher in 2004 and 2003, respectively. The LIFO inventory adjustment was determined on an overall basis, and accordingly, each class of inventory reflects an allocation based on the FIFO amounts.

Goodwill: This caption represents goodwill related to the acquisition of BSPPG in fiscal 2001 (See Note 3). Goodwill reflects the cost of an acquisition in excess of the fair values assigned to identifiable net assets acquired. The Company performed the required goodwill impairment test in fiscal 2004, 2003 and 2002, and found no impairment of the asset.

Investments: This caption represents the Company's investment in its 50%-owned joint ventures and preferred stock in a privately held iron castings business. The investments in the joint ventures and the privately held business are accounted for under the equity method. In fiscal 2003, the Company determined losses on an investment in common stock of a publicly traded software company were "other than temporary", and as a result, the Company reclassified the pretax unrealized loss of $1.8 million to earnings.

Deferred Loan Costs: Expenses associated with the issuance of debt instruments are capitalized and are being amortized over the terms of the respective financing arrangement using the straight-line method over periods ranging from five to ten years. Accumulated amortization related to open issues amounted to $5.9 million as of June 27, 2004 and $5.1 million as of June 29, 2003. In fiscal 2004, the Company expensed $1.7 million in capitalized costs upon conversion of the 5.00% Convertible Senior Notes.

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Other Long-Term Assets: This caption includes costs of software used in the Company's business. Amortization of capitalized software is computed on an item-by-item basis over a period of three to ten years, depending on the estimated useful life of the software. Accumulated amortization amounted to $8.7 million as of June 27, 2004 and $6.0 million as of June 29, 2003. In fiscal 2003, this caption also included a long-term asset associated with interest rate swaps designated as effective fair value hedges. See discussion in Note 7.

Plant and Equipment and Depreciation: Plant and equipment are stated at cost and depreciation is computed using the straight-line method at rates based upon the estimated useful lives of the assets (20-30 years for land improvements, 20-50 years for buildings and 8-16 years for machinery and equipment).

Expenditures for repairs and maintenance are charged to expense as incurred. Expenditures for major renewals and betterments, which significantly extend the useful lives of existing plant and equipment, are capitalized and depreciated. Upon retirement or disposition of plant and equipment, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income from operations.

Impairment of Long-Lived Assets: Property, plant and equipment and other long-term assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the sum of the expected undiscounted cash flows is less than the carrying value of the related asset or group of assets, a loss is recognized for the difference between the fair value and carrying value of the asset or group of assets. There were no adjustments to the carrying value of long-lived assets in fiscal 2004, 2003 or 2002.

Warranty: The Company recognizes the cost associated with its standard warranty on engines and power products at the time of sale. The amount recognized is based on historical failure rates and current claim cost experience. The following is a reconciliation of the changes in accrued warranty costs for fiscal year 2004 and 2003 (in thousands):

	2004	2003
Balance, Beginning of Period	**$ 47,590**	$ 46,346
Payments	**(30,761)**	(30,613)
Provision for Current Year Warranties	**29,150**	27,605
(Credit) Provision for Prior Years Warranties	**(2,831)**	4,252
Balance, End of Period	**$ 43,148**	$ 47,590

Deferred Revenue on Sale of Plant and Equipment: In fiscal 1997, the Company sold its Menomonee Falls, Wisconsin facility for approximately $16.0 million. The provisions of the contract state that the Company will continue to own and occupy the warehouse portion of the facility for a period of up to ten years (the Reservation Period). The contract also contains a buyout clause, at the buyer's option and under certain circumstances, of the remaining Reservation Period. Under the provisions of SFAS No. 66, "Accounting for Sales of Real Estate," the Company is required to account for this as a financing transaction as long as it continues to have substantial involvement with the facility during the Reservation Period or until the buyout option is exercised. Under this method, the cash received is reflected as deferred revenue and the assets and the accumulated depreciation remain on the Company's books. Depreciation expense continues to be recorded each period and imputed interest expense is also recorded and added to deferred revenue. Offsetting this is the imputed fair value lease income on the non-Briggs & Stratton occupied portion of the building. A pretax gain, which will be recognized at the earlier of the exercise of the buyout option or the expiration of the Reservation Period, is estimated to be $5 million. The annual cost of operating the warehouse portion of the facility is not material.

Revenue Recognition: Net sales includes sales of engines, power products, and related component parts for servicing engines, net of allowances for cash discounts, customer volume rebates and discounts, and advertising allowances. In accordance with Staff Accounting Bulletin No. 101 as amended, the Company recognizes revenue when all of the following criteria are met: persuasive evidence of an arrangement exists, delivery has occurred, the price is fixed or determinable, and collectibility is reasonably assured. This is generally upon shipment, except for certain international shipments, where revenue is recognized when the customer receives the product.

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The Company also offers a variety of customer rebates and sales incentives. The Company accrues for estimated rebates/incentives at the time of sale, as a reduction in net sales.

Income Taxes: The Provision for Income Taxes includes Federal, state and foreign income taxes currently payable and those deferred because of temporary differences between the financial statement and tax basis of assets and liabilities. The Deferred Income Tax Asset represents temporary differences relating to current assets and current liabilities, and the Deferred Income Tax Liability represents temporary differences relating to noncurrent assets and liabilities.

Retirement Plans: The Company has noncontributory, defined benefit retirement plans and postretirement benefit plans covering certain employees. Retirement benefits represent a form of deferred compensation, which are subject to change due to changes in assumptions. Management reviews underlying assumptions on an annual basis. Refer to Note 13 of the Notes to Consolidated Financial Statements.

Research and Development Costs: Expenditures relating to the development of new products and processes, including significant improvements and refinements to existing products, are expensed as incurred. The amounts charged against income were $25.9 million in fiscal 2004, $26.4 million in fiscal 2003 and $23.7 million in fiscal 2002.

Advertising Costs: Advertising costs, included in Engineering, Selling, General and Administrative Expenses on the accompanying Consolidated Statements of Earnings, are expensed as incurred. These expenses totaled $15.0 million in fiscal 2004, $13.2 million in fiscal 2003 and $8.3 million in fiscal 2002.

The Company reports co-op advertising expense as a reduction in net sales. Co-op advertising expense reported as a reduction in net sales totaled $12.8 million in fiscal 2004, $9.5 million in fiscal 2003 and $7.2 million in fiscal 2002.

Shipping and Handling Fees and Costs: Revenue received from shipping and handling fees is reflected in net sales. Shipping fee revenue for fiscal 2004, 2003 and 2002 was $1.8 million, $1.6 million and $1.6 million, respectively. Shipping and handling costs are included in cost of goods sold.

Foreign Currency Translation: Foreign currency balance sheet accounts are translated into United States dollars at the rates of exchange in effect at fiscal year-end. Income and expenses are translated at the average rates of exchange in effect during the year. The related translation adjustments are made directly to a separate component of Shareholders' Investment.

Earnings Per Share: Basic earnings per share, for each period presented, is computed by dividing net income by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share, for each period presented, is computed reflecting the potential dilution that would occur if options or other contracts to issue common stock were exercised or converted into common stock at the beginning of the period.

The shares outstanding used to compute diluted earnings per share for fiscal 2004, 2003 and 2002 excluded outstanding options to purchase 214,260, 1,675,790 and 1,886,640 shares of common stock, respectively, with weighted-average exercise prices of $74.53, $53.40 and $55.20, respectively. The options were excluded because their exercise prices were greater than the average market price of the common shares, and their inclusion in the computation would have been antidilutive.

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Information on earnings per share is as follows (in thousands, except per share data):

	Fiscal Year Ended		
	June 27, 2004	June 29, 2003	June 30, 2002
Net Income Used in Basic Earnings Per Share	**$ 136,114**	$ 80,638	$ 53,120
Adjustment to Net Income to Add After-tax Interest Expense on Convertible Notes	**4,053**	4,760	4,620
Adjusted Net Income Used in Diluted Earnings Per Share	**$ 140,167**	$ 85,398	$ 57,740
Average Shares of Common Stock Outstanding	**22,643**	21,639	21,615
Incremental Common Shares Applicable to Common Stock Options Based on the Common Stock Average Market Price During the Period	**180**	—	6
Incremental Common Shares Applicable to Restricted Common Stock Based on the Common Stock Average Market Price During the Period	**13**	15	5
Incremental Common Shares Applicable to Convertible Notes Based on the Conversion Provisions of the Convertible Notes	**2,504**	2,826	2,826
Diluted Average Common Shares Outstanding	**25,340**	24,480	24,452

Comprehensive Income: Comprehensive income is a more inclusive financial reporting method that includes disclosure of financial information that historically has not been recognized in the calculation of net income. The Company has chosen to report Comprehensive Income and Accumulated Other Comprehensive Income (Loss) which encompasses net income, unrealized gain (loss) on marketable securities, cumulative translation adjustments, unrealized gain (loss) on derivatives and minimum pension liability adjustment in the Consolidated Statements of Shareholders' Investment. Information on Accumulated Other Comprehensive Income (Loss) is as follows (in thousands):

	Unrealized Gain (Loss) on Marketable Securities	Cumulative Translation Adjustments	Unrealized Gain (Loss) on Derivatives	Minimum Pension Liability Adjustment	Accumulated Other Comprehensive Income (Loss)
Balance at July 1, 2001	$ (753)	$ (6,655)	$ 1,226	$ —	$ (6,182)
Fiscal Year Change	(148)	4,017	(4,313)	—	(444)
Balance at June 30, 2002	(901)	(2,638)	(3,087)	—	(6,626)
Fiscal Year Change	901	4,454	3,100	(2,563)	5,892
Balance at June 29, 2003	**—**	**1,816**	**13**	**(2,563)**	**(734)**
Fiscal Year Change	**—**	**3,042**	**487**	**1,233**	**4,762**
Balance at June 27, 2004	**$ —**	**$ 4,858**	**$ 500**	**$ (1,330)**	**$ 4,028**

Derivatives: Derivatives are recorded on the balance sheet as assets or liabilities, measured at fair value. Briggs & Stratton enters into derivative contracts designated as cash flow hedges to manage its foreign currency exposures. These instruments generally do not have a maturity of more than twelve months. Briggs & Stratton has used interest rate swaps designated as fair value hedges to manage its debt portfolio. These instruments generally have maturities and terms consistent with the underlying debt instrument.

Changes in the fair value of cash flow hedges are recorded on the Consolidated Statement of Earnings or as a component of Accumulated Other Comprehensive Income (Loss). The amounts included in Accumulated Other Comprehensive Income (Loss) will be reclassified into income when the forecasted transactions occur, generally within the next twelve months. These forecasted transactions represent the exporting of products for which Briggs & Stratton will receive foreign currency and the importing of products for which it will be required to pay in a foreign currency. Changes in the fair value of fair value hedges related to interest rate swaps are recorded as an increase/decrease to long-term debt. Changes in the fair value of all derivatives deemed to be ineffective are recorded as either income or expense in the accompanying Consolidated Statements of Earnings. See discussion in Note 12.

Reclassification: Certain amounts in prior year financial statements have been reclassified to conform to current year presentation.

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New Accounting Pronouncements: In January 2003, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 46 (Revised December 2003), "Consolidation of Variable Interest Entities, and an interpretation of ARB No. 51". This statement addresses the consolidation by business enterprises of variable interest entities ("VIEs"), as defined by the statement. The Company has adopted the provisions of this statement, evaluated its interest in VIEs and determined it is not the primary beneficiary of any VIEs. The Company also does not believe its variable interest in any VIE is significant to the financial statements taken as a whole. As such, the adoption of this statement did not have an effect on the Company's financial condition or results of operations.

In December 2003, the FASB revised SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits". This statement revises employers' disclosure about pension plans and other postretirement benefit plans. It does not change the measurement or recognition of those plans required by SFAS No. 87, "Employers' Accounting for Pensions", SFAS No. 88, "Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits" and SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions". It requires additional disclosures to those in the original SFAS No. 132. This statement is effective for fiscal 2004. The adoption had no effect on the Company's financial condition or results of operations.

(3) Acquisition:

The Company acquired Generac Portable Products, Inc. on May 15, 2001. Generac Portable Products, Inc. was merged with, and into Generac Portable Products, LLC on June 30, 2002, and changed its name to Briggs & Stratton Power Products Group, LLC effective December 31, 2002. BSPPG is a designer, manufacturer and marketer of portable and standby generators, pressure washers and related accessories.

The provisions of the acquisition provided for a purchase price refund based on the final valuation of the acquired receivables and inventory. The Company received a purchase price refund of $5.7 million, which was recorded as a reduction in goodwill during fiscal 2004.

In 2004 and 2003, the Company reduced goodwill by approximately $2.1 and $1.3 million, respectively, reflecting the tax benefit associated with the amortization of acquired goodwill for tax purposes.

(4) Income Taxes:

The provision for income taxes consists of the following (in thousands):

	2004	2003	2002
Current			
Federal	**$46,506**	$11,404	$ 4,950
State	**8,039**	291	587
Foreign	**1,545**	1,967	1,567
	56,090	13,662	7,104
Deferred	**12,800**	24,278	20,286
	$68,890	$37,940	$27,390

A reconciliation of the U.S. statutory tax rates to the effective tax rates follows:

	2004	2003	2002
U.S. Statutory Rate	**35.0%**	35.0%	35.0%
State Taxes, Net of Federal Tax Benefit	**3.0%**	1.8%	2.4%
Foreign Tax Benefits	**(0.9%)**	(3.3%)	(1.2%)
Resolution of Prior Period Tax Matters	**(2.2%)**	—	—
Other	**(1.3%)**	(1.5%)	(2.2%)
Effective Tax Rate	**33.6%**	32.0%	34.0%

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The components of deferred income taxes were as follows (in thousands):

	2004	2003
Deferred Income Tax Asset:		
Difference Between Book and Tax Methods Applied to		
Inventory	**$ 13,443**	$ 13,145
Payroll Related Accruals	**2,627**	2,483
Warranty Reserves	**16,768**	18,140
Other Accrued Liabilities	**16,395**	15,950
Miscellaneous	**(1,610)**	(1,044)
	$ 47,623	$ 48,674
Deferred Income Tax Liability:		
Difference Between Book and Tax Methods Applied to		
Pension Cost	**$(31,875)**	$(28,862)
Accumulated Depreciation	**(59,271)**	(58,806)
Accrued Employee Benefits	**12,333**	11,545
Postretirement Health Care Obligation	**14,917**	18,745
Deferred Revenue on Sale of Plant & Equipment	**5,822**	5,914
Miscellaneous	**(12,380)**	(6,453)
	$(70,454)	$(57,917)

The Company has not recorded deferred income taxes applicable to undistributed earnings of foreign subsidiaries that are indefinitely reinvested in foreign operations. These undistributed earnings amounted to approximately $10.5 million at June 27, 2004. If these earnings were remitted to the U.S., they would be subject to U.S. income tax. However, this tax would be substantially less than the U.S. statutory income tax because of available foreign tax credits.

(5) Segment and Geographic Information and Significant Customers:

The Company has concluded that it operates two reportable business segments that are managed separately based on fundamental differences in their operations. Summarized segment data is as follows (in thousands):

	2004	2003	2002
NET SALES:			
Engines	**$1,617,409**	$1,428,411	$1,366,977
Power Products	**489,250**	329,488	215,904
Eliminations	**(159,295)**	(100,266)	(53,581)
	$1,947,364	$1,657,633	$1,529,300
GROSS PROFIT ON SALES:			
Engines	**$ 387,582**	$ 291,937	$ 250,150
Power Products	**57,846**	38,233	20,613
Eliminations	**(5,556)**	(2,091)	(799)
	$ 439,872	$ 328,079	$ 269,964
INCOME FROM OPERATIONS:			
Engines	**$ 209,337**	$ 134,775	$ 114,859
Power Products	**30,428**	17,238	2,192
Eliminations	**(5,556)**	(2,091)	(799)
	$ 234,209	$ 149,922	$ 116,252

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	2004	2003	2002
ASSETS:			
Engines	**$1,435,016**	$1,150,607	$1,087,943
Power Products	**402,618**	339,970	279,083
Eliminations	**(200,481)**	(15,384)	(10,425)
	$1,637,153	$1,475,193	$1,356,601
CAPITAL EXPENDITURES:			
Engines	**$ 47,408**	$ 35,903	$ 42,086
Power Products	**5,554**	4,251	1,842
	$ 52,962	$ 40,154	$ 43,928
DEPRECIATION & AMORTIZATION:			
Engines	**$ 63,744**	$ 60,875	$ 63,157
Power Products	**3,154**	2,651	2,811
	$ 66,898	$ 63,526	$ 65,968

Information regarding the Company's geographic sales by the location in which the sale originated is as follows (in thousands):

	2004	2003	2002
United States	**$1,795,128**	$1,546,520	$1,437,667
All Other Countries	**152,236**	111,113	91,633
Total	**$1,947,364**	$1,657,633	$1,529,300

The Company has no material long lived assets in an individual foreign country.

In fiscal years 2004, 2003 and 2002, there were sales to three major engine customers that exceeded 40% of our business and in certain years they individually exceeded 10% of total Company net sales. The sales to these customers are summarized below (in thousands of dollars and percent of total Company net sales):

	2004 Net Sales	%	2003 Net Sales	%	2002 Net Sales	%
Customer						
A	**$318,705**	**16%**	$260,253	16%	$255,155	17%
B	**334,748**	**17%**	253,066	15%	299,864	19%
C	**169,002**	**9%**	168,928	10%	165,097	11%
	$822,455	**42%**	$682,247	41%	$720,116	47%

(6) Leases:

The Company leases certain facilities, vehicles, and equipment under non-cancelable operating leases which expire at various dates. Terms of the leases, including purchase options, renewals, and maintenance costs, vary by lease. Rental expense for fiscal 2004, 2003, and 2002 was $10.2 million, $8.1 million and $8.7 million, respectively.

Future minimum lease commitments for all non-cancelable operating leases as of June 27, 2004 are as follows (in thousands):

Fiscal Year	
2005	$ 7,552
2006	4,570
2007	2,275
2008	1,718
2009	1,076
Thereafter	1,265
	$18,456

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(7) Indebtedness:

On May 28, 2004, the Company replaced its unsecured three-year $300 million revolving credit facility that would have expired in September 2004 with an unsecured five-year $275 million revolving credit facility that expires in May 2009. There were no borrowings using these credit facilities as of June 27, 2004 or June 29, 2003.

Borrowings under the credit facility by the Company bear interest at a rate per annum equal to, at its option, either:

(1) a 1, 2, 3 or 6 month LIBOR rate plus a margin varying from 0.50% to 2.00%, depending upon the rating of the Company's long-term debt by Standard & Poor's Rating group, a division of McGraw-Hill Companies (S&P) and Moody's Investors Service, Inc. (Moody's); or

(2) the higher of (a) the federal funds rate plus 0.50% or (b) the bank's prime rate.

In addition, the Company is subject to a 0.10% to 0.375% commitment fee and a 0.50% to 2.00% letter of credit fee, depending on the Company's long-term credit ratings.

The following data relates to domestic notes payable (in thousands):

	2004	2003
Balance at Fiscal Year-End	**$1,220**	$2,075
Weighted Average Interest Rate at Fiscal Year-End	**2.98%**	2.86%

The lines of credit available to the Company in foreign countries are in connection with short-term borrowings and bank overdrafts used in the normal course of business. These amounts total $31.1 million, expire at various times through April 2005 and are renewable. Borrowings of $1.2 million at June 27, 2004 using these lines of credit are included in foreign loans. None of these arrangements had material commitment fees or compensating balance requirements.

The following information relates to foreign loans (in thousands):

	2004	2003
Balance at Fiscal Year-End	**$1,907**	$ 865
Weighted Average Interest Rate at Fiscal Year-End	**7.64%**	5.73%

The Long-Term Debt caption consists of the following (in thousands):

	2004	2003
5.00% Convertible Senior Notes Due 2006	**$ —**	$140,000
7.25% Senior Notes Due 2007, Net of Unamortized Discount of $597 in 2004 and $783 in 2003	**89,403**	89,217
8.875% Senior Notes Due 2011, Net of Unamortized Discount of $3,841 in 2004 and $4,413 in 2003	**271,159**	270,587
Fair Value of Interest Rate Swaps	**—**	3,593
Total Long-Term Debt	**$360,562**	$503,397

In May 2004, the Company initiated and completed the redemption of its 5.00% Convertible Senior Notes due 2006 ("Notes"). With the exception of $22,000 principal amount of Notes which were redeemed for cash, all holders exercised their conversion rights prior to the redemption dates and were issued 2,825,363 shares of Briggs & Stratton Corporation common stock from shares held in treasury.

In April 2004, the Company terminated all outstanding interest rate swaps relating to its 8.875% Senior Notes due 2011. Prior to termination, the swaps converted $50 million of notional amounts from a fixed rate to a floating rate (LIBOR-set-in-arrears), and had a maturity of 2011. The swaps were terminated at a gain of $0.5 million.

In May 2001, the Company issued $275.0 million of 8.875% Senior Notes due March 15, 2011. No principal payments are due before the maturity date.

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The 7.25% senior notes are due September 15, 2007. In accordance with the agreement, no principal payments are due before the maturity date; however, the Company repurchased $10 million of the bonds in the fourth quarter of fiscal year 2002 after receiving unsolicited offers from bondholders.

The separate indentures provided for the 7.25% senior notes, the 8.875% senior notes and the Company's credit facility (collectively, the Domestic Indebtedness) each include a number of financial and operating restrictions. These covenants include restrictions on the Company's ability to: pay dividends; incur indebtedness; create liens; enter into sale and leaseback transactions; consolidate, merge, sell or lease all or substantially all of its assets; and dispose of assets or the proceeds of sales of its assets. The credit facility contains financial covenants that require the Company to maintain a minimum interest coverage ratio and net worth (for the first quarter of fiscal 2005 the Company is required to maintain a minimum net worth of $575.0 million) and impose a maximum leverage ratio. As of June 27, 2004, the Company was in compliance with these covenants.

Additionally, under the terms of the indentures governing the Domestic Indebtedness, BSPPG became a joint and several guarantor of amounts outstanding under the Domestic Indebtedness. Refer to Note 16 of the Notes to Consolidated Financial Statements for subsidiary guarantor financial information.

(8) Other Income:

The components of other income (expense) are as follows (in thousands):

	2004	2003	2002
Interest Income	**$ 2,970**	$ 2,500	$ 2,189
Equity in Earnings of Unconsolidated Affiliates	**7,876**	5,224	6,181
Deferred Financing Costs	**(3,778)**	(1,519)	(1,420)
Amortization of Intangibles	**(56)**	(56)	(56)
Gain on Investment in China	**386**	2,972	—
Other Items	**1,062**	(76)	1,797
Total	**$ 8,460**	$ 9,045	$ 8,691

(9) Commitments and Contingencies:

Product and general liability claims arise against the Company from time to time in the ordinary course of business. The Company is generally self-insured for claims up to $2.0 million per claim. Accordingly, a reserve is maintained for the estimated costs of such claims. On June 27, 2004 and June 29, 2003 the reserve for product and general liability claims (which includes asbestos-related liabilities) was $6.3 million and $4.7 million, respectively. Because there is inherent uncertainty as to the eventual resolution of unsettled claims, no reasonable range of possible losses can be determined. Management does not anticipate that these claims, excluding the impact of insurance proceeds and reserves, will have a material adverse effect on the financial condition or results of operations of the Company.

In October 1998, the Company joined seventeen other companies in guaranteeing a $17.9 million letter of credit issued as a guarantee of certain City of Milwaukee Revenue Bonds used to develop a residential rental property. The Revenue Bonds were issued on behalf of a not-for-profit organization established to manage the project and rental property post construction. The revenues from the rental property are used to fund operating expenses and all debt service requirements. The Company's share of the guarantee and the maximum exposure to the Company under the agreement is $1.8 million. The letter of credit and underlying guarantee expires August 15, 2008. Management believes the likelihood is remote that material payments will be required under this guarantee. Accordingly, no liability has been reflected in the accompanying Consolidated Balance Sheets related to this item.

The Company has no material commitments for materials or capital expenditures as of June 27, 2004.

(10) Stock Incentives:

The Company has a Stock Incentive Plan under which 5,361,935 shares of common stock have been reserved for issuance. In accordance with the plan, the Company can issue eligible employees stock options,

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stock appreciation rights, restricted stock, deferred stock, stock purchase rights and cash bonus awards. The plan also allows the Company to issue directors non-qualified stock options and directors' fees in stock.

The Company has issued stock options to certain employees and directors in accordance with the plan, which are accounted for under Accounting Principles Board Opinion No. 25, and no compensation cost has been recognized. Had compensation cost for this plan been determined consistent with SFAS No. 123, "Accounting for Stock-Based Compensation," the Company's net income and earnings per share would have been reduced to the following pro forma amounts:

	2004	2003	2002
Net Income (in thousands):			
As Reported	**$136,114**	$80,638	$53,120
Compensation Cost	**(3,528)**	(3,056)	(3,626)
Pro Forma	**$132,586**	$77,582	$49,494
Basic Earnings Per Share:			
As Reported	**$ 6.01**	$ 3.73	$ 2.46
Pro Forma	**$ 5.86**	$ 3.59	$ 2.29
Diluted Earnings Per Share:			
As Reported	**$ 5.53**	$ 3.49	$ 2.36
Pro Forma	**$ 5.40**	$ 3.38	$ 2.21

The exercise prices of each stock option issued is in excess of the market value of the stock on the date of grant. The fair value of each option is estimated using the Black-Scholes option pricing model. The grant-date fair market value of the options and assumptions used to determine such value are:

Options Granted During	2004	2003	2002
Grant Date Fair Value	**$19.95**	$10.61	$12.53
Assumptions:			
Risk-free Interest Rate	**4.6%**	4.3%	5.1%
Expected Volatility	**33.1%**	38.4%	40.3%
Expected Dividend Yield	**2.3%**	3.3%	3.1%
Expected Term (In Years)	**10.0**	7.0	7.0

Information on the options outstanding is as follows:

	Shares	Wtd. Avg. Ex. Price
Balance, July 1, 2001	1,753,841	$ 55.78
Granted During the Year	371,490	$ 49.19
Exercised During the Year	(39,597)	27.64
Expired During the Year	(199,094)	54.59
Balance, June 30, 2002	1,886,640	$ 55.20
Granted During the Year	205,980	$ 46.69
Exercised During the Year	(122,060)	44.98
Expired During the Year	(294,770)	63.71
Balance, June 29, 2003	**1,675,790**	**$ 53.40**
Granted During the Year	**438,050**	**$ 60.88**
Exercised During the Year	**(861,695)**	**52.59**
Expired During the Year	**(3,000)**	**74.53**
Balance, June 27, 2004	**1,249,145**	**$ 56.53**

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Grant Summary

Fiscal Year	Grant Date	Date Exercisable	Expiration Date	Exercise Price	Options Outstanding
2000	8-4-99	8-4-02	8-31-04	$74.53	214,260
2001	8-3-00	8-3-03	8-3-07	46.22	221,805
2002	8-7-01	8-7-04	8-7-08	49.19	224,820
2003	8-13-02	8-13-05	8-13-09	46.69	174,910
2004	8-15-03	8-15-06	8-15-13	60.88	413,350

Under the Stock Incentive Plan, the Company has issued restricted stock to certain employees. During fiscal years 2004 and 2003, the Company issued 24,500 and 7,000 shares, respectively. No restricted shares were issued during fiscal year 2002. The restricted stock issued vests on the fifth anniversary date of issue provided that the recipient is still employed by the Company. The aggregate market value on the date of issue of $1.5 million in fiscal 2004 and $0.2 million in fiscal 2003 has been recorded as unearned compensation, a separate component of the Shareholders' Investment section of the Consolidated Balance Sheets, and is being amortized over the five-year vesting period.

Under the Stock Incentive Plan the Company may also issue stock to its directors in lieu of directors fees. The Company has issued 2,625 shares, 1,317 shares and 800 shares in fiscal 2004, 2003 and 2002, respectively under this provision of the plan.

(11) Shareholder Rights Plan:

On August 6, 1996, the Board of Directors declared a dividend distribution of one common stock purchase right (a right) for each share of the Company's common stock outstanding on August 19, 1996. Each right would entitle shareowners to buy one-half of one share of the Company's common stock at an exercise price of $160.00 per full common share, subject to adjustment. The rights are not currently exercisable, but would become exercisable if events occurred relating to a person or group acquiring or attempting to acquire 15 percent or more of the outstanding shares of common stock. The rights expire on August 19, 2006, unless redeemed or exchanged by the Company earlier.

(12) Foreign Exchange Risk Management:

The Company enters into forward exchange contracts to hedge purchases and sales that are denominated in foreign currencies. The terms of these currency derivatives do not exceed twelve months, and the purpose is to protect the Company from the risk that the eventual dollars being transferred will be adversely affected by changes in exchange rates.

The Company has forward foreign currency exchange contracts to purchase Japanese yen. These contracts are used to hedge the commitments to purchase engines from the Company's Japanese joint venture. The Company also has forward contracts to sell foreign currency. These contracts are used to hedge foreign currency collections on sales of inventory. The Company's foreign currency forward contracts are carried at fair value based on current exchange rates.

The Company has the following forward currency contracts outstanding at the end of fiscal 2004:

Hedge		In Millions					
Currency	Contract	Notional Value	Contract Value	Fair Market Value	(Gain)/Loss at Fair Value	Conversion Currency	Latest Expiration Date
Japanese Yen	Buy	1,680.0	15.5	15.7	(0.2)	U.S.	March 2005
Euro	Sell	87.0	103.0	105.8	2.8	U.S.	April 2005
Australian Dollar	Sell	0.4	0.2	0.3	0.1	U.S.	September 2004

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The Company had the following forward currency contracts outstanding at the end of fiscal 2003:

Hedge		In Millions					
Currency	Contract	Notional Value	Contract Value	Fair Market Value	(Gain)/Loss at Fair Value	Conversion Currency	Latest Expiration Date
Japanese Yen	Buy	410.0	3.5	3.4	(0.1)	U.S.	October 2003
Euro	Sell	46.0	51.0	52.4	1.4	U.S.	February 2004
Australian Dollar	Sell	1.5	0.9	1.0	0.1	U.S.	December 2003
Canadian Dollar	Sell	1.6	1.1	1.2	0.1	U.S.	November 2003

The Company reclassified approximately $1.1 million of unrealized loss into earnings during fiscal 2004 as forecasted transactions did not materialize in accordance with the hedging plan.

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(13) Employee Benefit Costs:

Retirement Plan and Postretirement Benefits

The Company has noncontributory, defined benefit retirement plans and postretirement benefit plans covering certain employees. The Company uses a June 30 measurement date for all of its plans. The following provides a reconciliation of obligations, plan assets and funded status of the plans for the two years indicated, (in thousands):

	Pension Benefits		Other Postretirement Benefits	
	2004	2003	**2004**	2003
Actuarial Assumptions:				
Discounted Rate Used to Determine Present Value of Projected Benefit Obligation	**6.25%**	6.00%	**6.25%**	6.00%
Expected Rate of Future Compensation Level Increases	**3.0-5.0%**	3.0-5.0%	**n/a**	n/a
Expected Long-Term Rate of Return on Plan Assets	**8.75%**	8.75%	**n/a**	n/a
Change in Benefit Obligations:				
Actuarial Present Value of Benefit Obligations at Beginning of Year	**$879,588**	$747,621	**$ 190,410**	$ 123,465
Service Cost	**13,188**	11,263	**1,673**	1,594
Interest Cost	**51,089**	52,276	**10,766**	8,258
Plan Amendments	**1,048**	1,234	**—**	—
Plan Participant Contributions	**—**	—	**4,018**	3,464
Actuarial Loss	**21,171**	127,441	**65,629**	74,534
Benefits Paid	**(63,759)**	(60,247)	**(29,039)**	(20,905)
Actuarial Present Value of Benefit Obligation at End of Year	**$902,325**	$879,588	**$ 243,457**	$ 190,410
Change in Plan Assets:				
Plan Assets at Fair Value at Beginning of Year	**$851,918**	$856,503	**$ —**	$ —
Actual Return on Plan Assets	**126,575**	54,350	**—**	—
Plan Participant Contributions	**135**	—	**4,018**	3,464
Employer Contributions	**1,411**	1,312	**25,021**	17,441
Benefits Paid	**(63,759)**	(60,247)	**(29,039)**	(20,905)
Plan Assets at Fair Value at End of Year	**$916,280**	$851,918	**$ —**	$ —
Funded Status:				
Plan Assets in Excess (Less Than) of Projected Benefit Obligation	**$ 13,955**	$ (27,670)	**$(243,457)**	$(190,410)
Remaining Unrecognized Net Obligation	**74**	82	**182**	228
Unrecognized Net Loss	**22,682**	56,237	**169,559**	112,284
Minimum Pension Liability	**(3,063)**	(4,522)	**—**	—
Unrecognized Prior Service Cost	**26,179**	28,210	**9**	41
Net Amount Recognized at End of Year	**$ 59,827**	$ 52,337	**$ (73,707)**	$ (77,857)
Amounts Recognized on the Balance Sheets:				
Prepaid Pension	**$ 81,730**	$ 74,005	**$ —**	$ —
Accrued Pension Cost	**(20,603)**	(20,368)	**—**	—
Accrued Wages and Salaries	**(1,300)**	(1,300)	**—**	—
Accrued Postretirement Health Care Obligation	**—**	—	**(38,248)**	(48,065)
Accrued Liabilities	**—**	—	**(22,000)**	(17,000)
Accrued Employee Benefits	**—**	—	**(13,459)**	(12,792)
Net Amount Recognized at End of Year	**$ 59,827**	$ 52,337	**$ (73,707)**	$ (77,857)

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The accumulated benefit obligation for all defined benefit pension plans was $855,859 and $831,919 at June 30, 2004 and 2003, respectively.

The following table summarizes the plans' income and expense for the three years indicated (in thousands):

	Pension Benefits			Other Postretirement Benefits		
	2004	2003	2002	**2004**	2003	2002
Components of Net Periodic (Income) Expense:						
Service Cost-Benefits Earned During the Year	**$ 13,188**	$ 11,263	$ 10,014	**$ 1,673**	$ 1,594	$ 1,341
Interest Cost on Projected Benefit Obligation	**51,089**	52,276	51,203	**10,766**	8,258	8,028
Expected Return on Plan Assets	**(72,458)**	(76,403)	(77,192)	**—**	—	—
Amortization of:						
Transition Obligation (Asset)	**8**	8	(4,517)	**46**	46	46
Prior Service Cost	**3,080**	2,965	2,797	**31**	31	31
Actuarial Loss (Gain)	**607**	(2,398)	(8,328)	**8,354**	2,428	1,834
Net Periodic (Income) Expense	**$ (4,486)**	$(12,289)	$(26,023)	**$20,870**	$12,357	$11,280

Significant assumptions used in determining net periodic benefit cost for the fiscal years ended are as follows:

	Pension Benefits			Other Postretirement Benefits		
	2004	2003	2002	**2004**	2003	2002
Discount Rate	**6.0%**	7.25%	7.5%	**6.0%**	7.25%	7.5%
Expected Return on Plan Assets	**8.75%**	9.0%	9.0%	**n/a**	n/a	n/a
Compensation Increase Rate	**3.0-5.0%**	4.0-5.0%	4.0-5.0%	**n/a**	n/a	n/a

In the second quarter of fiscal 2002, the Company offered and finalized an early retirement incentive program. As a result, the Company recorded $4.9 million of expense offsetting pension income of $26 million and $2.2 million was added to postretirement health care expense. The impact for the full fiscal year of 2002 reduced net income on an after-tax basis by $2.5 million, after consideration of salary and related expenditures savings.

The Company's supplemental pension plan has benefit obligations in excess of plan assets. The benefit obligation, accumulated benefit obligation and fair value of plan assets were $28.4 million, $22.0 million and $0.1 million respectively for fiscal year 2004 and $26.5 million, $21.7 million and $0.1 million respectively for fiscal year 2003.

An additional pension obligation is required when the accumulated benefit obligation exceeds the sum of the fair value of plan assets and the accrued pension expense. At June 27, 2004, the Company's additional pension obligation was $3.1 million, of which $1.3 million was included as a reduction in accumulated other comprehensive income, net of tax benefit of $0.9 million, and $0.9 million was included as an intangible asset as part of the other assets in the consolidated balance sheet. At June 29, 2003, the Company's additional pension obligation was $4.5 million, of which $2.6 million was included as an increase in accumulated other comprehensive loss, net of tax benefit of $1.6 million, and $0.3 million was included as an intangible asset.

The postretirement benefit plans are essentially unfunded.

For measurement purposes a 10% annual rate of increase in the per capita cost of covered health care claims was assumed for the fiscal year 2004 decreasing gradually to 5% for the fiscal year 2010. The health care cost trend rate assumption has a significant effect on the amounts reported. An increase of one percentage point, would increase the accumulated postretirement benefit by $16.1 million and would increase the service and interest cost by $0.9 million for the year. A corresponding decrease of one percentage point, would decrease the accumulated postretirement benefit by $15.0 million and decrease the service and interest cost by $0.9 million for the fiscal year.

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Plan Assets

A Board of Directors appointed Investment Committee ("Committee") manages the investment of the pension plan assets. The Committee has established and operates under an Investment Policy. It determines the asset allocation and target ranges based upon periodic asset/liability studies and capital market projections. The Committee retains external investment managers to invest the assets. The Investment Policy prohibits certain investment transactions, such as letter stock, commodity contracts, margin transactions and short selling, unless the Committee gives prior approval. Briggs & Stratton's pension plans weighted-average asset allocations and target allocations at June 30, 2004, and 2003, by asset category are as follows:

		Plan Assets at Year-end	
Asset Category	Target %	**2004**	2003
Domestic bonds	24%-34%	**26%**	30%
High yield	3%-10%	**7%**	7%
Domestic equities	36%-56%	**48%**	45%
International equities	5%-15%	**10%**	9%
Alternatives	2%-10%	**5%**	5%
Real estate	4%-8%	**4%**	4%
		100%	100%

The plan's investment strategy is based on an expectation that, over time, equity securities will provide higher total returns than debt securities. The plan primarily minimizes the risk of large losses through diversification of investments by asset class, by investing in different types of styles within the classes and by using a number of different managers. The Committee monitors the asset allocation and investment performance monthly, with a more comprehensive quarterly review with its consultant.

The plan's expected return on assets is based on management's and the Committee's expectations of long-term average rates of return to be achieved by the plan's investments. These expectations are based on the plan's historical returns and expected returns for the asset classes in which the plan is invested.

Contributions

The Company does not expect to make any contributions to the pension plans in fiscal 2005.

Estimated Future Benefit Payments

	Pension Benefits		Other Postretirement Benefits		
Year Ending	**Qualified**	**Non-Qualified**	**Retiree Medical**	**Retiree Life**	**LTD**
2005	$ 60,004,000	$1,433,000	$ 25,390,000	$1,271,000	$208,000
2006	58,148,000	1,451,000	27,507,000	1,291,000	149,000
2007	58,634,000	1,461,000	28,889,000	1,311,000	98,000
2008	58,550,000	1,461,000	29,121,000	1,330,000	100,000
2009	58,576,000	1,461,000	28,817,000	1,348,000	102,000
2010-2014	283,856,000	7,302,000	129,336,000	6,985,000	368,000

Defined Contribution Plans

The Company has a defined contribution retirement plan that includes most U.S. non-Wisconsin employees. Under the plan, the Company makes an annual contribution on behalf of covered employees equal to 2% of each participant's gross income, as defined. For fiscal 2002, the net expense related to these plans was $1.6 million. Effective July 1, 2002, this plan was frozen, and no future employer contributions will be made.

Employees of the Company may participate in a salary reduction deferred compensation retirement plan. A maximum of 1-1/2% or 3% of each participant's salary, depending upon the participant's group, is matched by the Company. For certain employees, this Company matching contribution is discretionary. The Company contributions totaled $4.6 million in 2004, $4.3 million in 2003 and $4.1 million in 2002.

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Postemployment Benefits

The Company accrues the expected cost of postemployment benefits over the years that the employees render service. These benefits are substantially smaller amounts because they apply only to employees who permanently terminate employment prior to retirement. The items include disability payments, life insurance and medical benefits. These amounts are also discounted using an interest rate of 6.25% and 6.00% for fiscal year 2004 and 2003, respectively. Amounts are included in Accrued Employee Benefits in the Consolidated Balance Sheets.

(14) Disclosures About Fair Value of Financial Instruments:

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Cash Equivalents, Receivables, Accounts Payable, Domestic Notes Payable, Foreign Loans, Accrued Liabilities and Income Taxes Payable: The carrying amounts approximate fair market value because of the short maturity of these instruments.

Long-Term Debt: The fair market value of the Company's long-term debt is estimated based on market quotations at year-end.

The estimated fair market values of the Company's Long-Term Debt is (in thousands):

	2004		2003	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Long-term Debt -				
5.00% Convertible Notes Due 2006	**$ —**	**$ —**	$140,000	$168,725
7.25% Notes Due 2007	**$ 89,403**	**$ 98,683**	$ 89,217	$ 91,873
8.875% Notes Due 2011	**$271,159**	**$328,502**	$270,587	$324,237

(15) Subsequent Event

On July 7, 2004 Briggs & Stratton Corporation and its subsidiary, Briggs & Stratton Power Products Group, LLC acquired Simplicity Manufacturing, Inc. for $227 million in cash plus certain transaction related expenses. Simplicity designs, manufactures and markets a wide variety of premium yard and garden tractors, lawn tractors, riding mowers, snow throwers, attachments, and other lawn and garden products like rototillers and chipper shredders. This acquisition will be accounted for using the purchase accounting provisions of SFAS No. 141 "Business Combinations". While we have not completed our preliminary purchase price allocation, we have engaged a third party to assist in determining the fair value of the assets acquired. Simplicity has estimated net assets of approximately $75 million as of July 7, 2004.

(16) Separate Financial Information of Subsidiary Guarantors of Indebtedness

In June of 1997, Briggs & Stratton issued $100 million of 7.25% senior notes and in May 2001, the Company issued $275 million of 8.875% senior notes. In addition, Briggs & Stratton has a $275 million revolving credit facility that expires in May 2009 used to finance seasonal working capital needs.

Under the terms of Briggs & Stratton's 8.875% senior notes, 7.25% senior notes and revolving credit agreement, (collectively, the "Domestic Indebtedness"), BSPPG became a joint and several guarantor of the Domestic Indebtedness (the "Guarantor"). The guarantee is a full and unconditional guarantee. Additionally, if at any time a domestic subsidiary of Briggs & Stratton constitutes a significant domestic subsidiary, then such domestic subsidiary will also become a guarantor of the Domestic Indebtedness. Currently all of the Domestic Indebtedness is unsecured. If Briggs & Stratton were to fail to make a payment of interest or principal on its

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due date, the Guarantor is obligated to pay the outstanding Domestic Indebtedness. Briggs & Stratton had the following outstanding amounts related to the guaranteed debt (in thousands):

	June 27, 2004 Carrying Amount	Maximum Guarantee
8.875% Senior Notes, due March 15, 2011	$ 271,159	$275,000
7.25% Senior Notes, due September 15, 2007	$ 89,403	$ 90,000
Revolving Credit Facility, expiring May 2009	$ —	$275,000

The following condensed supplements consolidating financial information reflects the summarized financial information of Briggs & Stratton, its Guarantor and Non-Gurantor Subsidiaries (in thousands):

BALANCE SHEET: As of June 27, 2004	Briggs & Stratton Corporation	Guarantor Subsidiary	Non-Gurantor Subsidiaries	Eliminations	Consolidated
Current Assets	$ 739,007	$243,300	$ 227,786	$(228,100)	$ 981,993
Investment in Subsidiary	352,207	—	—	(352,207)	—
Noncurrent Assets	471,395	175,439	8,326	—	655,160
	$ 1,562,609	$418,739	$ 236,112	$(580,307)	$1,637,153
Current Liabilities	$ 226,627	$111,992	$ 180,791	$(218,849)	$ 300,561
Long-Term Debt	360,562	—	—	—	360,562
Other Long-Term Obligations	148,574	9,861	—	—	158,435
Shareholders’ Equity	826,846	296,886	55,321	(361,458)	817,595
	$ 1,562,609	$418,739	$ 236,112	$(580,307)	$1,637,153

As of June 29, 2003					
Current Assets	$ 617,409	$159,067	$ 99,311	$ (68,640)	$ 807,147
Investment in Subsidiary	333,848	—	—	(333,848)	—
Noncurrent Assets	483,227	180,903	3,916	—	668,046
	$ 1,434,484	$339,970	$ 103,227	$(402,488)	$1,475,193
Current Liabilities	$ 256,476	$ 51,610	$ 53,846	$ (60,537)	$ 301,395
Long-Term Debt	503,397	—	—	—	503,397
Other Long-Term Obligations	151,521	3,855	38	—	155,414
Shareholders' Equity	523,090	284,505	49,343	(341,951)	514,987
	$ 1,434,484	$339,970	$ 103,227	$(402,488)	$1,475,193

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STATEMENT OF EARNINGS: For the Fiscal Year Ended June 27, 2004	Briggs & Stratton Corporation	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net Sales	$1,562,114	$460,122	$ 152,236	$(227,108)	$1,947,364
Cost of Goods Sold	1,205,950	405,720	120,253	(224,431)	1,507,492
Gross Profit	356,164	54,402	31,983	(2,677)	439,872
Engineering, Selling, General and Administrative Expenses	155,830	24,029	25,804	—	205,663
Income from Operations	200,334	30,373	6,179	(2,677)	234,209
Interest Expense	(37,236)	(2)	(84)	(343)	(37,665)
Other (Expense) Income, Net	28,787	(55)	983	(21,255)	8,460
Income Before Provision for Income Taxes	191,885	30,316	7,078	(24,275)	205,004
Provision for Income Taxes	64,473	11,574	1,545	(8,702)	68,890
Net Income	$ 127,412	$ 18,742	$ 5,533	$ (15,573)	$ 136,114

For the Fiscal Year Ended June 29, 2003					
Net Sales	$1,369,785	$319,000	$ 116,875	$(148,027)	$1,657,633
Cost of Goods Sold	1,107,515	279,436	88,158	(145,555)	1,329,554
Gross Profit	262,270	39,564	28,717	(2,472)	328,079
Engineering, Selling, General and Administrative Expenses	141,497	20,776	15,884	—	178,157
Income from Operations	120,773	18,788	12,833	(2,472)	149,922
Interest Expense	(39,912)	(10)	(644)	177	(40,389)
Other (Expense) Income, Net	28,177	(346)	(8,941)	(9,845)	9,045
Income Before Provision for Income Taxes	109,038	18,432	3,248	(12,140)	118,578
Provision for Income Taxes	34,892	6,328	2,856	(6,136)	37,940
Net Income	$ 74,146	$ 12,104	$ 392	$ (6,004)	$ 80,638

For the Fiscal Year Ended June 30, 2002					
Net Sales	$1,334,921	$216,243	$ 80,976	$(102,840)	$1,529,300
Cost of Goods Sold	1,104,862	195,630	62,340	(103,496)	1,259,336
Gross Profit	230,059	20,613	18,636	656	269,964
Engineering, Selling, General and Administrative Expenses	123,165	18,421	12,126	—	153,712
Income from Operations	106,894	2,192	6,510	656	116,252
Interest Expense	(43,600)	(50)	(889)	106	(44,433)
Other Income, Net	14,800	8	13,521	(19,638)	8,691
Income Before Provision for Income Taxes	78,094	2,150	19,142	(18,876)	80,510
Provision for Income Taxes	26,552	761	1,567	(1,490)	27,390
Net Income	$ 51,542	$ 1,389	$ 17,575	$ (17,386)	$ 53,120

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Notes…

STATEMENT OF CASH FLOWS: For the Fiscal Year Ended June 27, 2004	Briggs & Stratton Corporation	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net Income	$ 127,412	$ 18,742	$ 5,533	$ (15,573)	$ 136,114
Adjustments to Reconcile Net Income to Net Cash Provided by (Used by) Operating Activities:					
Depreciation and Amortization	62,995	3,154	749	—	66,898
Equity in Earnings of Unconsolidated Affiliates	(17,274)	—	(500)	9,898	(7,876)
Loss on Disposition of Plant and Equipment	6,252	163	975	—	7,390
Provision for Deferred Income Taxes	5,604	7,196	—	—	12,800
Changes in Operating Assets and Liabilities:					
Increase in Receivables	(34,485)	(10,492)	(132,053)	148,442	(28,588)
Increase in Inventories	(61,003)	(63,860)	(5,475)	1,744	(128,594)
(Increase) Decrease in Prepaid Expenses and Other Current Assets	(76)	645	1,448	—	2,017
Increase in Accounts Payable, Accrued Liabilities and Income Taxes	24,386	2,144	108,539	(130,373)	4,696
Increase in Prepaid Pension	(6,022)	(10)	(38)	—	(6,070)
Other, Net	(15,086)	(160)	2,223	—	(13,023)
Net Cash Provided by (Used by) Operating Activities	92,703	(42,478)	(18,599)	14,138	45,764
CASH FLOWS FROM INVESTING ACTIVITIES:					
Additions to Plant and Equipment	(43,526)	(5,518)	(3,918)	—	(52,962)
Proceeds Received on Disposition of Plant and Equipment	659	61	—	—	720
Refund of Cash Paid for Acquisition	5,686	—	—	—	5,686
Other, Net	4,617	—	(225)	—	4,392
Net Cash Used by Investing Activities	(32,564)	(5,457)	(4,143)	—	(42,164)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Net (Repayments) Borrowings on Loans and Notes Payable	(50,550)	51,042	17,740	(18,067)	165
Issuance Cost of Debt	(1,789)	—	—	—	(1,789)
Cash Dividends Paid	(30,408)	—	(3,929)	3,929	(30,408)
Proceeds from Exercise of Stock Options	45,314	—	—	—	45,314
Net Cash (Used by) Provided by Financing Activities	(37,433)	51,042	13,811	(14,138)	13,282
EFFECT OF FOREIGN CURRENCY EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	—	(675)	1,372	—	697
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	22,706	2,432	(7,559)	—	17,579
Cash and Cash Equivalents, Beginning of Year	304,103	1,575	19,137	—	324,815
Cash and Cash Equivalents, End of Year	$ 326,809	$ 4,007	$ 11,578	$ —	$ 342,394

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Notes…

STATEMENT OF CASH FLOWS: For the Fiscal Year Ended June 29, 2003	Briggs & Stratton Corporation	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net Income	$ 74,146	$ 12,104	$ 392	$ (6,004)	$ 80,638
Adjustments to Reconcile Net Income to Net Cash Provided by (Used by) Operating Activities:					
Depreciation and Amortization	60,268	2,651	607	—	63,526
Equity in (Earnings) Loss of Unconsolidated Affiliates	(9,054)	—	177	3,653	(5,224)
Loss (Gain) on Disposition of Plant and Equipment	4,900	(1,005)	(45)	—	3,850
Provision for Deferred Income Taxes	17,569	6,709	—	—	24,278
Change in Operating Assets and Liabilities:					
(Increase) Decrease in Receivables	(1,122)	(29,141)	449	23,856	(5,958)
Decrease (Increase) in Inventories	9,542	(14,217)	(9,608)	2,351	(11,932)
Increase in Prepaid Expenses and Other Current Assets	(2,098)	(807)	(1,758)	—	(4,663)
Increase in Accounts Payable, Accrued Liabilities and Income Taxes	21,130	12,331	34,716	(23,856)	44,321
(Increase) Decrease in Prepaid Pension	(13,609)	43	—	—	(13,566)
Other, Net	(5,700)	42	(2,217)	—	(7,875)
Net Cash Provided by (Used by) Operating Activities	155,972	(11,290)	22,713	—	167,395
CASH FLOWS FROM INVESTING ACTIVITIES:					
Additions to Plant and Equipment	(34,855)	(4,251)	(1,048)	—	(40,154)
Proceeds Received on Disposition of Plant and Equipment	255	3,135	74	—	3,464
Other, Net	6,080	—	3,781	—	9,861
Net Cash (Used by) Provided by Investing Activities	(28,520)	(1,116)	2,807	—	(26,829)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Net (Repayments) Borrowings on Loans and Notes Payable	(12,741)	12,191	(14,405)	—	(14,955)
Cash Dividends Paid	(27,709)	—	—	—	(27,709)
Proceeds from Exercise of Stock Options	5,490	—	—	—	5,490
Net Cash (Used by) Provided by Financing Activities	(34,960)	12,191	(14,405)	—	(37,174)
EFFECT OF FOREIGN CURRENCY EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	—	835	4,643	—	5,478
NET INCREASE IN CASH AND CASH EQUIVALENTS	92,492	620	15,758	—	108,870
Cash and Cash Equivalents, Beginning of Year	211,611	955	3,379	—	215,945
Cash and Cash Equivalents, End of Year	$ 304,103	$ 1,575	$ 19,137	$ —	$ 324,815

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Notes…

STATEMENT OF CASH FLOWS: For the Fiscal Year Ended June 30, 2002	Briggs & Stratton Corporation	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net Income	$ 51,542	$ 1,389	$ 17,575	$ (17,386)	$ 53,120
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:					
Depreciation and Amortization	62,590	2,812	566	—	65,968
Equity in (Earnings) Loss of Unconsolidated Affiliates	(21,645)	—	189	15,275	(6,181)
Loss (Gain) on Disposition of Plant and Equipment	3,593	(387)	(14)	—	3,192
Provision for Deferred Income Taxes	12,103	8,183	—	—	20,286
Change in Operating Assets and Liabilities:					
Increase in Receivables	(44,710)	(1,341)	(15,945)	5,312	(56,684)
Decrease (Increase) in Inventories	126,271	(2,352)	(1,549)	(657)	121,713
Increase in Prepaid Expenses and Other Current Assets	(1,286)	(122)	(111)	—	(1,519)
Increase (Decrease) in Accounts Payable, Accrued Liabilities and Income Taxes	31,650	(2,976)	1,617	(5,312)	24,979
(Increase) Decrease in Prepaid Pension	(23,101)	289	—	—	(22,812)
Other, Net	(1,494)	(751)	—	—	(2,245)
Net Cash Provided by Operating Activities	195,513	4,744	2,328	(2,768)	199,817
CASH FLOWS FROM INVESTING ACTIVITIES:					
Additions to Plant and Equipment	(41,048)	(1,824)	(1,056)	—	(43,928)
Proceeds Received on Disposition of Plant and Equipment	362	9	35	—	406
Other, Net	5,120	—	—	—	5,120
Net Cash Used by Investing Activities	(35,566)	(1,815)	(1,021)	—	(38,402)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Net Borrowings (Repayments) on Loans and Notes Payable	3,022	(3,697)	(1,021)	—	(1,696)
Repayments on Long-Term Debt	(10,393)	—	—	—	(10,393)
Cash Dividends Paid	(27,219)	—	(2,768)	2,768	(27,219)
Proceeds from Exercise of Stock Options	1,078	—	—	—	1,078
Net Cash Used by Financing Activities	(33,512)	(3,697)	(3,789)	2,768	(38,230)
EFFECT OF FOREIGN CURRENCY EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(106)	1,040	3,083	—	4,017
NET INCREASE IN CASH AND CASH EQUIVALENTS	126,329	272	601	—	127,202
Cash and Cash Equivalents, Beginning of Year	85,282	683	2,778	—	88,743
Cash and Cash Equivalents, End of Year	$ 211,611	$ 955	$ 3,379	$ —	$ 215,945

Report of Independent Registered Public Accounting Firm

To the Shareholders of Briggs & Stratton Corporation:

We have audited the accompanying consolidated balance sheets of Briggs & Stratton Corporation (a Wisconsin Corporation) and subsidiaries as of June 27, 2004 and June 29, 2003, and the related consolidated statements of earnings, shareholders' investment and cash flows for each of the three years in the period ended June 27, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our 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 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, such consolidated financial statements present fairly, in all material respects, the financial position of Briggs & Stratton Corporation and subsidiaries as of June 27, 2004 and June 29, 2003, and the results of their operations and their cash flows for each of the three years in the period ended June 27, 2004, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Milwaukee, Wisconsin
July 22, 2004

Quarterly Financial Data, Dividend and Market Information (Unaudited)

	In Thousands			Per Share of Common Stock			
						Market Price Range on New York Stock Exchange	
Quarter Ended	Net Sales	Gross Profit	Net Income (Loss)	Net Income (Loss)	Dividends Declared	High	Low
Fiscal 2004							
September	**$ 331,395**	**$ 60,195**	**$ 4,016**	**$ .18**	**$ .33**	**$60.86**	**$49.35**
December	**415,984**	**90,846**	**20,635**	**.87**	**.33**	**68.64**	**58.76**
March	**654,681**	**167,767**	**71,268**	**2.88**	**.33**	**70.55**	**63.36**
June	**545,304**	**121,064**	**40,195**	**1.61**	**.33**	**88.44**	**66.59**
Total	**$1,947,364**	**$439,872**	**$136,114**	**$5.53**(1)	**$ 1.32**		
Fiscal 2003							
September	$ 236,496	$ 35,793	$ (7,027)	$ (.32)	$ .32	$40.24	$30.75
December	352,562	67,640	11,744	.53	.32	43.36	32.12
March	560,431	116,220	42,975	1.81	.32	44.40	36.94
June	508,144	108,426	32,946	1.39	.32	51.50	38.06
Total	$1,657,633	$328,079	$ 80,638	$3.49(1)	$ 1.28		

The number of record holders of Briggs & Stratton Corporation Common Stock on August 25, 2004 was 4,160.

Net Income per share of Common Stock represents Diluted Earnings per Share.

(1) Refer to Note 2 to Consolidated Financial Statements, for information about Diluted Earnings per Share. Amounts do not total because of differing numbers of shares outstanding at the end of each quarter.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Briggs & Stratton changed independent accountants in August 2004 from Deloitte & Touche LLP to PricewaterhouseCoopers LLP. Information regarding the change in independent accountants was reported in Briggs & Stratton's Current Report on Amended Form 8-K dated August 4, 2004. There were no disagreements or any reportable events subject to Item 304(b) requiring disclosure.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures. The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act.

(b) Internal Control Over Financial Reporting. There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth fiscal quarter that have materially affected, or are reasonable likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Briggs & Stratton has no information to report pursuant to Item 9B.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

(a) Executive Officers. Reference is made to "Executive Officers of Registrant" in Part I after Item 4.

(b) Directors. The information required by this Item is in Briggs & Stratton's definitive Proxy Statement, prepared for the 2004 Annual Meeting of Shareholders, under the caption "Election of Directors", and is incorporated herein by reference.

(c) Section 16 Compliance. The information required by this Item is in Briggs & Stratton's definitive Proxy Statement, prepared for the 2004 Annual Meeting of Shareholders, under the caption "Security Ownership of Management – Section 16(a) Beneficial Ownership Reporting Compliance", and is incorporated herein by reference.

(d) Audit Committee Financial Expert. The information required by this Item is in Briggs & Stratton's definitive Proxy Statement, prepared for the 2004 Annual Meeting of Shareholders, under the caption "Corporate Governance- Audit Committee", and is incorporated herein by reference.

(e) Identification of Audit Committee. The information required by this Item is in Briggs & Stratton's definitive Proxy Statement, prepared for the 2004 Annual Meeting of Shareholders, under the caption "Corporate Governance- Audit Committee", and is incorporated herein by reference.

(f) Code of Ethics. Briggs & Stratton has adopted a written code of ethics, referred to as the Briggs & Stratton Business Integrity Manual applicable to all directors, officers and employees, which includes provisions related to accounting and financial matters applicable to the Principal Executive Officer, Principal Financial Officer, Principal Accounting Officer and Controller. The Briggs & Stratton Business Integrity Manual is available on the Company's corporate website at www.briggsandstratton.com. If the Company makes any substantive amendment to, or grants any waiver of, the code of ethics for any director or officer, Briggs & Stratton will disclose the nature of such amendment or waiver on its corporate website or in a Current Report on Form 8-K.

ITEM 11. EXECUTIVE COMPENSATION

The information in Briggs & Stratton's definitive Proxy Statement, prepared for the 2004 Annual Meeting of Shareholders, concerning this item, in the subsection titled "Director Compensation" under the caption "Election of Directors" and the "Executive Compensation" section, is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information in Briggs & Stratton's definitive Proxy Statement, prepared for the 2004 Annual Meeting of Shareholders, concerning this item, under the captions "Security Ownership of Certain Beneficial Owners", "Security Ownership of Management" and "Equity Compensation Plan Information" is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Briggs & Stratton has no relationships or related transactions to report pursuant to Item 13.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item is in Briggs & Stratton's definitive Proxy Statement, prepared for the 2004 Annual Meeting of Shareholders, under the caption "Audit Committee Report," and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

1. Financial Statements

   The following financial statements are included under the caption "Financial Statements and Supplementary Data" in Part II, Item 8 and are incorporated herein by reference:

2. Financial Statement Schedules

   All other financial statement schedules provided for in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions.

3. Exhibits

   Refer to the Exhibit Index incorporated herein by reference. Each management contract or compensatory plan or arrangement required to be filed as an exhibit to this report is identified in the Exhibit Index by an asterisk following the Exhibit Number.

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BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES
SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

FOR FISCAL YEARS ENDED JUNE 27, 2004, JUNE 29, 2003 AND JUNE 30, 2002

Reserve for Doubtful Accounts Receivable	Balance Beginning of Year	Additions Charged to Earnings	Charges to Reserve, Net	Other	Balance End of Year
2004	$1,780,000	1,899,000	(2,095,000)	—	$1,584,000
2003	$1,703,000	129,000	(52,000)	—	$1,780,000
2002	$1,599,000	(1,222,000)	1,326,000	—	$1,703,000

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Briggs & Stratton Corporation:

We have audited the consolidated financial statements of Briggs & Stratton Corporation and subsidiaries as of June 27, 2004 and June 29, 2003, and for each of the three years in the period ended June 27, 2004, and have issued our report thereon dated July 22, 2004; such report is included elsewhere in this Form 10-K. Our audits also included the consolidated financial statement schedule of Briggs & Stratton Corporation for the years ended June 27, 2004, June 29, 2003 and June 30, 2002, listed in Item 15. This consolidated financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

Deloitte & Touche LLP
Milwaukee, Wisconsin
July 22, 2004

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SIGNATURES

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

BRIGGS & STRATTON CORPORATION

By /s/ James E. Brenn
James E. Brenn
Senior Vice President and
Chief Financial Officer

September 9, 2004

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/ John S. Shiely
John S. Shiely
Chairman, President and Chief Executive
Officer and Director (Principal Executive Officer)

/s/ James E. Brenn
James E. Brenn
Senior Vice President and Chief Financial
Officer (Principal Financial Officer)

/s/ Ricky T. Dillon
Ricky T. Dillon
Controller (Principal Accounting Officer)

/s/ William F. Achtmeyer
William F. Achtmeyer
Director

/s/ Jay H. Baker
Jay H. Baker
Director

/s/ Michael E. Batten
Michael E. Batten
Director

/s/ David L. Burner
David L. Burner
Director

/s/ Mary K. Bush
Mary K. Bush
Director

/s/ Robert J. O’Toole
Robert J. O’Toole
Director

/s/ Charles I. Story
Charles I. Story
Director

/s/ Brian C. Walker
Brian C. Walker
Director

* Each signature affixed as of
September 9, 2004.

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BRIGGS & STRATTON CORPORATION
(Commission File No. 1-1370)

EXHIBIT INDEX
2004 ANNUAL REPORT ON FORM 10-K

Exhibit Number	Document Description
3.1	Articles of Incorporation. (Filed as Exhibit 3.2 to the Company's Report on Form 10-Q for the quarter ended October 2, 1994 and incorporated by reference herein.)
3.2	Bylaws, as amended and restated June 14, 2001. (Filed as Exhibit 99 to the Company's Report on Form 8-K dated June 14, 2001 and incorporated by reference herein.)
3.2 (a)	Amendment to Bylaws Adopted by Resolution of the Board of Directors on April 21, 2004. (Filed as Exhibit 3.2 to the Company's Report on Form 10-Q for the quarter ended March 28, 2004 and incorporated by reference herein.)
4.0	Rights Agreement dated as of August 7, 1996, between Briggs & Stratton Corporation and Firstar Trust Company which includes the form of Right Certificate as Exhibit A and the Summary of Rights to Purchase Common Shares as Exhibit B. (Filed as Exhibit 4.1 to the Company's Registration Statement on Form 8-A dated as of August 7, 1996 and incorporated by reference herein.)
4.0 (a)	First Amendment to the Rights Agreement. (Filed as Exhibit 4 to the Company's Report on Form 10-Q for the quarter ended December 29, 2002 and incorporated by reference herein.)
4.1	Indenture dated as of June 4, 1997 between Briggs & Stratton Corporation and Bank One, N.A., as Trustee. (Filed as Exhibit 4.1 to the Company's Report on Form 8-K dated May 30, 1997 and incorporated by reference herein.)
4.2	Form of 7-1/4% Note due September 15, 2007 of Briggs & Stratton Corporation issued pursuant to the Indenture dated as of June 4, 1997 between Briggs & Stratton Corporation and Bank One, N.A., as Trustee. (Filed as Exhibit 4.2 to the Company's Report on Form 8-K dated May 30, 1997 and incorporated by reference herein.)
4.3	Resolutions of the Board of Directors of Briggs & Stratton Corporation authorizing the public offering of debt securities of Briggs & Stratton Corporation in an aggregate principal amount of up to $175,000,000. (Filed as Exhibit 4.3 to the Company's Report on Form 8-K dated May 30, 1997 and incorporated by reference herein.)
4.4	Actions of the Authorized Officers of Briggs & Stratton Corporation authorizing the issuance of $100,000,000 aggregate principal amount of 7-1/4% Notes due September 15, 2007. (Filed as Exhibit 4.4 to the Company's Report on Form 8-K dated May 30, 1997 and incorporated by reference herein.)
4.5	Officers' Certificate and Company Order of Briggs & Stratton Corporation executed in conjunction with the issuance of $100,000,000 aggregate principal amount of 7-1/4% Notes due September 15, 2007. (Filed as Exhibit 4.5 to the Company's Report on Form 8-K dated May 30, 1997 and incorporated by reference herein.)

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Exhibit Number	Document Description
4.6	Indenture dated as of May 14, 2001 between Briggs & Stratton Corporation, the Guarantors listed on Schedule I thereto and Bank One, N.A., as Trustee, providing for 8.875% Senior Notes due March 15, 2011 (including form of Note, form of Notation of Guarantee and other exhibits). (Filed as Exhibit 4.9 to the Company's Registration Statement on Form S-3 filed on July 3, 2001, Registration No. 333-64490, and incorporated herein by reference.)
4.7	Form of Supplemental Indenture dated as of May 15, 2001 between Subsequent Guarantors (Generac Portable Products, Inc., GPPD, Inc., GPPW, Inc. and Generac Portable Products, LLC), Briggs & Stratton Corporation, and Bank One, N.A., as Trustee. (Filed as Exhibit 4.10 to the Company's Registration Statement on Form S-3 filed on July 3, 2001, Registration No. 333-64490, and incorporated herein by reference.)
4.8	First Supplemental Indenture dated as of May 14, 2001 between Briggs & Stratton Corporation and Bank One, N.A., as Trustee under the Indenture dated as of June 4, 1997. (Filed as Exhibit 4.12 to the Company's Registration Statement on Form S-3 filed on July 3, 2001, Registration No. 333-64490, and incorporated herein by reference.)
4.9	Form of Indenture Supplement to Add a Subsidiary Guarantor dated as of May 15, 2001 among each Subsidiary Guarantor (Generac Portable Products, Inc., GPPD, Inc., GPPW, Inc. and Generac Portable Products, LLC), Briggs & Stratton Corporation, and Bank One, N.A., as Trustee. (Filed as Exhibit 4.13 to the Company's Registration Statement on Form S-3 filed on July 3, 2001, Registration No. 333-64490, and incorporated herein by reference.)
10.0*	Form of Officer Employment Agreement. (Filed as Exhibit 10.0 to the Company's Report on Form 10-Q for the quarter ended March 29, 1998 and incorporated by reference herein.)
10.1*	Amended and Restated Supplemental Executive Retirement Plan. (Filed as Exhibit 10.1 to the Company's Report on Form 10-Q for the quarter ended March 31, 2002 and incorporated by reference herein.)
10.1 (a)*	Amendment to Supplemental Executive Retirement Plan. (Filed as Exhibit 10.1 (a) to the Company's Report on Form 10-K for fiscal year ended June 29, 2003 and incorporated by reference herein.)
10.2*	Amended and Restated Economic Value Added Incentive Compensation Plan. (Filed herewith.)
10.3*	Form of Change of Control Employment Agreements. (Filed as Exhibit 10.4 to the Company's Annual Report on Form 10-K for fiscal year ended June 27, 1993 and incorporated by reference herein.)
10.3 (a)*	Amendment to Change in Control Employment Agreements. (Filed herewith.)
10.4 (a)*	Trust Agreement with an independent trustee to provide payments under various compensation agreements with company employees upon the occurrence of a change in control. (Filed as Exhibit 10.5 (a) to the Company's Annual Report on Form 10-K for fiscal year ended July 2, 1995 and incorporated by reference herein.)

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Exhibit Number	Document Description
10.4 (b)*	Amendment to Trust Agreement with an independent trustee to provide payments under various compensation agreements with company employees. (Filed as Exhibit 10.5 (b) to the Company's Annual Report on Form 10-K for fiscal year ended July 2, 1995 and incorporated by reference herein.)
10.5 (a)*	1999 Amended and Restated Stock Incentive Plan. (Filed as Exhibit A to the Company's 1999 Annual Meeting Proxy Statement and incorporated by reference herein.)
10.5 (b)*	Amendment to Stock Incentive Plan. (Filed as Exhibit 10.2 to the Company's Report on Form 10-Q for the quarter ended March 30, 2003 and incorporated by reference herein.)
10.5 (c)*	Amendment to Stock Incentive Plan. (Filed herewith.)
10.6*	Amended and Restated Premium Option and Restricted Stock Program. (Filed herewith.)
10.6 (a)*	Form of Stock Option Agreement under the Premium Option and Restricted Stock Program. (Filed herewith.)
10.6 (b)*	Form of Restricted Stock Award Agreement under the Premium Option and Restricted Stock Program. (Filed herewith.)
10.11*	Amended and Restated Deferred Compensation Plan for Directors. (Filed herewith.)
10.12*	Amended and Restated Director's Premium Option and Stock Grant Program. (Filed herewith.)
10.12 (a)*	Form of Director's Stock Option Agreement under the Director's Premium Option and Stock Grant Program. (Filed herewith.)
10.14*	Executive Life Insurance Plan. (Filed as Exhibit 10.17 to the Company's Annual Report on Form 10-K for fiscal year ended June 27, 1999 and incorporated by reference herein.)
10.14 (a)*	Amendment to Executive Life Insurance Program. (Filed as Exhibit 10.14 (a) to the Company's Report on Form 10-K for fiscal year ended June 29, 2003 and incorporated by reference herein.)
10.14 (b)*	Amendment to Executive Life Insurance Plan. (Filed herewith.)
10.15 (a)*	Key Employees Savings and Investment Plan. (Filed as Exhibit 10.18 to the Company's Annual Report on Form 10-K for fiscal year ended June 27, 1999 and incorporated by reference herein.)
10.15 (b)*	Amendment to Key Employees Savings and Investment Plan. (Filed as Exhibit 10.1 to the Company's Report on Form 10-Q for the quarter ended December 31, 2000 and incorporated by reference herein.)
10.15 (c)*	Amendment to Key Employee Savings and Investment Plan. (Filed as Exhibit 10.1 to the Company's Report on Form 10-Q for the quarter ended March 30, 2003 and incorporated by reference herein.)
10.16*	Consultant Reimbursement Arrangement. (Filed as Exhibit 10.19 to the Company's Annual Report on Form 10-K for fiscal year ended June 27, 1999 and incorporated by reference herein.)

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Exhibit Number	Document Description
10.17*	Briggs & Stratton Product Program. (Filed as Exhibit 10.18 to the Company's Annual Report on Form 10-K for fiscal year ended June 30, 2002 and incorporated by reference herein.)
12	Computation of Ratio of Earnings to Fixed Charges. (Filed herewith.)
21	Subsidiaries of the Registrant. (Filed herewith.)
23.1	Consent of Independent Registered Public Accounting Firm. (Filed herewith.)
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (Filed herewith.)
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (Filed herewith.)
32.1	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (Furnished herewith.)
32.2	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (Furnished herewith.)

* Management contracts and executive compensation plans and arrangements required to be filed as exhibits pursuant to Item 15(b) of Form 10-K.

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 10.2

AMENDED AND RESTATED ECONOMIC VALUE ADDED INCENTIVE COMPENSATION PLAN

Effective July 1, 2004

As Amended and Restated
Effective 7-1-04

BRIGGS & STRATTON CORPORATION

ECONOMIC VALUE ADDED INCENTIVE COMPENSATION PLAN

As adopted by the Compensation Committee on April 20, 2004

BRIGGS & STRATTON CORPORATION
ECONOMIC VALUE ADDED INCENTIVE COMPENSATION PLAN

I. Plan Objectives

A. To promote the maximization of shareholder value over the long term by providing incentive compensation to key employees of Briggs & Stratton Corporation (the "Company") in a form which is designed to financially reward participants for an increase in the value of the Company to its shareholders.

B. To provide competitive levels of compensation to enable the Company to attract and retain employees who are able to exert a significant impact on the value of the Company to its shareholders.

C. To encourage teamwork and cooperation in the achievement of Company goals.

D. To recognize differences in the performance of individual participants.

II. Plan Administration

The Compensation Committee of the Board of Directors (the "Committee") shall be responsible for the design, administration, and interpretation of the Plan.

III. Definitions

A. "Accrued Bonus" means the bonus, which may be negative or positive, which is calculated in the manner set forth in Section V.A.

B. "Actual EVA" means the EVA as calculated for the relevant Plan Year.

C. "Base Salary" means the amount of a Participant's base compensation earned during the Plan Year without adjustment for bonuses, salary deferrals, value of benefits, imputed income, special payments, amounts contributed to a savings plan or similar items.

D. "Capital" means the Company's weighted average monthly operating capital for the Plan Year, calculated as follows:

	Current Assets
-	Non-operating Investments
+	Bad Debt Reserve
+	LIFO Reserve
-	Deferred Tax Liabilities or Assets Classified as Current Assets
-	Current Noninterest-Bearing Liabilities
+	Warranty Reserve
+	Environmental Reserve
+	Property, Plant, Equipment, Net
-	Construction in Progress
+	Other Assets (not including prepaid Pension Costs)
(+/-)	Unusual Capital Items

E. "Capital Charge" means the deemed opportunity cost of employing Capital in the Company's businesses, determined as follows:

Capital Charge = Capital X Cost of Capital

F. Cost of Capital" means the weighted average of the cost of equity and the after tax cost of debt for the relevant Plan Year on a market value basis. The Cost of Capital will be determined (to the nearest tenth of a percent) by the Committee prior to each Plan Year, consistent with the following methodology:

a) Cost of Equity = Risk Free Rate + (Business Risk Index X Average Equity Risk Premium)

b) Debt Cost of Capital = Debt Yield X (1 - Tax Rate)

c) The weighted average of the Cost of Equity and the Debt Cost of Capital is determined by reference to the actual debt-to-capital ratio

where the Risk Free Rate is the average daily closing yield rate on 10 year U.S. Treasury Bonds for the month of March immediately preceding the relevant Plan Year, the Business Risk Index is determined by using an average of the Beta available in the four (4) most recent Value Line reports on the Company. The Average Equity Risk Premium is 6%, the Debt Yield is the weighted average yield of all borrowing included in the Company's permanent capital, and the tax rate is the combination of the relevant federal and state income tax rates.

G. "Designated Key Contributor" means those Participants named by the Chief Executive Officer as a Designated Key Contributor under the Plan.

H. "Divisional EVA Performance Factor" means an Individual Performance Factor calculated in the same manner as the Company Performance Factor as set forth in Section VI.A., except that EVA, Actual EVA, Target EVA, EVA Leverage Factor, NOPAT, Capital, Capital Charge and other relevant terms shall be defined by reference to the particular operating division, service division or sales group, not by reference to the entire Company.

I. "Economic Value Added" or "EVA" means the NOPAT that remains after subtracting capital Charge, expressed as follows:

NOPAT
Less: Capital Charge
Equals: EVA

EVA may be positive or negative.

J. "EVA Leverage Factor" means the expected deviation in EVA from the average EVA, generally reflected as a percentage of capital employed. For purposes of this Plan, the Company's EVA Leverage Factor is determined to be $27 million.

K. "NOPAT" means cash adjusted net operating profits after taxes for the Plan Year, calculated as follows:

	Pretax Income
+	Interest Expense
-	Normal Pension Costs
+/-	Pension Income/Expense
+/-	Change in LIFO Reserve
+/-	Change in Bad Debt Reserve
+/-	Change in Post Retire Health Care Reserve
+/-	Change in Warranty Reserve
+/-	Other Income & Expense on Non-Operating Investments
+/-	Unusual Charges
+/-	Amortization of Unusual Income or Expense Items
-	Cash Taxes on the above (+/-changes in Deferred Taxes)

L. "Plan Year" means the one year period coincident with the Company's fiscal year.

M. "Senior Executives" means those Participants designated as Senior Executives by the Committee with respect to any Plan Year.

N. "Target EVA" means the target level of EVA for the Plan Year, determined as follows:

$$\text{Target EVA} = \frac{\text{Prior Year Target EVA} + \text{Prior Year Actual EVA}}{2}$$

IV. Eligibility

A. Eligible Positions. In general, all Company Officers, Division General Managers, and members of the corporate operations group, and certain direct reports of such individuals may be eligible for participation in the Plan. However, actual participation will depend upon the contribution and impact each eligible employee may have on the Company's value to its shareholders, as determined by the Chief Executive Officer of the Company, and approved by the Committee.

B. Nomination and Approval. Each Plan year, the Chief Executive Officer of the Company will nominate eligible employees of the Company and its subsidiaries and affiliates to participate in the Plan for the next Plan Year. The Committee will have the final authority to select Plan participants (the "Participants") among the eligible employees nominated by the Chief Executive Officer of the Company. Continued participation in the Plan is contingent on approval of the Committee. Selection normally will take place, and will be communicated to each Participant, prior to the beginning of the pertinent Plan Year.

V. Individual Participation Levels

A. Calculation of Accrued Bonus. Each Participant's Accrued Bonus will be determined as a function of the Participant's Base Salary, the Participant's Target Incentive Award (provided in paragraph V.B., below), Company Performance Factor (provided in Section VI.A.) and the Individual Performance Factor (provided in Section VI.B.) for the Plan Year. Each Participant's Accrued Bonus will be calculated as follows:

$$30\% \ \text{Participant's Base Salary} \times \text{Target Incentive Award} \times \text{Company Performance Factor} + 70\% \ \text{Participant's Base Salary} \times \text{Target Incentive Award} \times \text{Individual Performance Factor}$$

In no case may the Accrued Bonus exceed three times the Target Incentive Award or be less than negative one times the Target Incentive Award.

B. Target Incentive Awards. The Target Incentive Awards will be determined according to the following schedule:

Executive Position	**Target Incentive Award (% of Base Salary)**
Chief Executive Officer	100%
Executive Vice President & Senior Vice President	60%
Other Elected Officers	40%
Division General Manager	40%
Designated Key Contributors	25%
All Others	20%

VI. Performance Factors

A. Company Performance Factor Calculation. For any Plan Year, the Company Performance Factor will be calculated as follows:

$$\text{Company Performance Factor} = 1.00 + \frac{\text{Actual EVA} - \text{Target EVA}}{\text{EVA Leverage Factor}}$$

B. Individual Performance Factor Calculation. Determination of the Individual Performance Factor will be the responsibility of the individual to whom the participant reports. This determination will be subject to approval by the Committee and should be in conformance with the process set forth below:

(1) Quantifiable Supporting Performance Factors. The Individual Performance Factor of the Accrued Bonus calculation will be based on the accomplishment of individual, financial and/or other goals ("Supporting Performance Factors"). Whenever possible, individual performance will be evaluated according to quantifiable benchmarks of success. These Supporting Performance Factors will represent an achievement percentage continuum that ranges from 50% to 150% of the individual target award opportunity, and will be enumerated from .5 to 1.5 based on such continuum. Provided, however, that if the Quantifiable Supporting Performance Factor is based on divisional EVA and is calculated in the same manner as the Company Performance Factor as set forth in Section VI.A. with respect to such division (such Supporting Performance Factor referred to herein as a Divisional EVA Performance Factor), then the Supporting Performance Factor may be unlimited, if so approved by the Committee. A Quantifiable Supporting Performance Factor may also be unlimited if the Quantifiable Supporting Performance Factor as approved by the Committee for such individual is the same as the Company Performance Factor determined in accordance with Section VI.A.

(2) Non-Quantifiable Supporting Performance Factors. When performance cannot be measured according to a quantifiable monitoring system, an assessment of the Participant's overall performance may be made based on a Non-Quantifiable Supporting Performance Factor (or Factors). The person to whom the Participant reports will evaluate the Participant's performance, and this evaluation will determine the Participant's Supporting Performance Factor (or Factors) according to the following schedule:

Individual Performance Rating	Supporting Performance Factor
Outstanding	1.3 - 1.5
Excellent	1.1 - 1.3
Good	.9 - 1.1
Satisfactory	.5 - .9
Unsatisfactory	0

(3) Aggregate Individual Performance Factor. The Individual Performance Factor to be used in the calculation of the Accrued Bonus shall be equal to the average (or weighted average) of one or more Quantifiable and/or Non-Quantifiable Supporting Performance Factors according to relative importance, except that the Non-Quantifiable Supporting Performance Factor shall account for no more than 15% of the Accrued Bonus.

VII. Change in Status During the Plan Year

A. New Hire, Transfer, Promotion, Demotion

A newly hired employee or an employee transferred, promoted, or demoted during the Plan Year to a position qualifying for participation (or leaving the participating class) may accrue (subject to discretion of the Committee) a pro rata Accrued Bonus based on the percentage of the Plan Year (actual weeks/full year times a full year award amount for that position) the employee is in each participating position.

B. Discharge

An employee discharged during the Plan Year shall not be eligible for an Accrued Bonus, even though his or her service arrangement or contract extends past year-end, unless the Committee determines that the conditions of the termination indicate that a prorated Accrued Bonus is appropriate. The Committee shall have full and final authority in making such a determination.

C. Resignation

An employee who resigns during the Plan Year to accept employment elsewhere (including self-employment) will not be eligible for an Accrued Bonus.

D. Death, Disability, Retirement

If a Participant's employment is terminated during a Plan Year by reason of death, disability, or normal or early retirement under the Company's retirement plan, a tentative Accrued Bonus will be calculated as if the Participant had remained employed as of the end of the Plan Year. The final Accrued Bonus will be calculated by multiplying the tentative Accrued Bonus by a proration factor. The proration factor will be equal to the number of full weeks of employment during the Plan Year divided by fifty-two. For purposes of this section, the date a participant is deemed to be terminated pursuant to disability shall be the date the employee begins receiving a monthly Long Term Disability Benefit under the Company's Group Insurance Plan.

Each employee may name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Plan is to be paid in case of the employee's death.

Each such designation shall revoke all prior designations by the employee, shall be in the form prescribed by the Committee, and shall be effective only when filed by the employee in writing with the Committee during his or her lifetime.

In the absence of any such designation, benefits remaining unpaid at the employee's death shall be paid to the employee's estate.

E. Leave of Absence

An employee whose status as an active employee is changed during a Plan Year as a result of a leave of absence may, at the discretion of the Committee, be eligible for a pro rata Accrued Bonus determined in the same way as in paragraph D. of this Section.

VIII. Bonus Paid and Bonus Bank

All or a portion of the Accrued Bonus will be either paid to the Participant or credited to or charged against the Bonus Bank as provided in this Article.

A. Participants Who Are Not Senior Executives. All positive Accrued Bonuses of Participants who are not Senior Executives for the Plan Year shall be paid in cash, less amounts required by law to be withheld for income and employment tax purposes, on or before the end of the second month following the end of the Plan Year in which the Accrued Bonus was earned. Participants who are not Senior Executives shall not be charged or otherwise assessed for negative Accrued Bonuses nor shall such Participants have any portion of their Accrued Bonuses banked.

B. Participants Who Are Senior Executives. The Total Bonus Payout to Participants who are Senior Executives for the Plan Year shall be as follows:

	Accrued Bonus
Less:	Extraordinary Bonus Accrual
Plus:	Bank Payout
Equals:	Total Bonus Payout

The Total Bonus Payout for each Plan Year, less amounts required by law to be withheld for income tax and employment tax purposes, shall be paid on or before the end of the second month following the end of the Plan Year in which it was earned.

C. Establishment of a Bonus Bank. To encourage a long term commitment to the enhancement of shareholder value by Senior Executives, "Extraordinary Bonus Accruals" shall be credited to an "at risk" deferred account ("Bonus Bank") for each such Participant, and all negative Accrued Bonuses shall be charged against the Bonus Bank, as determined in accordance with the following:

1. "Bonus Bank" means, with respect to each Senior Executive, a bookkeeping record of an account to which Extraordinary Bonus Accruals are credited, and negative Accrued Bonuses debited as the case may be, for each Plan Year, and from which bonus payments to such Senior Executive are debited.

2. "Bank Balance" means, with respect to each Senior Executive, a bookkeeping record of the net balance of the amounts credited to and debited against such Senior Executive's Bonus Bank. The Bank Balance shall initially be equal to zero.

3. "Extraordinary Bonus Accrual" shall mean the amount of the Accrued Bonus for any year that exceeds the Senior Executive's Target Incentive Award.

4. Annual Allocation. Each Senior Executive's Extraordinary Bonus Accrual or negative Accrued Bonus is credited or debited to the Bonus Bank maintained for that Senior Executive. Such Annual Allocation will occur as soon as possible after the conclusion of each Plan Year. Although a Bonus Bank may as a result of negative Accrual Bonuses have a deficit, no Senior Executive shall be required, at any time, to reimburse his/her Bonus Bank for such deficit other than by crediting an Extraordinary Bonus Accrual to a deficit balance.

5. "Available Balance" means that the Bank Balance at the point in time immediately after the Annual Allocation has been made.

6. "Payout Percentage" means the percentage of the Available Balance that may be paid out in cash to the Participant. The Payout Percentage will equal 33%.

7. "Bank Payout" means the amount of the Available Balance that may be paid out in cash to the Senior Executive for each Plan Year. The Bank Payout is calculated as follows:

   Bank Payout = Available Balance X Payout Percentage

   The Bank Payout is subtracted from the Bank Balance.

8. Treatment of Available Balance Upon Termination

   a) Resignation or Termination With Cause. Senior Executives leaving voluntarily to accept employment elsewhere (including self-employment) or who are terminated with cause will forfeit their Available Balance.

   b) Retirement, Death, Disability or Termination Without Cause. In the event of a Senior Executive's normal or early retirement under the Company's retirement plan, death, disability, or termination without cause, the Available Balance, less amounts required by law to be withheld for income tax and employment tax purposes, shall be paid to the Senior Executive on or before the end of the second month following the end of the Plan Year in which the termination for one of such events occurred.

   c) For purposes of this Plan "cause" shall mean:

      (i) any act or acts of the Participant constituting a felony under the laws of the United States, any state thereof or any foreign jurisdiction;

      (ii) any material breach by the Participant of any employment agreement with the Company or the policies of the Company or the willful and persistent (after written notice to the Participant) failure or refusal of the Participant to comply with any lawful directives of the Board;

      (iii) a course of conduct amounting to gross neglect, willful misconduct or dishonesty; or

(iv) any misappropriation of material property of the Company by the Participant or any misappropriation of a corporate or business opportunity of the Company by the Participant.

IX. Administrative Provisions

A. Amendments. The Board of Directors of the Company shall have the right to modify or amend this Plan from time to time, or suspend it or terminate it entirely; provided that no such modification, amendment, suspension, or termination may, without the consent of any affected participants (or beneficiaries of such participants in the event of death), reduce the rights of any such participants (or beneficiaries, as applicable) to a payment or distribution already earned under Plan terms in effect prior to such change.

B. Interpretation of Plan. Any decision of the Committee with respect to any issues concerning individual selected for awards, the amount, terms, form and time of payment of awards, and interpretation of any Plan guideline, definition, or requirement shall be final and binding.

C. Effect of Award on Other Employee Benefits. By acceptance of a bonus award, each recipient agrees that such award is special additional compensation and that it will not affect any employee benefit, e.g., life insurance, etc., in which the recipient participates, except as provided in paragraph D. below.

D. Retirement Programs. Awards made under this Plan shall be included in the employee's compensation for purposes of the Company Retirement Plans and Savings Plan.

E. Right to Continued Employment; Additional Awards. The receipt of a bonus award shall not give the recipient any right to continued employment, and the right and power to dismiss any employee is specifically reserved to the Company. In addition, the receipt of a bonus award with respect to any Plan Year shall not entitle the recipient to an award with respect to any subsequent Plan Year.

F. Adjustments to Performance Goals. When a performance goal is based on Economic Value Added or other quantifiable financial or accounting measure, it may be necessary to exclude significant nonbudgeted or noncontrollable capital investments or gains or losses from actual financial results in order to properly measure performance. The Committee will decide those items that shall be considered in adjusting actual results. For example, some types of items that may be considered for exclusion are:

(1) Any gains or losses which will be treated as extraordinary in the Company's financial statements.

(2) Profits or losses of any entities acquired by the Company during the Plan Year, assuming they were not included in the budget and/or the goal.

(3) Material gains or losses not in the budget and/or the goal which are of a nonrecurring nature and are not considered to be in the ordinary course of business. Some of these would be as follows:

(a) Gains or losses from the sale or disposal of real estate or property.

(b) Gains resulting from insurance recoveries when such gains relate to claims filed in prior years.

(c) Losses resulting from natural catastrophes, when the cause of the catastrophe is beyond the control of the Company and did not result from any failure or negligence on the Company's part.

(4) Capital incurred for a major acquisition for a reasonable period following such acquisition.

G. Vesting. All amounts due but unpaid to any Participant under this plan shall vest, subject to the terms of this EVA Plan, upon actual termination of employment of the Participant.

X. Miscellaneous

A. Indemnification. Each person who is or who shall have been a member of the Committee or of the Board, or who is or shall have been an employee of the Company, shall not be liable for, and shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with any claim, action, suit, or proceeding to which he or she may be a party by reason of any action taken or failure to act under this Plan. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

B. Expenses of the Plan. The expenses of administering this Plan shall be borne by the Company.

C. Withholding Taxes. The Company shall have the right to deduct from all payments under this Plan any Federal or state taxes required by law to be withheld with respect to such payments.

D. Governing Law. This Plan shall be construed in accordance with and governed by the laws of the State of Wisconsin.

EXHIBIT 10.3(a)

AMENDMENT TO CHANGE IN CONTROL EMPLOYMENT AGREEMENTS

RESOLVED, that the employment agreements between the Corporation and its executive officers relating to a change of control be modified by revising the introductory clause in Sections 2(c) and (d) of the agreements to read: "Approval by the shareholders of the Company and the subsequent consummation of . . . ."

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 10.5(c)

AMENDMENT TO THE
BRIGGS & STRATTON CORPORATION
AMENDED AND RESTATED
STOCK INCENTIVE PLAN

WHEREAS, the Company executed Stock Option Agreements as of August 4, 1999 (the “1999 Agreements”) that grant optionees stock options to purchase from the Company shares of its common stock at $74.53 per share during the period commencing on August 4, 2002 and ending on August 4, 2004,

WHEREAS, the Company intends to publicly release its fiscal 2004 year-end financial information on or about August 5, 2004, and immediately prior to that date certain individuals will be prohibited from engaging in cashless exercises with respect to these options under the Company’s policy on insider trading, and

WHEREAS, the Company desires to provide all optionees the opportunity to exercise options under the 1999 Agreements for a limited period of time following the public release of its year-end financial information,

RESOLVED, the officers of the Company are authorized to amend the 1999 Agreements effective August 4, 2004 so that (a) the unexercised portion of any incentive stock option granted under the 1999 Agreements shall be converted to a non-qualified stock option, and (b) such option and any other unexercised option granted under the 1999 Agreements shall expire on August 31, 2004.

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

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EXHIBIT 10.6

AMENDED AND RESTATED PREMIUM OPTION AND RESTRICTED STOCK PROGRAM

Effective July 1, 2004

As Amended and Restated
Effective 7-1-04

BRIGGS & STRATTON CORPORATION

PREMIUM OPTION AND RESTRICTED STOCK PROGRAM

As adopted by the Compensation Committee on April 20, 2004

BRIGGS & STRATTON CORPORATION
PREMIUM OPTION AND RESTRICTED STOCK PROGRAM

1.0 Objectives

The Premium Option and Restricted Stock Program ("PORS Program") is designed to build upon the Company's Economic Value Added Incentive Compensation Plan ("EVA Plan") by tying the interests of all Senior Executives to the long term consolidated results of the Company. In this way, the objectives of Senior Executives throughout the Company will be more closely aligned with the Company's Shareholders. Whereas the EVA Plan provides for near and intermediate term rewards, the PORS Program provides a longer term focus by allowing Senior Executives to participate in the long-term appreciation in the equity value of the Company. In general, the PORS Program is structured such that each year an amount equivalent to the Total Bonus Payout under the EVA Plan is invested on behalf of Senior Executives in restricted shares of the Company's Stock ("Restricted Shares") and an amount equivalent to the Senior Executive's Target Incentive Award is invested in premium options on the Company's Stock ("PSOs"). The Restricted Shares vest five years after their date of grant. The PSOs vest and become exercisable after they have been held for three years, and they expire at the end of five years. The PSOs are structured so that a fair return must be provided to the Company's Shareholders before they become valuable.

2.0 Restricted Share Grants

For fiscal 2005 and subsequent years, the dollar amount to be invested in Restricted Shares for each Senior Executive shall be equal to the amount of each Participant's Total Bonus Payout determined under the EVA Plan. The number of Restricted Shares awarded shall be determined by dividing (a) the dollar amount of such Restricted Shares award by (b) the Fair Market Value of Company Stock on the date of grant as determined by the Committee, rounded (up or down) to the nearest 10 shares. Fair Market Value is defined in the Company's Stock Incentive Plan ("SIP Plan").

All Restricted Shares shall vest on the fifth anniversary of the date of grant regardless of whether such vesting date occurs before or after retirement and shall have such other terms and conditions as the Committee shall determine.

3.0 Premium Stock Option Grants

For fiscal 2005 and subsequent years, the dollar amount to be invested in PSOs for each Senior Executive shall be equal to the amount of each Participant's Target Incentive Award determined under the EVA Plan. The number of PSOs awarded shall be determined by dividing (a) the dollar amount of such PSO award by (b) the Black-Scholes value of a share of Company stock based on its Fair Market Value on the date of the grant as determined by the Committee, rounded (up or down) to the nearest 10 shares. Fair Market Value is defined in the SIP Plan.

All PSOs shall vest and be exercisable beginning on the third anniversary of the date of grant and shall terminate on the fifth anniversary of the date of grant unless sooner exercised, unless the Committee determines other dates.

The exercise price for PSOs shall be 110% of the Fair Market Value per share of the Company's Stock on the date of grant.

4.0 Limitations on Grants and Carryover

Notwithstanding Sections 2 and 3, the maximum number of Restricted Shares that may be granted to all Senior Executives for any Plan Year shall be 250,000, and the maximum number of PSOs that may be granted to all Senior Executives for any Plan Year shall be 365,000. In the event that the limitations shall be in effect for any Plan Year, the dollar amount to be invested for each Senior Executive shall be reduced by proration based on the aggregate Total Bonus Payouts or Target Incentive Awards of all Senior Executives so that the limitations are not exceeded. The amount of any such reduction shall be carried forward to subsequent years and invested in Restricted Shares or PSOs to the extent the annual limitation is not exceeded in such years.

5.0 The Stock Incentive Plan

Except as modified herein, PSOs are Incentive Stock Options under the Company's SIP Plan as amended from time to time to the extent they are eligible for treatment as such under Section 422 of the Internal Revenue Code. If not eligible for ISO treatment, the PSOs shall constitute nonqualified stock options. Except as specifically modified herein, PSOs shall be governed by the terms of the Company's SIP Plan, and shall be granted as described in this Program annually unless the Committee modifies or terminates either the EVA Plan or the SIP Plan. As provided in the SIP Plan, all grants of PSOs to Participants who are subject to Sec. 16(b) of the Securities Exchange Act of 1934 are subject to approval of the Company Shareholders. In the event such approval is not obtained, this Program shall terminate.

6.0 Definitions

All capitalized terms used herein that are not otherwise defined shall have the same meaning given to them in the Company's Economic Value Added Incentive Compensation Plan.

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

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EXHIBIT 10.6(a)

FORM OF STOCK OPTION AGREEMENT UNDER THE PREMIUM OPTION AND RESTRICTED STOCK PROGRAM

Effective July 1, 2004

THE BRIGGS & STRATTON CORPORATION STOCK INCENTIVE PLAN
STOCK OPTION AGREEMENT

Optionee:	[Name]
No. of Shares:	[Number]
Date of Grant:	[Date]
Expiration Date:	[Date]
Exercise Price:	$ [110% of Fair Market Value on grant date]

BRIGGS & STRATTON CORPORATION (the “Company”), a Wisconsin corporation, hereby grants to the above-named employee (the “Optionee”) under The Briggs & Stratton Corporation Stock Incentive Plan as amended and restated in the Incentive Compensation Plan (the “Plan”) a stock option to purchase from the Company during the period commencing (except as otherwise provided herein) on [Date] and ending (except as otherwise provided herein) on the expiration date set forth above (the “option term”) up to but not exceeding in the aggregate the number of shares set forth above of the Common Stock, $0.01 par value, of the Company (“Common Stock”) at the price per share set forth above, all in accordance with and subject to the following terms and conditions:

1. No shares subject to this option may be purchased before [Date]. On such date and from time to time thereafter, the shares subject to this option may be purchased during the option term. If the Optionee’s employment is terminated for any reason prior to [Date], then, unless otherwise determined by (or pursuant to authority granted by) the Compensation Committee (the “Committee”) of the Board of Directors of the Company, this option shall not be exercisable.

2. If the effective date of retirement of the Optionee is before [Date], the Optionee may make application (at least one month prior to retirement) to the Committee for this option to become exercisable on such effective date. Such application may be denied or granted in whole or in part.

The following additional provisions shall apply with respect to the exercise of the option following termination of employment: (i) In the event that the Optionee’s employment shall be terminated by reason of death before the option is exercisable, the option may thereafter be exercised for a period of one year from the date of death. (ii) In the event that the Optionee's employment shall be terminated by reason of Disability or Retirement, no shares may be purchased after a period of three years from the date of termination of employment; provided, however, that if the Optionee's employment is terminated by reason of Disability or Retirement and if the Optionee dies within three years of such termination of employment, this option shall continue to be exercisable for a period of 12 months from the date of death of the Optionee. (iii) In the event that an Optionee's employment is terminated for any other reason, no shares may be purchased after the date of termination of employment; except that the option, to the extent then exercisable, may be exercised for the balance of the option term. However, nothing in (i), (ii) or (iii) above shall permit the purchase of any shares after the expiration date set forth above. The Optionee's employment shall be deemed to be terminated when he or she is no longer employed by (i) the Company, a subsidiary or an affiliate thereof, or (ii) a corporation, or a parent or subsidiary thereof, substituting a new option for the option granted by this Agreement (or assuming the option granted by this Agreement) by reason of a merger, consolidation, acquisition of property or stock, separation, reorganization or liquidation. Leaves of absence shall not constitute termination of employment.

Notwithstanding anything in the foregoing to the contrary, to the extent permitted under Section 422 of the Code, if the Optionee's employment is terminated by reason of death, Disability or Retirement and the portion of this option that is otherwise exercisable during the post-termination period as provided above and as specified under Sections 5(f), (g) or (h) of the Plan, applied without regard to Section 5(j) of the Plan, is greater than the portion that is exercisable as an incentive stock option during such post-termination period under Section 422, such post-termination period shall automatically be extended (but not beyond the original option term) to the extent necessary to permit the Optionee to exercise this option either as an incentive stock option or, if exercised after the expiration periods that apply for purposes of Section 422, as a non-qualified stock option.

3. Exercise of this option shall occur on the date (the "Date of Exercise") the Company receives at its principal executive offices (i) a written notice (the "Notice of Exercise") specifying the number of shares to be purchased, and (ii) payment by certified

check, cashier's check or confirmation of a wire transfer for the purchase price for such shares. In lieu of such payment by certified check, cashier's check or wire transfer, the Optionee may tender to the Company (i) outstanding shares of Common Stock, having a Fair Market Value, determined on the Date of Exercise, equal to the purchase price for the number of shares being purchased, or (ii) a combination of shares of outstanding Common Stock, as described above, so valued and payment as aforesaid which equals said purchase price, together, in each case, with payment of any applicable stock transfer tax. If the Fair Market Value, as so determined, of the shares tendered to the Company shall exceed the purchase price applicable to the number of shares being purchased, an appropriate cash adjustment will be made by the Company for any fractional share remaining. The Company will not deliver shares of Common Stock being purchased upon any exercise of this option unless it has received an acceptable form of payment for all applicable withholding taxes or arrangements satisfactory to the Company for the payment thereof have been made. Withholding taxes may be paid with outstanding shares of Common Stock (including Common Stock delivered upon exercise of this option), such Common Stock being valued at Fair Market Value on Date of Exercise. The Optionee shall have no rights as a stockholder with respect to any shares covered by this option until the date of the issuance of a stock certificate for such shares.

4. This option is not transferable by the Optionee otherwise than by will or the laws of descent and distribution and is exercisable during the Optionee's lifetime only by the Optionee or by the guardian or legal representative of the Optionee.

5. The terms and provisions of this Agreement (including, without limiting the generality of the foregoing, terms and provisions relating to the option price and the number and class of shares subject to this option) shall be subject to appropriate adjustment in the event of any recapitalization, merger, consolidation, disposition of property or stock, separation, reorganization, stock dividend, issuance of rights, combination or split-up or exchange of shares, or the like.

6. Whenever the word "Optionee" is used herein under circumstances such that the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom this option may be transferred by will or

by the laws of descent and distribution, it shall be deemed to include such person or persons.

7. The terms and provisions of the Plan (a copy of which will be furnished to the Optionee upon written request to the Briggs & Stratton Corporation, 12301 West Wirth Street, Wauwatosa, Wisconsin 53222) are incorporated herein by reference. To the extent any provision of this Agreement is inconsistent or in conflict with any term or provision of the Plan, the Plan shall govern. Capitalized terms not otherwise defined herein have the meaning set forth in the Plan.

IN WITNESS WHEREOF, this Incentive Stock Option Agreement has been duly executed as of [Date].

BRIGGS & STRATTON CORPORATION

By ______________________________

John S. Shiely
Chairman, President and
Chief Executive Officer

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 10.6(b)

FORM OF RESTRICTED STOCK AWARD AGREEMENT
UNDER PREMIUM OPTION AND RESTRICTED STOCK PROGRAM

Effective July 1, 2004

BRIGGS & STRATTON CORPORATION
RESTRICTED STOCK AWARD AGREEMENT

THIS RESTRICTED STOCK AWARD AGREEMENT, dated as of this [Date] is made by BRIGGS & STRATTON CORPORATION (the "Company") to [Name] (the "Employee").

WHEREAS, the Company believes it to be in the best interests of the Company and its shareholders to provide an incentive for certain of its key employees to work for and manage the affairs of the Company in such a way that its shares become more valuable; and

WHEREAS, the Employee is employed by the Company as a key employee.

NOW, THEREFORE, in consideration of the premises, the Company hereby grants this Restricted Stock Award to the Employee on the terms, conditions and restrictions hereinafter set forth.

1. **AWARD.** The Company hereby grants to the Employee a restricted stock award on the date hereof (the "Award Date"), covering [Number] shares of the common stock of the Company, par value $0.01 per share (the "Restricted Stock").

2. **RESTRICTION.** The Restricted Stock shall be forfeitable as described below until the shares become vested upon the first to occur, if any, of the following events:

(a) The termination of the Employee's employment with the Company or a subsidiary by reason of disability or death. For these purposes, "disability" shall mean separation from the service of the Company or such subsidiary because of such illness or injury as renders the Employee unable to perform the material duties of the Employee's job.

(b) Five (5) years from the Award Date.

(c) A change in control of the Company. For these purposes, a "change in control" is defined as set forth on Schedule A attached hereto.

The period of time during which the shares covered by this Restricted Stock Award are forfeitable is referred to as the "Restricted Period." If the Employee's employment with the Company or one of its subsidiaries terminates during the Restricted Period for any reason other than retirement, early retirement, disability or death, the Restricted Stock shall be forfeited to the Company on the date of such termination, without any further obligations of the Company to the Employee and all rights of the Employee with respect to the Restricted Stock shall terminate. The Company may, in its sole discretion, choose to accelerate the vesting of the Restricted Stock upon termination of the Employee's employment or otherwise.

3. **RIGHTS DURING RESTRICTED PERIOD.** During the Restricted Period, the Employee shall have the right to vote the Restricted Stock and to receive cash dividends, stock dividends and other distributions made with respect to the Restricted Stock; however, all such cash dividends, stock dividends and other distributions shall be forfeitable and subject to the same restrictions as exist regarding the original shares of Restricted Stock. The Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered during the Restricted Period, except by will or the laws of descent and distribution.

4. **CUSTODY.** The Restricted Stock may be credited to the Employee in book entry form and held, along with any stock dividends relating thereto, in custody by the Company or an agent for the Company until the applicable restrictions have expired. If any certificates are issued for shares of Restricted Stock or any such stock dividends during the Restricted Period, such certificates shall bear an appropriate legend as determined by the Company referring to the applicable terms, conditions and restrictions and the Employee shall deliver a signed, blank stock power to the Company relating thereto.

5. **TAX WITHHOLDING.** The Employee may satisfy any tax withholding obligations arising with respect to the Restricted Stock in whole or in part by tendering a check to the Company for any required amount, by election to have a portion of the shares withheld to defray all or a portion of any applicable taxes, or by election to have the Company or its subsidiaries withhold the required amounts from other compensation payable to the Employee.

6. **IMPACT ON OTHER BENEFITS.** The value of the Restricted Stock awarded hereunder, either on the Award Date or at the time such shares become vested, shall not be includable as compensation or earnings for purposes of any other benefit plan or program offered by the Company or its subsidiaries.

IN WITNESS WHEREOF, this Restricted Stock Award Agreement is executed by the parties as of the date set forth above.

BRIGGS & STRATTON CORPORATION

By: ______________________________

J. S. Shiely
Chairman, President and
Chief Executive Officer

____

Employee:

SCHEDULE A

Definition of Change in Control

For purposes of the Restricted Stock Award Agreement, a "change in control" is defined to include the following:

(1) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that the following acquisitions shall not constitute a change in control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (iv) any acquisition by any corporation pursuant to a transaction described in clauses (i), (ii) and (iii) of paragraph (3) below; or

(2) Individuals who, as of December 1, 1989, constituted the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to December 1, 1989 whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(3) Approval by the shareholders of the Company and the subsequent consummation of a reorganization, merger or consolidation (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then

outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(4) Approval by the shareholders of the Company and the subsequent comsummation of (i) a complete liquidation or dissolution of the Company or (ii) the sale or other disposition of all or substantially all of the assets of the Company, other than to a corporation, with respect to which following such sale or other disposition, (A) more than 60% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) less than 20% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by any Person (excluding any employee benefit plan (or related trust) of the Company or such corporation), except to the extent that such Person owned 20% or more of the Outstanding Company Common Stock or Outstanding Company Voting Securities prior to the sale or disposition and (C) at least a majority of the members of the Board of directors of such corporation were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such sale or other disposition of assets of the Company or were elected, appointed or nominated by the Board.

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 10.11

AMENDED AND RESTATED DEFERRED COMPENSATION PLAN FOR DIRECTORS

Effective August 4, 2004

BRIGGS & STRATTON CORPORATION

DEFERRED COMPENSATION PLAN FOR DIRECTORS

AS AMENDED AND RESTATED TO

August 4, 2004

SECTION I
PURPOSE

The purpose of the Briggs & Stratton Corporation Deferred Compensation Plan for Directors is to offer Non-Employee Directors the opportunity to defer all or a portion of their Compensation for future services as a member of the Board of Directors.

SECTION II
DEFINITIONS

a. "Beneficiary" shall mean the person or persons designated from time to time in writing by a Participant to receive payments under the Plan after the death of such Participant, or, in the absence of any such designation or in the event that such designated person or persons shall predecease such Participant, his estate.

b. "Common Share Unit" shall mean a Deferred Amount which is converted into a unit or fraction of a unit for purposes of the Plan by dividing a dollar amount by the Fair Market Value of one of the Corporation's common shares.

c. "Corporation" shall be Briggs & Stratton Corporation.

d. "Common Stock" shall mean shares of Briggs & Stratton Corporation common stock awarded as part of Non-Employee Director Compensation.

e. "Compensation" shall mean payments which the Participant receives from the Corporation for services, including retainer fees, meeting fees, consent resolution fees and Common Stock.

f. "Deferred Amount" shall mean an amount of Compensation deferred under the Plan and carried during the deferral period in any Account provided for in the Plan.

g. "Distribution Date" shall mean the date designated by a Participant in the Notice of Election form for distribution of the Participant's Accounts.

h. "Dividend Equivalent" shall mean an amount equal to the cash dividend paid on one of the Corporation's common shares credited to an Account for each Common Share Unit or Share of Common Stock credited to such Account.

i. "Fair Market Value" shall mean the closing price of the Corporation's common shares as reported by the New York Stock Exchange or such other exchange or national market system on which the Corporation's common shares may then be listed or quoted.

j. "Non-Employee Director" shall mean any duly elected or appointed member of the Board of Directors of the Corporation who is not an employee of the Corporation or of any subsidiary of the Corporation.

k. "Participant" shall mean any Non-Employee Director who elects to defer any amount of Compensation under the Plan.

l. "Plan" shall mean this Briggs & Stratton Corporation Deferred Compensation Plan for Directors, as amended and restated.

m. "Secretary" shall mean the duly elected Secretary of the Corporation.

SECTION III
ELECTION, MODIFICATION AND TERMINATION PROCEDURES

Any Non-Employee Director wishing to participate in the Plan must file with the Secretary of the Corporation at P. 0. Box 702, Milwaukee, Wisconsin 53201, a written Notice of Election on the form attached as Exhibit "A" to defer payment of all or a portion of the Non-Employee Director's Compensation payable in the future. An effective election with respect to Compensation, payment of which has been deferred under the terms of this Plan, may not be modified or revoked except to the extent provided in the third sentence of Section VI. An effective election with regard to future Compensation, payment of which has not yet been deferred, may be modified by filing a new Notice of Election or may be terminated by filing a Notice of Termination on the form attached as Exhibit "B".

SECTION IV
ESTABLISHMENT AND ADMINISTRATION OF DEFERRED DIRECTORS' COMPENSATION ACCOUNTS

The amount of any Participant's Compensation deferred in accordance with an election shall be credited to an Account maintained by the Corporation. Such Account shall remain a part of the general funds of the Corporation, and nothing contained in this Plan shall be deemed to create a trust or fund of any kind or create any fiduciary relationship. A separate record of each deferred Participant's Account shall be maintained by the Corporation for each Participant in the Plan. The Participant's Account shall segregate the reporting of Common Stock deferrals and cash deferrals.

The Director shall elect to have any cash deferrals hereunder credited with earnings in accordance with (a) or (b) below:

(a) Fixed Rate Account

As of the last day of each calendar quarter, the portion of the Participant's Deferred Amount for which the Participant has selected earnings to be credited pursuant to this subsection (a) shall be adjusted as follows:

(1) The Participant's Account shall first be charged with any distributions made during the quarter.

(2) The Participant's Account balance shall then be credited with a supplemental amount for that quarter. Such supplemental amount shall be computed by multiplying the Account balance after the adjustment provided for in Subsection (1) by a fraction, the numerator of which is 80% of the prevailing prime interest rate at the Firstar Bank of Milwaukee on the last business day of the quarter, and the denominator of which is four (4).

(3) Finally, the Account shall be credited with the amount, if any, of cash Compensation deferred during that quarter.

(b) Briggs & Stratton Common Share Unit Account

Compensation deferred into a Common Share Unit Account shall be credited to the Account on the same date as it would otherwise be payable to the Participant. Such Deferred Amounts shall be converted into a number of Common Share Units on the date credited to the Account by dividing the Deferred Amount by the Fair Market Value on such date. If Common Share Units exist in a Participant's Account on a dividend record date for the Corporation's common shares, Dividend Equivalents shall be credited to the Participant's Account on the related dividend payment date, and shall be converted into the number of Common Share Units which could be purchased with the amount of Dividend Equivalents so credited.

(c) Briggs & Stratton Common Stock Account

Any Common Stock deferred under the Plan shall be credited to the Account in shares on the same date as they would otherwise be payable to the Participant. If Common Stock exists in the Participant's Account on a dividend record date for the Corporation's common shares, Dividend Equivalents shall be credited to the Participant's Account on the related dividend payment date, and shall be converted into the number of Common Share Units which could be purchased with the amount of Dividend Equivalents so credited.

In the event of any change in the Corporation's common shares outstanding, by reason of any stock split or dividend, recapitalization, merger, consolidation, combination or exchange of stock or similar corporate change, the Secretary shall make such equitable adjustments, if any, by reason of any such change, deemed appropriate in the number of Common Share Units and/or Common Stock credited to each Participant's Account.

SECTION V
PAYMENT OF DEFERRED DIRECTORS' COMPENSATION

Deferred Amounts shall be paid to a Participant or, in the event of death, to his designated Beneficiary in accordance with the Notice of Election and Beneficiary Designation forms that have been filed with the Secretary of the Corporation. If a Participant elects to receive payment of his Deferred Amount in annual installments rather than in a lump sum, the payment period shall not exceed ten years following the payment commencement date. The amount of any installment payment shall be determined by multiplying the balance of the Participant's unpaid Account on the date of such installment by a fraction, the numerator of which is one and the denominator of which is the number of remaining unpaid installments. Such account balance shall be appropriately reduced to reflect the installment payment made hereunder.

In no event will an installment payment be less than $1,000.00 and all installments will be paid annually as soon as is practicable after commencement of the calendar year selected by the Participant. If a Participant shall die prior to the receipt of all installment payments, any unpaid balance of deferred fees and supplemental amounts shall be paid in one lump sum to his designated Beneficiary(s) as soon as practicable following the month of death.

If the Participant has a balance in Common Stock, distribution will be made in shares of Briggs & Stratton Corporation Common Stock. If the Participant has a balance in Briggs & Stratton Common Share Units, the Participant may elect to receive distributions in cash or stock; provided that any such distributions shall be subject to any necessary approvals under securities laws or exchange requirements. Notice of the election with respect to Common Share Units shall be delivered to the Secretary no more than 30 nor less than 10 days preceding the distribution, and, if a cash distribution has been elected, the amount of the distribution shall be determined by valuing units to be distributed at the Fair Market Value of Common Stock two business days preceding the distribution.

SECTION VI
WHEN PAYMENT OF DEFERRED AMOUNTS COMMENCES

Compensation may be deferred until any date but no later than the year in which the Participant attains the age of seventy-three years. Prior to August 4, 2004 the Plan provided that compensation may not be deferred to a year later than the year in which the Participant attained the age of 71 years. A Participant who made deferrals prior to August 4, 2004 may on or before August 31, 2004 file an irrevocable election to extend the date of such deferrals to any date that is no later than the year in which the Participant attains the age of 73; provided, however, that such election shall not become effective unless the Participant remains a Director until at least August 31, 2005. The payment in a lump sum or installments of amounts deferred pursuant to an election under the Plan shall commence as soon as practicable during the first year to which payment has been deferred, and shall be paid in accordance with the terms of such election. If a Participant shall die prior to the first year to which payment has been deferred, such payment shall be made as soon as practicable immediately following the month of death.

SECTION VII
DESIGNATION OF BENEFICIARY

Each Non-Employee Director, on becoming a Participant, shall file with the Secretary of the Corporation a Beneficiary designation on the form attached as Exhibit "C" designating one or more Beneficiaries to whom payments otherwise due the Participant shall be made in the event of his or her death. A Beneficiary designation will be effective only if the signed Beneficiary designation form is filed with the Secretary of the Corporation while the Participant is alive, and will cancel all Beneficiary designations signed and filed previously. If the primary Beneficiary shall survive the Participant but dies before receiving all the amounts due hereunder, the Deferred Amounts remaining unpaid at the time of death shall be paid in one lump sum to the legal representative of the primary Beneficiary's estate. If the primary Beneficiary shall predecease the Participant amounts remaining unpaid at the time of the Participant's death shall be paid in the order specified by the Participant to the contingent Beneficiary(s) surviving the Participant. If the contingent Beneficiary(s) dies before receiving all the amounts due hereunder, the unpaid amount shall be paid in one lump sum to the legal representative of such contingent Beneficiary(s) estate. If the Participant shall fail to designate a Beneficiary(s) as provided in this Section, or if all designated Beneficiaries shall predecease the Participant, the Deferred Amounts remaining unpaid at the time of such Participant's death shall be paid in one lump sum to the legal representative of the Participant's estate.

SECTION VIII
NONALIENATION OF BENEFITS

Neither the Participant nor any Beneficiary designated by him shall have any right to, directly or indirectly, alienate, assign, or encumber any amount that is or may be payable hereunder.

SECTION IX
ADMINISTRATION OF PLAN

Full power and authority to construe, interpret and administer the Plan shall be vested in the Corporation's Board of Directors. Decision of the Board shall be final, conclusive and binding upon all parties.

SECTION X
AMENDMENT OR TERMINATION OF PLAN

The Board of Directors may amend or terminate this Plan at any time. Any amendment or termination of the Plan shall not affect the rights of Participants or Beneficiaries to the Deferred Amounts in existence at the time of such amendment or termination.

SECTION XI
APPLICABLE LAW

The provisions of this Plan shall be interpreted and construed in accordance with the laws of the State of Wisconsin.

SECTION XII
EFFECTIVE DATE OF PLAN

This Plan shall become operative and in effect on such date as shall be fixed by the Board of Directors of the Corporation.

SECTION XIII
DISCRETION OF BOARD

Anything to the contrary herein notwithstanding, the Board of Directors shall have the right, in its sole discretion, at any time and from time to time, to accelerate payments and make distributions to or on behalf of a Participant or a Beneficiary of a Participant then entitled to distributions from the Account of such Participant, where the Board of Directors deems such accelerated payment in the best interest of the Corporation and such distributees.

EXHIBIT "A"

NOTICE OF ELECTION TO DEFER THE PAYMENT OF DIRECTORS' COMPENSATION

Secretary
Briggs & Stratton Corporation
P.0. Box 702
Milwaukee, WI 53201

Re: Briggs & Stratton Corporation
Deferred Compensation Plan For Directors

Pursuant to provisions of the above-referenced Plan, I hereby elect to have Compensation payable to me for services as a Director of Briggs & Stratton Corporation deferred in the manner specified below. It is understood and agreed that this election shall become effective upon receipt of this Notice of Election by the Secretary of the Corporation. I understand that this election shall be irrevocable with respect to Compensation that has been deferred while this election is in effect. This election shall continue in effect for subsequent terms of office unless I shall modify or revoke it.

Percentage of Compensation Deferred:	Retainer - Cash	_____%
	Retainer – Common Stock	_____%
	Board Meeting Fees	_____%
	Committee Meeting Fees	_____%
	Consent Resolution Fees	_____%

Account(s) to be Credited with Cash Deferred Amounts:

(a) Fixed Rate Account	_____%
(b) Briggs & Stratton Common Share Unit Account	_____%

Payment of deferred Compensation shall commence as soon as practicable in the year designated below:

Year to Which Payment is Deferred: ☐ (no later than the year in which you attain age 73)

Method of Payment:

Deferred account to be paid in:

☐ Lump Sum, **or**

☐ Annual Installments - Number of Years, not to exceed 10. However, if an unpaid balance of deferred fees and supplemental amounts exists at the time of my death, such balance shall be paid in one lump sum to my designated Beneficiary(s) as soon as practicable immediately following my death.

_______________________________________ Date_______________

Director

EXHIBIT “B”

NOTICE OF TERMINATION

Secretary
Briggs & Stratton Corporation
P. 0. Box 702
Milwaukee, WI 53201

Re: Briggs & Stratton Corporation
Deferred Compensation Plan For Directors

Pursuant to provisions of the above-referenced Plan, I hereby terminate my participation in the Plan effective upon receipt of this Notice of Termination by the Secretary of the Corporation.

____ Date________________
Director

EXHIBIT "C"

BENEFICIARY DESIGNATION

Secretary
Briggs & Stratton Corporation
P. 0. Box 702
Milwaukee, WI 53201

Re: Briggs & Stratton Corporation
Deferred Compensation Plan For Directors

Any Compensation for my services as a Director of Briggs & Stratton Corporation was deferred under the above-referenced Plan and remaining unpaid at my death shall be paid to the following primary Beneficiary:

____

Name

____

Address

If the above-named primary Beneficiary shall predecease me, I designate the following persons as contingent Beneficiaries, in the order shown, to receive any such unpaid deferred fees:

1. ____

Name

____

Address

2. ____

Name

____

Address

3. ____

Name

____

Address

This supersedes any previous Beneficiary designation made by me with respect to deferred Compensation under the Plan. I reserve the right to change the Beneficiary in accordance with the terms of the Plan.

____ Date________________

Director

Witnesses:____

____

EXHIBIT “D”

BRIGGS & STRATTON CORPORATION
DEFERRED COMPENSATION PLAN FOR DIRECTORS

NOTICE OF ELECTION

DISTRIBUTION OF ACCOUNT BALANCE IN
BRIGGS & STRATTON COMMON SHARE UNITS

I understand that pursuant to the terms of the Briggs & Stratton Corporation Deferred Compensation Plan for Directors I may elect to receive any balance in my account recorded in Briggs & Stratton Corporation Common Share Units (Common Share Units) in cash or shares of Briggs & Stratton common stock.

I hereby elect that any Common Share Units in my account be paid out to me at the time of distribution in the following form:

☐ Cash

☐ Briggs & Stratton common stock

Director:____ Date________________

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 10.12

AMENDED AND RESTATED DIRECTOR'S PREMIUM OPTION AND STOCK GRANT PROGRAM

Effective July 1, 2004

As Amended and Restated
Effective 7-1-04

BRIGGS & STRATTON CORPORATION

DIRECTOR'S PREMIUM OPTION AND STOCK GRANT PROGRAM

As adopted by the Board of Directors on April 21, 2004

BRIGGS & STRATTON CORPORATION
DIRECTOR'S PREMIUM OPTION AND STOCK GRANT PROGRAM

1.0 Objectives

The Director's Premium Option and Stock Grant Program ("Program") is designed to tie the interests of the Company's directors to the long term market value added performance of the Company. In this way, the objectives of directors will be more closely aligned with those of the Company's Shareholders. The Program will allow nonemployee directors to participate in the long-term appreciation in the equity value of the Company. In general, the Program is structured such that each nonemployee director receives unrestricted shares and premium options on the Company's Stock ("PSOs") as elements of annual compensation. The PSOs become exercisable after they have been held for three years, and they expire at the end of five years. The PSOs are structured so that a fair return must be provided to the Company's Shareholders before they become valuable.

2.0 Administration

The Program shall be administered by the Board of Directors ("Board").

3.0 Stock Subject to Plan

The total number of shares reserved and available for distribution as PSOs under the Program with respect to fiscal 2005 and subsequent years shall be 100,000 shares of the Company's common stock, par value $0.01 per share ("Stock"). Such shares may consist, in whole or in part, of treasury or market purchase shares.

In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, stock split or other change in corporate structure affecting the Stock, such substitution or adjustments shall be made in the aggregate number of shares reserved for issuance under the Program, and in the number and option price of shares subject to outstanding PSOs, as may be determined to be appropriate by the Board, in its sole discretion; provided, however, that the number of shares subject to any award shall always be a whole number.

4.0 Eligibility

Each nonemployee director of the Company shall be eligible to participate in the Program.

5.0 Stock Grant

For fiscal 2005 and subsequent fiscal years, each nonemployee director of the Company who serves as a director through the end of the fiscal year shall receive 200 shares of the Company's Stock and 2,000 PSOs.

PSO grants shall be evidenced by option agreements, the terms and provisions of which shall be determined by this Program or the Board. These grants will be awarded at the same time the

Company awards grants to Senior Executives. The PSOs shall constitute non-qualified stock options.

No PSO shall be transferable by the optionee other than by will or by the laws of descent and distribution, and all PSOs shall be exercisable, during the optionee's lifetime, only by the optionee or by the guardian or legal representative of the optionee, it being understood that the terms "holder" and "optionee" include the guardian and legal representative of the optionee named in the option agreement and any person to whom an option is transferred by will or the laws of descent and distribution.

If an optionee's service as a director terminates by reason of death, any PSO held by such optionee may thereafter be exercised, to the extent then exercisable or on such accelerated basis as the Board may determine, for a period of one year (or such other period as the Board may specify at grant) from the date of such death or until the expiration of the stated term of such PSO, whichever period is shorter.

When an optionee's service as a director terminates due to reaching the mandatory retirement age or due to retirement upon reaching the end of the term for which elected, a PSO held by such optionee may thereafter be exercised by the optionee, to the extent it was exercisable at the time of such retirement or on such accelerated basis as the Board may determine, for a period of three years (or such shorter period as the Board may specify at grant) from the date of such retirement or until the expiration of the stated term of such PSO, whichever period is shorter; provided, however, that if the optionee dies within such three-year (or such shorter) period, any unexercised PSO held by such optionee shall, notwithstanding the expiration of such three-year (or such shorter) period, continue to be exercisable to the extent to which it was exercisable at the time of death for a period of one year from the date of such death or until the expiration of the stated term of such PSO, whichever period is shorter.

When an optionee's service as a director terminates for any reason other than death or retirement as described above, unless otherwise determined by the Board at grant, the PSO shall thereupon terminate, except that such PSO, to the extent then exercisable, may be exercised for the lesser of three months or the balance of the term. Notwithstanding the foregoing, if an optionee's service as a director terminates at or after a Change in Control (as defined in the Company's Stock Incentive Plan), other than by death or retirement (as described above), any PSO held by such optionee shall be exercisable for the lesser of (x) six months and one day, and (y) the balance of such PSO's term.

6.0 Term

All PSOs shall be exercisable beginning on the third anniversary of the date of grant, and shall terminate on the fifth anniversary of the date of grant, unless sooner exercised or the Board determines other dates at grant.

7.0 Exercise Price

The exercise price for PSOs granted hereunder shall be the exercise price for PSOs granted under the Premium Option and Restricted Stock Program for Senior Executives for that fiscal year.

8.0 Definitions

All capitalized terms used herein that are not otherwise defined shall have the same meaning given to them in the EVA Plan, Premium Option and Restricted Stock Program or Stock Incentive Plan.

9.0 Amendments and Termination

The Board may amend, alter, or discontinue the Program but no amendment, alteration or discontinuation shall be made which would impair the rights of an optionee under a PSO granted without the optionee's or recipient's consent.

The Board may amend the terms of any PSO theretofore granted, prospectively or retroactively, but no such amendment shall impair the rights of any holder without the holder's consent.

Subject to the above provisions, the Board shall have authority to amend the Program to take into account changes in law and tax and accounting rules, as well as other developments.

10.0 Unfunded Status of Program

It is presently intended that the Program constitute an "unfunded" plan for incentive and deferred compensation. The Board may authorize the creation of trusts or other arrangements to meet the obligations created under the Program to deliver Stock; provided, however, that, unless the Board otherwise determines, the existence of such trusts or other arrangements is consistent with the "unfunded" status of the Program.

11.0 General Provisions

(a) The Board may require each person purchasing shares pursuant to a PSO grant to represent to and agree with the Company in writing that the optionee or participant is acquiring the shares without a view to the distribution thereof.

All certificates for shares of Stock or other securities delivered under the Program shall be subject to such stock transfer orders and other restrictions as the Board may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Stock is then listed and any applicable Federal or state securities law, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(b) Nothing contained in this Program shall prevent the Company, a subsidiary or affiliate from adopting other or additional compensation arrangements for its nonemployee directors.

(c) The adoption of the Program shall not confer upon any director any right to continue to serve as a director.

(d) The Program and all awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of Wisconsin.

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 10.12(a)

BRIGGS & STRATTON CORPORATION
FORM OF DIRECTOR'S STOCK OPTION AGREEMENT UNDER THE DIRECTOR'S PREMIUM OPTION AND STOCK GRANT PROGRAM

Effective July 1, 2004

[Date]

[Name]

You have been awarded a Stock Option under The Briggs & Stratton Corporation Director's Premium Option and Stock Grant Program ("Director's Program") as follows:

* <u>Type of Option:</u> Premium Stock Option
* <u>Date of Grant:</u> [Date]
* <u>Exercise Price:</u> [110% of Fair Market Value on grant date]

  <u>Number of Shares and Form of Option:</u> Non-qualified option on [Number] shares of Briggs & Stratton Corporation common stock
* <u>Exercise:</u> Option may be exercised between [Date] and [Date]

This option is granted pursuant to the Director's Program and is subject to the terms and conditions of the Director's Program and to the terms and conditions set forth in the attached Stock Option Agreement. This option is not transferable during your life, and must be exercised within specified time limits

Please acknowledge this grant under the Director's Program by signing the enclosed copy of this letter below and returning it to me, thereby agreeing to the terms and conditions of the attached Stock Option Agreement.

Very truly yours,

BRIGGS & STRATTON CORPORATION

By: ____________________________________

John S. Shiely
Chairman, President
and Chief Executive Officer

Accepted:

____

Optionee: [Name]

BRIGGS & STRATTON CORPORATION
DIRECTOR'S STOCK OPTION AGREEMENT

Optionee:	[Name]
No. of Shares:	[Number]
Date of Grant:	[Date]
Expiration Date:	[Date]
Exercise Price:	$ [110% of Fair Market Value on grant date]

BRIGGS & STRATTON CORPORATION (the "Company"), a Wisconsin corporation, hereby grants to the above-named director (the "Optionee") under the Briggs & Stratton Corporation Director's Premium Option and Stock Grant Program (the "Program") a stock option to purchase from the Company during the period commencing (except as otherwise provided herein) on [Date] and ending (except as otherwise provided herein) on the expiration date set forth above (the "option term") up to but not exceeding in the aggregate the number of shares set forth above of the Common Stock, $0.01 par value, of the Company ("Common Stock") at the price per share set forth above, all in accordance with and subject to the following terms and conditions:

1. No shares subject to this option may be purchased before [Date]. On such date and from time to time thereafter, the shares subject to this option may be purchased during the option term. If the Optionee's service as a director is terminated for any reason prior to [Date], then, unless otherwise determined by (or pursuant to authority granted by) the Board of Directors of the Company (the "Board"), this option shall not be exercisable.

2. If the Optionee's service as a director terminates by reason of death before the option becomes exercisable, this option may be exercised for a period of one year from the date of death. If the Optionee's service as a director terminates by reason of death after the option becomes exercisable, this option may be exercised until the expiration of the option.

If the Optionee's service as a director terminates due to reaching the mandatory retirement age or due to retirement upon reaching the end of the term for which elected, this option may be exercised by the Optionee, to the extent it was exercisable at the time of such retirement or on such accelerated basis as the Board may determine, for a period of three years from the date of such retirement or until the expiration of the option term, whichever period is shorter; provided, however, that if the Optionee dies within such three-year period, the option shall, notwithstanding the expiration of such three-year period, continue to be exercisable to the extent to which it was exercisable at the time of death for a period of one year from the date of such death or until the expiration of the option term, whichever period is shorter.

If the Optionee's service as a director terminates for any reason other than death or retirement as described above, the option shall thereupon terminate, except that the option, to the extent then exercisable, may be exercised for the balance of the option term. Notwithstanding the foregoing, if Optionee's service as a director terminates at or after a Change in Control (as defined in the Plan), other than by death or retirement (as described above), this option shall be exercisable for the lesser of (x) six months and one day, and (y) the balance of the option term.

3. Exercise of this option shall occur on the date (the "Date of Exercise") the Company receives at its principal executive offices (i) a written notice (the "Notice of Exercise") specifying the number of shares to be purchased, and (ii) payment by certified check, cashier's check or confirmation of a wire transfer for the purchase price for such shares. In lieu of such payment by certified check, cashier's check or wire transfer, the Optionee may tender to the Company (i) outstanding shares of Common Stock, having a Fair Market Value, determined on the Date of Exercise, equal to the purchase price for the number of shares being purchased, or (ii) a combination of shares of outstanding Common Stock, as described above, so valued and payment as aforesaid which equals said purchase price, together, in each case, with payment of any applicable stock transfer tax. If the Fair Market Value, as so determined, of the shares tendered to the Company shall exceed the purchase price applicable to the number of shares being purchased, an appropriate cash adjustment will be made by the Company for any fractional share remaining. The Company will not deliver shares of Common Stock being purchased

upon any exercise of this option unless it has received an acceptable form of payment for all applicable withholding taxes or arrangements satisfactory to the Company for the payment thereof have been made. Withholding taxes may be paid with outstanding shares of Common Stock (including Common Stock delivered upon exercise of this option), such Common Stock being valued at Fair Market Value on Date of Exercise. The Optionee shall have no rights as a shareholder with respect to any shares covered by this option until the date of the issuance of a stock certificate for such shares.

4. This option is not transferable by the Optionee otherwise than by will or the laws of descent and distribution and is exercisable during the Optionee's lifetime only by the Optionee or by the guardian or legal representative of the Optionee.

5. The terms and provisions of this Agreement (including, without limiting the generality of the foregoing, terms and provisions relating to the option price and the number and class of shares subject to this option) shall be subject to appropriate adjustment in the event of any recapitalization, merger, consolidation, disposition or property or stock, separation, reorganization, stock dividend, issuance of rights, combination or split-up or exchange of shares, or the like.

6. Whenever the word "Optionee" is used herein under circumstances such that the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom this option may be transferred by will or by the laws of descent and distribution, it shall be deemed to include such person or persons.

7. The terms and provisions of the Plan (a copy of which will be furnished to the Optionee upon written request to Briggs & Stratton Corporation, 12301 West Wirth Street, Wauwatosa, Wisconsin 53222) are incorporated herein by reference. To the extent any provision of this Agreement is inconsistent or in conflict with any term or provision of the Plan, the Plan shall govern. Capitalized terms not otherwise defined herein have the meaning set forth in the Plan.

IN WITNESS WHEREOF, this Stock Option Agreement has been duly executed as of [Date].

BRIGGS & STRATTON CORPORATION

By ______________________________

John S. Shiely
Chairman, President and
Chief Executive Officer

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 10.14 (b)

AMENDMENT TO EXECUTIVE LIFE INSURANCE PLAN

RESOLVED, that the Corporation's split-dollar life insurance program for officers elected by the Board of Directors is amended effective July 1, 2004 so that existing policies shall be converted from collateral split-dollar policies to endorsement split-dollar policies and new insurance shall be provided by death benefit only policies, subject to the conversion as well of existing policies to death benefit only policies if management determines such action to be appropriate.

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

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EXHIBIT 12

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(in thousands)

	Fiscal Year Ended				
	June 27, 2004	June 29, 2003	June 30, 2002	July 1, 2001	July 2, 2000
Earnings					
Income before income taxes	**$ 205,004**	$ 118,578	$ 80,510	$ 71,873	$216,623
Less: Equity income from equity investees	**(7,876)**	(5,224)	(6,181)	(5,041)	(13,333)
Add: Fixed charges	**42,166**	42,483	46,448	31,374	21,765
Distributed income of equity investees	**4,392**	4,080	2,426	2,933	2,641
Earnings as defined	**$ 243,686**	$ 159,917	$ 123,203	$101,139	$227,696
Fixed Charges					
Interest expense	**$ 35,694**	$ 38,380	$ 42,305	$ 29,268	$ 19,699
Amortization of discounts related to indebtedness	**758**	782	888	251	205
Imputed interest on deferred revenue	**1,213**	1,227	1,240	1,146	1,363
Interest expense as reported	**37,665**	40,389	44,433	30,665	21,267
Amortization of deferred financing fees	**3,778**	1,519	1,420	133	—
Portion of rent expense relating to interest	**723**	575	595	576	498
Fixed charges as defined	**$ 42,166**	$ 42,483	$ 46,448	$ 31,374	$ 21,765
Ratio of earnings to fixed charges	**5.8x**	3.8x	2.7x	3.2x	10.5x

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 21

SUBSIDIARIES OF THE REGISTRANT

Subsidiary	State or Country of Incorporation	Percent Voting Stock/Interests Owned
Briggs & Stratton AG	Switzerland	100%
Briggs & Stratton Australia Pty. Limited	Australia	100%
Briggs & Stratton Austria GmbH	Austria	100%
Briggs & Stratton Brazil Limitada	Brazil	100%
Briggs & Stratton (Chongqing) Engine Co., Ltd.	China	90%
Briggs & Stratton CZ, s.r.o.	Czech Republic	100%
Briggs & Stratton France, S.A.R.L.	France	100%
Briggs & Stratton Germany GmbH	Germany	100%
Briggs & Stratton Iberica, S.L.	Spain	100%
Briggs & Stratton International, Inc.	Wisconsin	100%
Briggs & Stratton International Sales Corp.	Virgin Islands	100%
Briggs & Stratton Japan YK	Japan	100%
Briggs & Stratton Mexico S.A. de C.V.	Mexico	100%
Briggs & Stratton Netherlands B.V.	Netherlands	100%
Briggs & Stratton New Zealand Limited	New Zealand	100%
Briggs & Stratton Power Products Group, LLC	Delaware	100%
Briggs & Stratton RSA (Pty.) Ltd.	South Africa	100%
Briggs & Stratton (Shanghai) International Trading Co., Ltd.	China	100%

Briggs & Stratton (Shanghai) Power Products Co., Ltd.	China	100%
Briggs & Stratton Sweden AB	Sweden	100%
Briggs & Stratton Tech, LLC	Wisconsin	100%
Briggs & Stratton U.K. Limited	United Kingdom	100%
BSD, Inc.	Wisconsin	100%
Simplicity Manufacturing, Inc.	Delaware	100%

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 33-39113, 33-54357 and 333-42842 on Form S-8 of Briggs & Stratton Corporation of our reports dated July 22, 2004, appearing in this Annual Report on Form 10-K of Briggs & Stratton Corporation for the year ended June 27, 2004.

DELOITTE & TOUCHE LLP
Milwaukee, Wisconsin
September 9, 2004

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 31.1

Certification of Principal Executive Officer

I, John S. Shiely, certify that:

1. I have reviewed this annual report on Form 10-K of Briggs & Stratton Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 9, 2004

/s/ John S. Shiely

John S. Shiely
Chief Executive Officer

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 31.2

Certification of Principal Financial Officer

I, James E. Brenn, certify that:

1. I have reviewed this annual report on Form 10-K of Briggs & Stratton Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 9, 2004

/s/ James E. Brenn
James E. Brenn
Chief Financial Officer

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Briggs & Stratton Corporation (the "Company") on Form 10-K for the fiscal year ended June 27, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John S. Shiely, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ John S. Shiely
John S. Shiely
Chief Executive Officer
September 9, 2004

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

BRIGGS & STRATTON CORPORATION AND SUBSIDIARIES

2004 Annual Report on Form 10-K

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Briggs & Stratton Corporation (the "Company") on Form 10-K for the fiscal year ended June 27, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James E. Brenn, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James E. Brenn
James E. Brenn
Chief Financial Officer
September 9, 2004

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.