1999

VOL. 2

J–Z

COVERING NEW YORK
& AMERICAN
STOCK EXCHANGES

MOODY'S®

INDUSTRIAL MANUAL

Published By: FIS

A MERGENT COMPANY

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Subsidiaries

Watkins Contracting, Inc.
Oak Hill Sportswear Holding Corporation (inactive)

Officers

Arthur L. Asch, Chmn.
Michael A. Asch, Pres., Treas.

Directors

Arthur L. Asch — Michael A. Asch
Joseph Greenberger — James L. Hochfelder
Brian A. Wasserman

Auditors: PricewaterhouseCoopers LLP

General Counsel: Greenberger & Forman

Shareholder Relations: Arthur L. Asch, Chairman & C.E.O. **Tel.:** 212-789-8811

No. of Stockholders: Mar. 9, 1999, 680

No. of Employees: Dec. 31, 1998, 159

Address: 350 Park Avenue, New York, NY 10022 **Tel.:** 212 750-7755 **Fax:** 212 789-8819

Consolidated Income Account, years ended Dec. 31($000):

	1998	1997	[2][1]1996 (revised)
Tot revs	13,743	2,298	75
Cost of sales	10,324	1,336	......
Gross profit	3,419	962	75
Gen & admin exps	3,859	1,226	531
Oper income (loss)	dr440	[3]dr266	dr456
Int expense, net	135	37	......
Int inc	9	174	247
Other inc	25	8	......
Income (loss) bef prov (benefit) for tax	dr541	dr119	dr209
Provision (benefit) for tax	cr45	48	9
Loss fr contin opers	dr496	dr167	dr218
(Loss) inc fr discont opers	......	......	dr792
Loss on disp	......	......	dr300
Tot discont opers	......	......	dr1,092
Common shares (000):			
Net income (loss)	dr496	dr167	dr1,310
Weigh avg shares outstg-basic	2,468	2,137	2,058
Weigh avg shares outstg-diluted	2,468	2,137	2,058
Yr end shares outstg	2,468	2,468	2,058
Income (loss) per sh-contin opers	dr$0.20	dr$0.08	dr$0.11
Earn per sh-inc fr discont opers	......	......	dr$0.38
Earn per sh-disp of discont opers	......	......	dr$0.15
Earn per sh-net inc-basic	dr$0.20	dr$0 08	dr$0.64
Net inc per sh-contin opers-diluted	dr$0.20	dr$0 08	dr$0.11
Earn per sh-inc fr discont opers-diluted	......	......	dr$0.38
Net inc per sh-loss on disp-diluted	......	......	dr$0.15
Net income (loss) per sh-diluted	dr$0.20	dr$0.08	dr$0.64
Deprec & amort	365	223	......
No of full time employees	[4]159	[4]150	[4]4
No of com stkhlders	[4][6]380	[4][5]448	[4]461
No of beneficiary stkhlders	[4][6]680	[4][5]800	......
Tot no of stkhlders	[4][6]1,060	[4][5]1,248	......

[1]Reclassified to conform with current presentation [2]Restated to reflect adoption of SFAS 128 [3]As reported by Co. [4]As is [5]As of March 6, 1998 [6]As of March 9, 1999

Consolidated Balance Sheet, as of Dec. 31($000):

Assets:	1998	1997
Cash & cash equivs	68	710
Accts receiv-net	4,749	2,353
Costs in excess of billings	223	600
Assets held for sale	780	1,350
Other curr assets	164	142
Tot curr assets	5,984	5,155
Mach & equip	1,163	350
Office equip	105	90
Furn & fixtures	29	7
Lsehld improve	42	41
Vehicles	338	252
Gross prop plt & equip	1,677	740
Less accum deprec & amort	190	22
Prop plt & equipment, net	1,487	718
Goodwill-net	2,914	3,125
Other assets	37	57
Tot assets	10,422	9,055
Liabilities:		
Curr port of long-term debt	668	1,015
Notes pay-banks	1,681	......
Accts pay	1,872	1,153
Billings in excess of costs	409	238
Accrued exps	311	752
Dep on asset held for sale	......	152
Accrued inc tax	100	376
Tot curr liabil	5,041	3,686
Long-term debt	738	180
Other long-term liabil	......	50
Com stk	105	105
Cap in excess of par val	27,925	27,925
Retain earn	dr6,379	dr5,883
Com stk held in treasury, at cost	17,008	17,008
Tot stkhlders eq	4,643	5,139
Tot liabil & stkhlders eq	10,422	9,055

Long Term Debt: Dec. 31, 1998, $1,406,000 (including current portion of $668,000) as follows:

(1) $469,000 Debt on assets held for sale.

(2) $937,000 Purchase contracts (at interest rates of 6.34% to 9.64% and with maturities from 9/99 to 11/03).

Co. has an outstanding mortgage note, which is secured by land and a building in Mississippi (and, from December 1996 to April, 1998, by a $500,000 certificate of deposit) which carries an interest rate of 1/2% above the Bank of Mississippi's Prime Rate (7.75% at December 31, 1998). The principal balance of the mortgage was $469,000 at December 31, 1998 and $500,000 at December 31, 1997. During 1998, the mortgage was refinanced and $31,000 of the principal balance of the mortgage was paid. Co. has classified this as a current liability as it is likely that part or all of such note will be repaid in 1999.

WCI acquired vehicles and equipment under long-term purchase contracts which were secured by the related assets. Vehicles and equipment under purchase contracts had a net book value of $1,076,000 at December 31, 1998 and $313,000 at December 31, 1997.

Capital Stock: 1. Rexx Environmental Corp. common; par $0.02.

AUTH - 12,000,000 shs.

OUTSTG - Dec. 31, 1998 2,467,576 shs; par $0.02.

STOCK SPLIT - $0.01 par shs. split 1-for-2 in reverse order July 7, 1983.

OPTIONS - On October 11, 1994, the Board of Directors adopted a Non-Qualified Stock Option Plan (the 'Plan') covering up to 199,250 shares of Co.'s Common Stock. The amendment provides that the Plan is permitted to grant options to non-employee directors and provides that each director who is not an employee of Co. shall receive options to purchase 15,000 shares at the then-current market price for Co.'s stock upon joining the Board.

At December 31, 1998, Co. reserved 439,250 shares of its Common Stock for the purposes of the Plan. At that date, there were 304,000 options outstanding.

Additional information concerning stock options under the Plan is summarized as follows:

Outstanding at Dec. 31, 1997	195,000
Granted	119,000
Exercised	0
Terminated	(10,000)
Outstanding at Dec. 31, 1998	304,000

DIVIDEND DISBURSEMENT AGENT - American Stock Tranfer & Trust Company

TRANSFER AGENT & REGISTRAR - American Stock Transfer & Trust Company

LISTED - American : REX

PRICE RANGE -

	1998	1997	1996	1995	1994
High	5 3/8	N.A.	2 5/8	4 1/8	5 3/8
Low	1 3/4	N.A.	1 1/8	1 1/2	3 9/16

OFFERED - (245,000 shs.) at $10 a sh. in Sept. 1969 thru F.L. Salomon & Co. and associates.

CAPITAL HISTORY - Par changed from $0.10 to $0.01 thru exchange of common shares on a share-for-share basis in Jan., 1979.

REYNOLDS METALS CO.

History: Incorporated in Delaware on July 18, 1928, with a perpetual charter, and acquired the foil business and operating assets of United States Foil Co. In Aug. 1928, purchased entire capital stock of Robertshaw Thermostat Co., incorporated 1914; also acquired control of Fulton Sylphon Co., incorporated 1926.

Note: For acquisitions and dispositions, etc., prior to 1983 see Moody's 1989 Industrial Manual.

In Dec. 1983, Co. purchased Consolidated Aluminum Corp.'s Plant Complex.

In early 1980, Co. sold 51% of its Jamaican mining assets and operations and all of its land holdings in Jamaica to Jamaican government.

In Jan. 1988, Co. acquired baking cup assets of Fluted Paper Products Company.

On May 31, 1988, Co. acquired Presto Products, Inc.

On June 30, 1988, Co. acquired Mt. Vernon Plastics Corp.

On Mar. 10, 1989, Co. acquired Conductor Products Inc.

On Mar. 30, 1989, Co. sold interest in Alumina Partners of Jamaica.

In 1990, Co. acquired remaining interest in can facility in Austria.

In 1990, Co. acquired 75% interest in alumi[illegible] wheel plant in Ontario, in partnership with Lem[illegible] Canada, Inc.

In Feb. 1991, Co. acquired Mawson Pacific Lim[illegible] an Australian gold producer.

In Sept. 1992, Co. sold its North American elect[illegible] cable operations to BICC Cables Corporation and B[illegible] affiliates.

In 1992, Co. sold its 84% interest in Eskimo [illegible] Corporation, and its aluminum wire and cable op[illegible] tions for approx. book value.

In Nov. 1993, Co. acquired the aluminum bev[illegible] can operations of Miller Brewing Co. Terms of [illegible] transaction were not disclosed.

In 1993, Co. sold its Benton Harbor, Michigan al[illegible] num reclamation plant to ALRECO Acquisition Co[illegible] subsidiary of FFS Inc.

In June 1994, Co. acquired Bev-Pak, Inc. Inc., of [illegible] Plaines, Ill. Also, in June 1994, Co. sold Reynolds [illegible] tralia Metals, Ltd., which holds a 40% interest in [illegible] Boddington Gold Mine in Western Australia.

In Aug. 1994, Co. acquired the metals distrib[illegible] business of Prime Metals, Inc.,

In Aug. 1994, Co. acquired The United States [illegible] Corporation's facility in Beloit, Wisconsin.

In Dec. 1994, Co. acquired from The Shell Co[illegible] of Australia an additional 6% interest in Worsley A[illegible] tralia, increasing Co.'s interest in the joint ven[illegible] 56%

In Mar. 1995, Co. sold its wholly owned subsi[illegible] Reynolds Australian Gold Operations, Ltd to So[illegible] Gwalia Ltd. and Camelot Resources N.L., both of A[illegible] tralia.

On June 30, 1995, Co. acquired Alcan Alu[illegible] Corporation's laminated foil plant in Louisville[illegible] Terms of the transaction were not disclosed.

In June 1995, Co. acquired Wilson Engraving C[illegible] pany, Inc., which operates manufacturing plants in [illegible] las, Texas and West Monroe, Louisiana

In Oct. 1995, Co. acquired an additional 24[illegible] interest in the Becancour, Quebec, Canada, primary [illegible] minum production plant from Societe Gener[illegible] financement du Quebec, an agency of the Gover[illegible] of Quebec. The acquisition increased Co.'s inter[illegible] the Becancour joint venture to 50%.

In Dec. 1995, Co. acquired the flexible pack[illegible] manufacturing operations of Hargro Flexible Pack[illegible] Corp. in Boyertown, Pennsylvania. Co. also pur[illegible] the Canadian Cut-Rite brand from Scott Paper [illegible] pany, and other wax paper brands from Scott [illegible] Company's Canadian affiliate, Scott Paper Li[illegible] Dec. 1995.

In Apr. 1996, Co. acquired an interest in an op[illegible] in China that produces aluminum foil and [illegible] The operation, Bohai Aluminium Industries, Ltd.[illegible] fabricating facility 180 miles east of Beijing. The [illegible] ity manufactures aluminum foil primarily for the [illegible] pharmaceutical and tobacco industries, and [illegible] for the automotive and construction products [illegible]

In Dec. 1996, Co. closed its aluminum bever[illegible] manufacturing plant in Houston, Texas.

In Mar. 1997, Co. sold its residential co[illegible] products operations in the U.S. to AmeriMark [illegible] Products, Inc. Included in the sale were Reynolds [illegible] struction products plants located in Ashville[illegible] Bourbon, Indiana and Lynchburg, Virginia; the [illegible] factured housing operations at its Eastman, G[illegible] facility; a plant in Chesterfield County, Vir[illegible] supplies aluminum building sheet to the co[illegible] industry; and 54 service centers. Co. retained [illegible] nobond aluminum composite operations at its [illegible] facility.

In May 1997, Co. sold its Bellwood, Virginia [illegible] num reclamation plant to Philip Metals Recovery (USA). Inc.

In June 1997, Co. sold an aluminum-extru[illegible] to Kaiser Aluminum & Chemical Corp. for [illegible] million in cash and between $3 million and $4 [illegible] assumed employee-related liabilities.

Also in May 1997, Co. sold its aluminum [illegible] plant in El Campo, Texas to the William L[illegible] subsidiary of Tredegar Industries, Inc.

In May 1997, Co. sold its western Ke[illegible] properties.

In Mar. 1998, Co. sold its US recycling op[illegible] Wise Recycling LLC, an affiliate of Wise [illegible] Inc. In a related transaction, Tomra Pacific In[illegible] iate of Tomra Systems ASA, acquired the [illegible] Region of Reynolds' US recycling operations[illegible]

In May 1998, Co. sold its European rolling [illegible] nesses to VAW Aluminum AG. Financial [illegible] not disclosed.

In June 1998, Co. sold its McCook, IL, she[illegible] plant to McCook Metals LLC, a company [illegible] Michigan Avenue Partners Inc. Financial te[illegible] disclosed.

In Aug. 1998, Ball Corporation acquired [illegible] beverage can business assets of Co. The [illegible] $746 million cash acquisition includes 16 [illegible] manufacturing plantsof Co. in 12 states and [illegible] as well as the Richmond, VA, headquarters [illegible] beverage can manufacturing business. Ball [illegible] Richmond facility and consolidate head[illegible] tions at Ball offices near Denver, Colorado[illegible]

In Feb. 1999, Co.'s Southern Graphic S[illegible] sidiary, located in Louisville, KY, acq[illegible] Graphics Inc. of Toronto. Terms of the tra[illegible] not disclosed. Integration of London G[illegible] Southern Graphic Systems' Canadian o[illegible]

...in Feb. 9, 1999, and is expected to be completed in ...99.

In Apr. 1999, Alcoa Inc. acquired Co.'s aluminum ...rusion plant in Irurzun, Spain as well as its distribu... operation for architectural systems, which has ware...ses in several cities in Spain.

Also, in Apr. 1999, Co.'s packaging and consumer ...bal business unit launched a foodservice packaging ... consumer products subsidiary in Brazil. The Reyco ...lity in Sao Paolo was operational Apr. 12, 1999. The ... is locally managed and employs about 100 people ... the community.

...siness: The Company owns and operates two car... products manufacturing facilities located in Lake ...les and Baton Rouge, Louisiana. The Company's ...aging and consumer business provides a variety of ... plastic and other products and related services to the ...aging and consumer products markets.

...he Company is an aluminium producer. The Com...y's primary aluminum products include aluminum ...: billet, which is used by extrusion plants; sheet ..., which is supplied to rolling facilities; foundry ..., which is the base material for cast automotive ...ucts, such as wheels; and electrical redraw rod.

...operties: Co. maintains its principal office in Rich...d, Virginia.

...eynolds' products are produced at numerous domes... ...d foreign plants wholly or partly owned by Reyn... The following lists as of March 22, 1999 our ...ly owned domestic and foreign operations and ... the domestic and foreign locations of operations ...ich we have interests.

...aterials
...:
... Christi, Texas ....
...ff, Texas ....
...d Coke:
...ouge, Louisiana ....
...arles, Louisiana ...
... Anodes: ....
...arles, Louisiana ...
...l Redraw Rod: .....
...oir, Quebec ....
...g & Consumer .....
...d Stock: ....
...ngs, Arkansas ......
...g and Consumer
...ts: ....
...Falls, Connecticut ...
...e, Kentucky (2) ....
...n, Kentucky .....
...Nevada ....
...n, Pennsylvania ...
...own, Pennsylvania .
... Utah ....
... Virginia ....
... Virginia ....
... Virginia ....
...ton, Virginia .....
... Wisconsin (2) ....
...le, Wisconsin ....
...a, Wisconsin ....
...Ontario ....
... Spain ....
...on & Distribution .
...on: ....
...Georgia ....
...Virginia ....
... France ....
...Netherlands .....
...on ....
...ngers: ....
...Kentucky ....
...eland ....
...ana ....
...enezuela ....
...ermany .....
... Netherlands ....
...ry and Systems:
...Virginia .....
...abama ....
...ons ....
... and ends,
...num, electric
...minum wheels,
...coil coating ..

Primary Aluminum.
Massena, New York
Troutdale, Oregon
Longview, Washington
Baie Comeau, Quebec

Spent Potliner Treatment:
Gum Springs, Arkansas

Packaging Graphics and Image Carriers:
Atlanta, Georgia
LaGrange, Georgia

Elgin, Illinois
Clarksville, Indiana
Louisville, Kentucky (2)
Newport, Kentucky
West Monroe, Louisiana
Battle Creek, Michigan
St. Louis, Missouri
Armonk, New York
Fulton, New York
Wilmington, North Carolina
Exton, Pennsylvania
Dallas, Texas
Richmond, Virginia (2)
Brockville, Ontario
Mississauga, Ontario (2)
Toronto, Ontario

Distribution:
Service Centers (U.S.) (24)
Processing Centers (U.S.) (4)

Wheels:
Lebanon, Virginia
Beloit, Wisconsin
Ferrara, Italy

Reclamation:
Sheffield, Alabama (2)
Research and Development:
Sheffield, Alabama
Richmond, Virginia (2)
Corpus Christi, Texas

Ghana:
Primary aluminum
Guinea:
Bauxite
Guyana:
Bauxite
Italy:
Reclamation
Nigeria:
Primary aluminum
Saudi Arabia.
Aluminum cans
Spain:
Extrusions
Colombia: ....
Mill products, extrusions, foil
Egypt: ....
Extrusions ....
Germany: ....
Alumina, primary aluminum .
Venezuela:
Primary aluminum, mill products,
foil, aluminum wheels

Leased. One of the two packaging graphics and image carrier operations located in Richmond, Virginia is leased.

European Distribution Centers - 5 leased. U.S. Service Centers - 16 leased. U.S. Processing Centers - 2 leased.

These plants also produce extruded products for our construction and distribution business unit. The plant in Harderwijk, Netherlands also manufactures heat exchangers and other extruded products.

We have entered into a definitive agreement to sell this extrusion plant. See 'General - Portfolio Review.'

We have entered into a definitive agreement to sell the Alloys can stock complex. See 'General - Portfolio Review.'

Joint Ventures: In Dec. 1989, Reynolds International Inc., a subsidiary of Co., entered into a joint venture with the Fata European Group of Italy and a group of Russian organizations to build a $200,000,000 aluminum foil production and converting operation in Siberia. Under the agreement, a combine of six Russian organizations will own 70% of the new facility. Reynolds International and The Fata European Group, which is headquartered in Turin, each will hold a 13.5% interest in the plant. The remaining three percent will be held by the San Paolo Bank of Italy.

In May 1994, Co. and its Reynolds International, Inc. subsidiary, along with Mitsubishi Aluminum Co., Mitsubishi Materials Corporation and Mitsubishi Corporation, formed M&R Automotive Products, Inc., a Japanese joint venture company. The company was formed to market extruded aluminum automotive components in Japan as a follow-up to an agreement signed by the two groups in December 1992. Terms of the joint venture were not disclosed.

Co. has a 56% interest in Worsley Australia, an Australian joint venture company.

Co. and the Guyanese government each owns a 50% interest in a bauxite mining project in the Berbice region of Guyana.

Co. also has interest in an unincorporated joint venture which produces alumina.

In Oct. 1995, Co. acquired an additional 24.95% interest in the Becancour, Quebec, Canada, primary aluminum production plant from Societe Generale de financement du Quebec, an agency of the Government of Quebec. The acquisition increased Co's interest in the Becancour joint venture to 50%.

In October 1997, the Company formed a joint venture with Societe Generale de Financement du Quebec ('SGF') to operate the Cap-de-la-Madeleine, Quebec, rolling mill and the Weston Road, Toronto, Ontario, coil coating facility that were previously owned by Reynolds.

Subsidiaries

Aluminerie de Becancour Inc. (Canada)
Aluminio Reynolds de Venezuela, S. A. (Venezuela)
Aluminium Oxid Stade Gesellschaft mit beschrankter Haftung (Germany)
Bakers Choice Products, Inc.
Bohai Aluminium Industries, Ltd. (China (Peoples Rep. Of))
Canadian Reynolds Metals Company, Ltd. (Canada)
Hamburger Aluminium-Werk Gesellschaft mit beschrankter Haftung (Germany)
Hanover Manufacturing Corporation
Manicouagan Power Company (Canada)
Malakoff Industries, Inc.
Mt. Vernon Plastics Corporation
Pechiney Reynolds Quebec, Inc.
Presidential Development Corporation
RAMCO Manufacturing Company
RB Sales Company, Ltd.
Reynolds Aluminum China (Inc.)
Reynolds Aluminium Deutschland, Inc.
Reynolds Aluminium Deutschland Internationale Vertriebsgesellschaft mbH (Germany)
Reynolds Aluminium France, S.A. (France)
Reynolds Aluminum Company of Canada, Ltd (Canada)
Reynolds Australia Alumina, Ltd.
Reynolds Becancour, Inc.
Reynolds Consumer Products, Inc.
Reynolds Extrusion Europe (Holding) B.V. (Netherlands)
Reynolds International Holdings, Inc.
Reynolds International, Inc.
Reynolds International (China), Ltd. (Bermuda)
Reynolds International Latin America, S.A. (Panama)
Reynolds International (Panama) Inc. (Panama)
Reynolds-Lemmerz Industries (Canada)
Reynolds Wheels-Holding, S.p.A. (Italy)
Reywest Development Corporation
RMC Delaware, Inc.
RMC Properties, Ltd
RMC Saint George, Inc.
RMCC Company
Reynolds Metals Development Company
Reynolds Metals Foreign Sales Corporation (Barbados)
Saint George Insurance Company
Southern Graphic Systems - Canada, Ltd (Canada)
Southern Graphic Systems, Inc.

Officers

Jeremiah J. Sheehan, Chmn., Pres., C.E.O., C.O.O.
Randolph N. Reynolds, Vice-Chmn.
William E. Leahey, Jr., Sr. V.P.
Thomas P. Christino, Sr. V.P., Global Packaging & Consumer Products
Donald T. Cowles, Sr. V.P., Global Construction & Distribution
Eugene M. Desvernine, Sr. V.P., Global Transportation
Allen M. Earehart, Sr. V.P., Contr.
D. M. Jones, Sr. V.P., Gen. Couns.
John M. Lowrie, Sr. V.P.
Paul Ratki, Sr. V.P., Global Metal & Carbon Products
C. S. Thomas, Sr. V.P., Global Technology & Operational Services
Donna C. Dabney, Sec., Asst. Gen. Counsel
Julian H. Taylor, V.P., Treas.

Vice Presidents

Douglas M. Jerrold	John B. Kelzer
Lou Ann J. Nabhan	F. R. Newman
Edmund H. Polonitza	William G. Reynolds, Jr
John F. Rudin	

Directors

Jeremiah J. Sheehan	Randolph N. Reynolds
Patricia C. Barron	John R. Hall
Robert L. Hintz	William H. Joyce
Mylle B Mangum	D. L. Moore
James M. Ringler	Samuel C. Scott, III
Joe B. Wyatt	

Auditors: Ernst & Young L.L.P.

Shareholder Relations: Julian H. Taylor, Vice President, Treasurer **Tel.:** 804-281-4505

Annual Meeting: In May

No. of Stockholders: Mar. 22, 1999, 7908

No. of Employees: Dec. 31, 1998, 20000

Address: 6601 W Broad St, P.O. Box 27003, Richmond, VA 23261-7003 **Tel.:** 804 281-2000 **Fax:** 804 281-4711 **Web:** www.rmc.com

Consolidated Income Account, years ended Dec. 31($000):

	1998	1997	1996
Net sales	......	6,881,000	6,972,000
Equity, int & other inc	......	19,000	44,000
Tot revs	5,859,000	6,900,000	7,016,000
Cost of prod sold	4,774,000	5,658,000	5,856,000
Selling, admin & gen exps	378,000	406,000	445,000
Deprec & amort	252,000	368,000	[1]365,000
Int-principally on long-term oblig	114,000	153,000	160,000
Operational restructuring costs	144,000	75,000	37,000
Tot costs & exps	5,662,000	6,660,000	6,863,000
Income (loss) bef inc tax	197,000	240,000	153,000
Tax on income (credit)	45,000	104,000	49,000
Income (loss) bef extraord item	152,000	....	.....
Extraord item	dr63,000	....	......
Income (loss) bef acctg changes	.....	136,000	104,000
Cum effects of acctg changes	dr23,000	....	dr15,000
Net income (loss)	66,000	136,000	89,000
Pfd stk dividends	......	......	36,000
Common shares (000):			
Net income (loss) avail to com stkholders	66,000	136,000	53,000
Avg shares outstg-basic	69,709	73,412	63,730
Avg shares outstg-diluted	69,937	74,004	63,947
Yr end shares outstg	64,457	73,909	72,719
Income (loss) per sh-opers-basic	$2.18	$1.86	$1.06
Income (loss) per sh-extraord item-basic	dr$0.91	......	......
Income (loss) per sh-accotg changes-basic	dr$0.33	....	dr$0 24
Net income (loss) per sh-basic	$0.94	$1 86	$0 82
Income (loss) per share- opers-diluted	$2.18	$1.84	...
Earn per sh-extraord item-diluted	dr$0.91	.....	.....
Earn per sh-acctg chg-diluted	dr$0.33	.....	...
Net income (loss) per sh-diluted	$0.94	$1.84	$0.82
Dividends per com sh	$1 40	$1 40	$1 40
Tot no of employees	[2]20,000	......	[2]29,000
No of com stkhlders	[2][3]7,908	......	[2]9,126
Deprec & amort	252,000	368,000	365,000

[1]Straight line [2]As is [3]As of Mar. 22, 1999

Consolidated Balance Sheet, as of Dec. 31($000):

Assets	1998	1997
Cash & cash equivs	94,000	70,000
Receivables: customers, net	[1]710,000	[1]841,000
Other receivs	184,000	174,000
Tot receivs	894,000	1,015,000
Invent	500,000	744,000
Ppd exps & other	114,000	165,000
Tot curr assets	1,602,000	1,994,000
Unincorporated jt vent & assoc cos	1,478,000	1,381,000
Land, land improve & mineral props	244,000	289,000
Buildings & lsehld improve	781,000	1,045,000
Mach & equip	3,087,000	5,044,000
Constr in prog	170,000	155,000
Prop plt & equipment, at cost	4,282,000	6,533,000
Less allowances deprec & amort	2,258,000	3,579,000
Net prop plt & equip	2,024,000	2,954,000
Defer tax	363,000	249,000
Other assets	667,000	648,000
Tot assets	6,134,000	7,226,000
Liabilities.		
Trade pays	401,000	512,000
Accrued compens & rel amts	183,000	202,000
Pay to unincorprated jt vent & assoc cos	75,000	81,000
Coml paper	82,000	......
Notes pay to banks	34,000	67,000
Curr port of long-term oblig	196,000	142,000
Other curr liabil	270,000	279,000
Tot curr liabil	1,241,000	1,283,000
Long-term debt	1,035,000	1,501,000
Postretirement benefits	1,029,000	1,043,000
Environmental	161,000	158,000
Defer tax	272,000	269,000
Other liabil	202,000	233,000
Com stk	1,533,000	1,521,000
Retain earn	1,222,000	1,253,000
Treas stock, at cost	526,000	......
Accum other comprehensive inc	35,000	35,000
Tot stkhlders eq	2,194,000	2,739,000
Tot liabil & stkhlders eq	6,134,000	7,226,000

[1]Allowances: 1997 $16,000,000; 1998 $14,000,000

Long-Term Debt: Dec. 31, 1998, $1,231,000,000 (including current portion of $196,000,000) comprised of:

	(millions)
Medium-term notes	$329
9-⅝% debentures due 1999	100
9% debentures due 2003	21
6-⅝% amortizing notes	228
Industrial and environmentalcontrol revenue bonds	227
Credit facilities arrangement	315
Mortgages and other notes payable arrangement	11
Subtotal before current portion	1,231
Amounts due within one year	196
Long-term debt	$1,035

For detail see below.

1. Reynolds Metals Co. 9% debentures, due 2003:

Rating - Baa1

AUTH - $100,000,000.
OUTSTG - Dec. 31, 1998, $21,000,000.
DATED - Aug. 15, 1991.
DUE - Aug. 15, 2003.
INTEREST - F&A 15 to holders registered J&J 1.
TRUSTEE - Bank of New York.
DENOMINATION - Fully registered, $1,000 or any multiple thereof Transferable and exchangeable without service charge The debentures will be issued as book-entry debentures and will be represented by a permanent global debenture or debentures. Each permanent global debenture representing book-entry debentures will be deposited with, or on behalf of, The Depository Trust Co., as U.S. Depository, located in the borough of Manhattan, The City of New York, and will be registered in the name of the Depositary or a nominee of the Depositary. Beneficial interests in book-entry debentures will be shown on, and transfers thereof will be effected only through, records maintained by the Depositary's participants. Owners of beneficial interests in such permanent global debentures will not be entitled to receive physical delivery of debentures in definitive form and will not be considered the holders thereof and no permanent global debenture representing book-entry debentures will be exchangeable, except for a permanent global debenture of like denomination to be registered in the name of the Depositary or its nominee.
CALLABLE - Not callable prior to maturity.
PUT RIGHTS OF HOLDERS - In the event that there occurs at any time prior to Aug. 15, 2003 both (a) a designated event with respect to Co. and (b) a rating decline, each holder of the debentures shall have the right, at the holder's option, to require Co. to purchase all or any part of such holder's debentures on the date that is 100 days after the last to occur of public notice of the designated event and the rating decline, at 100% of the principal amount thereof, plus accrued interest to the repurchase date.

On or before the twenty-eighth day after the last to occur of public notice of the designated event and the rating decline, Co. is obligated to notify the trustee of such events, and promptly thereafter to mail, or cause to be mailed, to all holders of record of the debentures a notice regarding the designated event, the rating decline and the repurchase right. The notice shall state the repurchase date, the date by which the repurchase right must be exercised, the applicable price for such debentures and the procedure which the holder must follow to exercise this right. Co. shall cause a copy of such notice to be published in an English language newspaper of general circulation in the borough of Manhattan, the City of New York. To exercise this right, the holder of such debenture must deliver at least ten days prior to the repurchase date written notice to Co. of the holder's exercise of such right, together with the debenture with respect to which the right is being exercised, duly *endorsed for transfer. Such written notice shall be irrevocable.*
SECURITY - Not secured. Co. may not, nor may it permit any of its consolidated subsidiaries to, create, incur, assume or suffer to exist any lien securing any non-securable obligations upon any of its principal properties or upon any stock or indebtedness of any subsidiary which owns principal properties without in any such case effectively providing that the securities of each series then outstanding are secured equally and ratably with such secured non-securable obligations, so long as such secured non-securable obligations are so secured, unless, after giving effect thereto, the aggregate amount of all such secured non-securable obligations plus all attributable debt, without duplication, of Co. and its consolidated subsidiaries in respect of sale and lease-back transactions would not exceed 10% of consolidated net tangible assets The foregoing restrictions do not apply to non-securable obligations secured by specified types of liens.
INDENTURE MODIFICATION - Indenture may be modified, except as provided, with consent of 66⅔% of debentures outstanding.
RIGHTS ON DEFAULT - Trustee, or 25% of debentures outstanding, may declare principal due and payable (30 days' grace for payment of interest).
PURPOSE - Proceeds will be used for general corporate purposes, including refinancing current outstanding indebtedness of Co.
OFFERED - ($100,000,000) at 100 plus accrued interest (proceeds to Co., 99.300) on Aug. 12, 1991 thru Goldman, Sachs & Co., Merrill Lynch & Co. and associates.
PRICE RANGE -

	1998	1997	1996	1995	1994
High	115½	111⅞	117⅜	116⅞	117
Low	111⅜	107⅝	107¼	101⅞	101

2. Reynolds Metals Co. medium-term notes, 9 mos. to 30 yrs.:

Rating - Baa1

OUTSTG - Dec. 31, 1998, $329,000,000.

3. Canadian Reynolds Metal Co. Ltd 6.625% gtd notes, due 2002:

Rating - Baa1

AUTH - $285,000,000.
OUTSTG - Dec. 31, 1998, $228,000,000.
DATED - June 15, 1993.
DUE - July 15, 2002.
INTEREST - J&J 15 at 6.625%.
SECURITY - Unsecured.
GUARANTEED - By Reynolds Metals Company.
OFFERED - ($285,000,000) at 99.37 on June 15, 1993 thru Merrill Lynch & Co.

Capital Stock: 1. Reynolds Metals Co. common; no par.

AUTH - 200,000,000 shs.
OUTSTG - Dec. 31, 1998 64,457,000 shs; no par.
STOCK SPLITS - Par changed from no par to $1 Sept 15, 1955 by 5-for-1 split; from $1 to no par Oct 13, 1959, by 3-for-2 split No par shares split 2-for-1 May 15, 1987.
VOTING RIGHTS - Entitled to one vote per share
DIVIDENDS PAID - (Fiscal year end):

(No par class A shares):
1928.........1.00 1929.......... 3.41

(No par class B shares):
1928-29......Nil

(No par common shares):

1929......0.35½	1930......2.20	1931......1.75
1932......1.25	[1]1933-36......1.00	1937......1.00
1938......0.15	1939......Nil	1940......0.30
1941......Nil	1942......0.50	1943-44......0.75
1945......1.00	1946......0 75	[2]1947......1.00
[2]1948......1.35	1949......1.10	[2]1950......1.20
1951......1.10	[2]1952-53......1.00	[2]1954......1.50
[2]1955......1.62½		

($1 par common shares):

1955......0.12½	[2]1956-58......0.65	1959......0.52½

(On no par shares after 3-for-2 split):

1959......0.12½	1960-64......0.50	1965......0 73¾
1966......0.78¾	1967-68......0.90	1969......0.95
1970......1.10	1971......0.85	1972......0.45
1973......0.40	1974-75......1.00	1976......1.10
1977......1.35	1978......1.57½	1979......2.00
1980......2.25	1981......2.40	1982......1.75
1983-85......1.00	1986......1.00	1987......0.55

(On no par shares after 2-for-1 split):

[3]1987	0.15	1988	1.0
1990-92	1.80	1993	1.20
1995	1.10	[3]1996-98	1.40

[1] Plus 25% stock in 1934 and $1 per share in 15-year de 3½s, 1951 paid in 1936 [2] Stock dividends paid 1947, 1950 and 1952, 10%; 1953, 1954 and 1955, 5%; 1958, Plus rights distribution. See below [3] To Apr. 1

OPTIONS - A summary of stock option activity related information follows:
(in thousands):

Outstanding at January 1, 1998	
Granted	
Exercised	
Canceled	
Outstanding at December 31, 1998	31
Exercisable at December 31, 1998	31
Available for grant	

PREEMPTIVE RIGHTS - None.
DIVIDEND DISBURSEMENT AGENT - Chase lon Shareholder Services LLC
TRANSFER AGENT & REGISTRAR - ChaseM Shareholder Services LLC, South Hackensack, NJ
SECONDARY EXCHANGES - Chicago Exchange.
LISTED - New York : RLM
PRICE RANGE - (in $):

	1998	1997	1996	1995
High	68⅛	79¾	61⅝	64¼
Low	46⅞	56$^{3}/_{16}$	48¾	46¼

OFFERED - On July 6, 1937, the unsubscribed po of shares originally offered to stockholders was o publicly at $17 per share by Lehman Bros and Re & Co., New York.
(1,500,000 no par shares) at $38.50 per share o 29, 1977 through Dillon, Read & Co , Inc., Go Sachs & Co., Reynolds Securities, Inc. and asso Proceeds for general corporate purposes.
CAPITAL HISTORY - *Original capital stock* sented by class A and B no par common share converted in October 1929 into one class of co stock (no par) and class A received in exchan shares of common for each share held while the common was exchanged on a share for share bas
PREFERRED STOCK PURCHASE RIGHTS - In 1987, Co.'s board of directors declared a dividend bution of one preferred stock purchase right fo outstanding share of Co's. common stock effectiv 1.
Initially the rights will not be exercisable or in cal form. The privilege of entitlement will trade w common stock. However, should a person or gr acquire 20% or more of Co.'s shares or (ii) anno offer to acquire 30% or more of the shares, the will become exercisable on the earlier of 15 days or 10 business days after (ii) and separate cer representing the rights will be distributed. At th the rights could begin to trade independently fro shares
If the rights become exercisable, a holder entitled to buy from Co. $^{1}/_{100}$th of a share of participating stock, series A of Co. for $125. If involved in a merger or other business combi any time after the rights become exercisable, th will be modified so as to entitle a holder to buy a of the acquiring company's common shares market value of twice the exercise price of each a 20% holder acquires Co. by means of a revers in which Co. and its shares survive, or engage dealing transactions with Co., each right not o the acquiror would become exercisable for the of shares of the corporation's common stock that time have a market value of two times the price of that right.
The rights will expire on Dec. 1, 1997. The ri be redeemed by Co. for $0.05 per right prior to day after a public announcement that 20% or m shares of common stock have been acquired.

REYNOLDS & REYNOLDS CO.

History: Co. was founded in 1866. Incor 1889.
In Oct. 1971, Co. acquired Dealer-Manag ysis Corp., Birmingham, Ala. (liquidated in 197
In Aug. 1972, Co. acquired Computer Sy Denver, Colo. (liquidated in 1973).
On Dec. 31, 1972, Co. acquired World W Sharing, Inc. for 21,668 class A common sh
On Oct. 1, 1973, Co. acquired Diversifi Computing, Inc. for 31,500 class A common additional 21,000 class A common shares held pending the realization of certain sales level 1976
In July 1978, Co. acquired Data System $2,130,000.
On Oct. 1, 1979, Co. acquired the busine assets of Accumation Inc. for $6,000,000.
On Jan. 2, 1980, Co. acquired the rem ReyZon Computers from Zonic Technical Inc. for $1,300,000.
On June 9, 1981, Co. incorporated Re Corporation, a wholly owned subsidiary.
On Nov. 2, 1981, Co. incorporated in Leasing Corporation, a subsidiary of Re Corporation.