

Winnebago Industries Announces Settlement of Lawsuit

May 28, 2004

Forest City, Iowa, May 28, 2004 -- Winnebago Industries, Inc. (NYSE: WGO), the nation's leading motor home manufacturer, today announced that it has settled all claims raised in a lawsuit titled *Sanft, et al vs. Winnebago Industries, Inc., et al* involving 21 participants in the Winnebago Industries, Inc. Deferred Compensation Plan and the Winnebago Industries, Inc. Deferred Incentive Formula Bonus Plan (the "Plans"). The Plaintiffs were seeking to negate certain amendments made to the Plans in 1994 which reduced the benefits which some participants would receive under the Plans. The settlement will result in a partial reinstatement of the alleged lost benefits and will have a present value cost to the Company of approximately \$5,300,000. Additionally, the Company has voluntarily decided to provide the same benefit to an additional 22 non-plaintiff participants in the Plans and this will create an additional present value cost to the Company of approximately \$2,040,000.

The total pre-tax charge to be recorded in the third quarter of the Company's 2004 fiscal year is approximately \$7,340,000, which on an after tax basis equates to approximately \$4,590,000, or approximately 13 cents per diluted share. The Company believes that approximately \$1,300,000 will be paid out in the Company's fourth fiscal quarter with the balance of the settlement to be paid out in monthly increments over a 15-year period.

In announcing the settlement, Winnebago Industries' Chairman, CEO & President, Bruce D. Hertzke, noted that the Company still believes that it had meritorious defenses to the litigation but that it was also cognizant of the uncertainties of litigation and the undesirability of litigation between the Company and current and former employees. The Company is pleased to have reached a settlement of this matter and looks forward to continuing its good relations with current and former employees.

About Winnebago Industries

Winnebago Industries, Inc. is the leading United States manufacturer of motor homes, self-contained recreation vehicles used primarily in leisure travel and outdoor recreation activities. The Company builds quality motor homes under the Winnebago, Itasca, Rialta and Ultimate brand names with state-of-the-art computer-aided design and manufacturing systems on automotive-styled assembly lines. The Company's common stock is listed on the New York, Chicago and Pacific Stock Exchanges and traded under the symbol WGO. Options for the Company's common stock are traded on the Chicago Board Options Exchange. For access to Winnebago Industries investor relations material, to add your name to an automatic email list for Company news releases or for information on a dollar-based stock investment service for the Company's stock, visit, <http://www.winnebagoind.com/html/company/investorRelations.html>.