

Winnebago Industries Second Quarter Fiscal 2015 Results

March 26, 2015

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*- Revenues, Gross Profit and Gross Margin Improved Over Prior Year -
-- Board of Directors Approve Quarterly Cash Dividend of \$0.09 Per Share --*

FOREST CITY, IOWA, March 26, 2015 - Winnebago Industries, Inc. (NYSE:WGO), a leading United States recreation vehicle manufacturer, today reported financial results for the Company's second quarter of Fiscal 2015.

Second Quarter Fiscal 2015 Results

Revenues for the Fiscal 2015 second quarter ended February 28, 2015 were \$234.5 million, an increase of 2.5%, versus \$228.8 million for the Fiscal 2014 period. Operating income was \$11.9 million for the current quarter compared to \$14.0 million in the second quarter of last year. Fiscal 2015 second quarter net income was \$8.1 million, or \$0.30 per diluted share, versus \$9.6 million, or \$0.35 per diluted share, in the same period last year.

Although labor-related constraints and expenses continued into the second quarter, Fiscal 2015 second quarter gross profit as a percentage of sales improved 30 basis points year over year. This increase primarily reflected improved product mix, higher absorption of fixed costs and the absence of weather-related expenses that occurred in last year's second quarter. Operating expenses increased in the Fiscal 2015 second quarter compared to last year mainly attributable to \$1.5 million of incremental general and administrative expenses associated with two strategic initiatives that commenced during the quarter related to ERP implementation and strategic sourcing, as well as increased legal and equipment maintenance costs.

Compared to the same period of last year, motorhome revenue increased 2.4% in the Fiscal 2015 second quarter, primarily a result of motorhome unit shipment growth of 2.4%. Towables operating income improved \$302,000 due mainly to revenue growth of 11.8%, comprised of a 7.7% increase in ASP and 5.2% growth in unit shipments.

Year over year, motorhome retail registrations increased 18% in the Fiscal 2015 second quarter and 29% on a rolling 12-month basis, based on internally reported retail information.

First Six Months Fiscal 2015 Results

Revenues for the first six months of Fiscal 2015 were \$458.9 million, an increase of 1.7%, from \$451.5 million for the same period of Fiscal 2014. The sales growth was primarily comprised of Towables ASP and unit growth of 11.2% and 8.7%, respectively, and motorhome unit shipments improvement of 1.8%. Net income in the Fiscal 2015 first six months was \$18.0 million, or \$0.67 per diluted share, versus \$20.7 million, or \$0.74 per diluted share, last year.

Quarterly Cash Dividend

On March 18, 2015, the Company's board of directors approved a quarterly cash dividend of \$0.09 per share payable on May 6, 2015 to common stockholders of record at the close of business on April 22, 2015.

Management Comments

Chairman, CEO and President Randy Potts commented, "During the second quarter, we grew revenues and improved gross profit margin despite continuing to work through the labor-related constraints and challenges we saw last quarter. We also incurred higher operating expenses, in large part attributable to the commencement of our new ERP system and strategic sourcing projects, which we believe will improve Winnebago's efficiency and profitability once complete. Year-over-year motorized unit bookings grew 59% in the quarter, contributing to a very healthy backlog. Additionally, motorhome retail registrations grew 18% in the second quarter over last year, which we believe is confirmation of continued favorable consumer demand for our products. These factors, coupled with continued positive Towables results, should generate improved long-term results for our Company."

Chief Financial Officer Sarah Nielsen added, "Operating cash flow for the second quarter was affected by an increase in receivables of approximately \$13 million due to timing of invoicing in the quarter. We also ended the quarter with elevated inventory levels, in part as a result of the rental build season. In the second half of Fiscal 2015, we expect to generate positive cash flow through the continued strength of our operating results, as well as favorable changes in working capital."

"Finally, with our commitment and confidence in the Company's Towables business, we decided to purchase the currently leased Towables assembly facilities in Middlebury, Ind., for approximately \$5.4 million. This purchase, which will provide future cost savings, is included in our planned capital expenditures of \$15 to \$20 million for this fiscal year. We anticipate that we will close this transaction in April."

Conference Call

Winnebago Industries, Inc. will conduct a conference call to discuss second quarter Fiscal 2015 results at 9 a.m. Central Time

today. Members of the news media, investors and the general public are invited to access a live broadcast of the conference call via the Investor Relations page of the Company's website at <http://investor.wgo.net>. The event will be archived and available for replay for the next 90 days.

About Winnebago Industries

Winnebago Industries, Inc., "The Most Recognized Name in Motorhomes®", is a leading U.S. manufacturer of recreation vehicles, which are used primarily in leisure travel and outdoor recreation activities. The Company builds quality motor homes, travel trailers, fifth wheel products, and transit buses. Winnebago Industries has received the Quality Circle Award from the Recreation Vehicle Dealers Association every year since 1996. The Company's common stock is listed on the New York and Chicago 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 or to add your name to an automatic email list for Company news releases, visit <http://www.wgo.net/investor.html>.

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements are inherently uncertain. A number of factors could cause actual results to differ materially from these statements, including, but not limited to increases in interest rates, availability of credit, low consumer confidence, availability of labor, significant increase in repurchase obligations, inadequate liquidity or capital resources, availability and price of fuel, a slowdown in the economy, increased material and component costs, availability of chassis and other key component parts, sales order cancellations, slower than anticipated sales of new or existing products, new product introductions by competitors, the effect of global tensions, integration of operations relating to mergers and acquisitions activities, unexpected expenses related to ERP and Strategic Sourcing projects and other factors. Additional information concerning certain risks and uncertainties that could cause actual results to differ materially from that projected or suggested is contained in the Company's filings with the Securities and Exchange Commission (SEC) over the last 12 months, copies of which are available from the SEC or from the Company upon request. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained in this release or to reflect any changes in the Company's expectations after the date of this release or any change in events, conditions or circumstances on which any statement is based, except as required by law.

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