

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported) June 30, 2020



Winnebago Industries, Inc.
(Exact Name of Registrant as Specified in its Charter)

Iowa

(State or Other Jurisdiction
of Incorporation)

001-06403

(Commission File Number)

42-0802678

(IRS Employer
Identification No.)

P.O. Box 152, Forest City, Iowa

(Address of Principal Executive Offices)

50436

(Zip Code)

Registrant's telephone number, including area code 641-585-3535

(Former Name or Former Address, if Changed Since Last Report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.50 par value per share	WGO	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On June 30, 2020, Winnebago Industries, Inc. (the “Company”) intends to commence a distribution of a confidential preliminary offering memorandum dated June 30, 2020 (the “Offering Memorandum”) to potential investors relating to a proposed private offering by the Company (the “Offering”), subject to market conditions and other factors, of \$300.0 million in aggregate principal amount of senior secured notes due 2028 (the “Notes”). If the Offering is consummated, the Company intends to use approximately \$253.5 million of the proceeds of the Offering to repay in full its obligations under its term loan facility. The remainder of the proceeds of the Offerings will be used for general corporate purposes and to pay related fees and expenses.

Attached as Exhibit 99.1 hereto are selected portions of information from the Offering Memorandum that the Company expects to disseminate to potential investors in connection with the Offering. There can be no assurance that the Offering will be completed as described in the Offering Memorandum or at all.

The Notes and the related guarantees are being offered and sold to persons reasonably believed to be “qualified institutional buyers” pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and to non-U.S. persons outside the United States pursuant to Regulation S under the Securities Act. The Notes and related guarantees will not be registered under the Securities Act or any state securities laws, and will not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

The information contained in this Item 7.01, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall it be incorporated by reference into any filings under the Exchange Act or under the Securities Act, except to the extent specifically provided in any such filing. The furnishing of information pursuant to this Item 7.01 will not be deemed an admission as to the materiality of any information in this Current Report on Form 8-K that is required to be disclosed solely by Regulation FD.

Item 8.01 Other Events.

On June 30, 2020, the Company issued a press release pursuant to Rule 135c under the Securities Act announcing its intent to commence the Offering. In accordance with Rule 135c(d) under the Securities Act, a copy of the press release is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

This Current Report on Form 8-K does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein, nor shall there be any offer or sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Excerpts from the Preliminary Offering Memorandum, dated June 30, 2020.
99.2	Press Release, dated June 30, 2020.
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

Cautionary Statement Regarding Forward-Looking Information

This report may contain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements are inherently uncertain. A number of important factors could cause the Company’s actual results to differ materially from these statements, including, but not limited to, risks relating to the offering of the Notes and the related guarantees, increases in interest rates, availability of credit, low consumer confidence, availability of labor, significant increases in repurchase obligations, inadequate liquidity or capital resources, availability and price of fuel, a continued 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 merger and acquisition activities, business interruptions, any unexpected expenses related to the Company’s enterprise resource planning system, the impact of potential information technology, cybersecurity or data security breaches, risks related to compliance with debt covenants and leverage ratios, impacts of public health crises, such as COVID-19, 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 U.S. Securities and Exchange Commission (the “SEC”), including in the Company’s Annual Report on Form 10-K for the fiscal year ended August 31, 2019 and subsequent quarterly reports on Form 10-Q, copies of which are available from the SEC or from the Company upon request. You should not rely upon forward-looking statements as predictions of future events. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this report or to reflect any changes in the Company’s expectations after the date of this report or any change in events, conditions or circumstances on which any statement is based, except as required by law.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WINNEBAGO INDUSTRIES, INC.

Date: June 30, 2020

By: /s/ Stacy L. Bogart

Name: Stacy L. Bogart

Title: Vice President, General Counsel and Corporate Secretary

Summary historical consolidated financial data of Winnebago

The following table sets forth summary historical condensed consolidated financial data for Winnebago as of and for each of the periods indicated. The summary historical condensed consolidated statement of income and cash flow data for Fiscal 2017, Fiscal 2018 and Fiscal 2019 and the summary historical condensed consolidated balance sheet data as of August 26, 2017, August 25, 2018 and August 31, 2019 presented below have been derived from our audited consolidated financial statements included elsewhere in this offering memorandum. The unaudited summary historical condensed consolidated financial data as of May 25, 2019 and May 30, 2020 and for the nine months ended May 25, 2019 and May 30, 2020 presented below have been derived from our unaudited condensed consolidated financial statements included elsewhere in this offering memorandum.

The unaudited summary historical consolidated financial data for the twelve months ended May 30, 2020 were calculated by subtracting the summary historical consolidated financial information for the nine months ended May 25, 2019 from the summary historical consolidated financial information for Fiscal 2019, and then adding the unaudited summary historical consolidated financial data for the nine months ended May 30, 2020.

This information is only a summary. The historical results presented below are not necessarily indicative of the results to be expected for any future period. You should read the following summary information in conjunction with “Management’s discussion and analysis of financial condition and results of operations” included elsewhere in this offering memorandum, our Quarterly Reports on Form 10-Q for the quarters ended November 30, 2019, February 29, 2020 and May 30, 2020 and our audited consolidated financial statements and the related notes included or incorporated by reference in this offering memorandum. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year or for any future period.

(\$ in thousands)	Fiscal 2017 (audited)	Fiscal 2018 (audited)	Fiscal 2019 (audited)	Nine months ended May 25, 2019 (unaudited)	Nine months ended May 30, 2020 (unaudited)	Twelve months ended May 30, 2020 (unaudited)
Consolidated Statements of Operations Data						
Net revenues	\$ 1,547,119	\$ 2,016,829	\$ 1,985,674	\$ 1,455,278	1,617,726	2,148,122
Cost of goods sold	1,324,542	1,716,993	1,678,477	1,231,269	1,427,307	1,874,515
Gross profit	222,577	299,836	307,197	224,009	190,419	273,607
Selling, general and administrative expenses	97,607	130,116	142,295	106,303	126,540	162,532
Postretirement health care benefit income	(24,796)	—	—	—	—	—
Amortization of intangible assets	24,660	9,328	9,635	7,204	18,514	20,945
Total operating expenses	97,471	139,444	151,930	113,507	145,054	183,477
Operating income	125,106	160,392	155,267	110,502	45,365	90,130
Interest expense	16,837	18,246	17,939	13,293	23,140	27,786
Non-operating income	(330)	(494)	(1,581)	(1,330)	(460)	(711)
Income before income taxes	108,599	142,640	138,909	98,539	22,685	63,055
Provision for income taxes	37,269	40,283	27,111	18,609	3,702	12,204
Net income	\$ 71,330	\$ 102,357	\$ 111,798	\$ 79,930	18,983	50,851
Cash Flow Data						
Net cash provided by operating activities	\$ 97,127	\$ 83,346	\$ 133,750	\$ 82,849	\$ 162,437	\$ 213,338
Net cash used in investing activities	(405,385)	(111,761)	(38,936)	(30,497)	(289,406)	(297,845)
Net cash (used in) provided by financing activities	258,620	(5,188)	(59,725)	(50,518)	242,018	232,811
Non-GAAP Financial Data						
EBITDA(1)	\$ 157,411	\$ 180,863	\$ 180,165	\$ 128,824	\$ 76,193	\$ 127,534
Adjusted EBITDA(1)	\$ 141,854	\$ 189,180	\$ 186,710	\$ 134,550	\$ 94,883	\$ 147,043
Acquisition Adjusted EBITDA(1)						\$ 163,077
Pro Forma Cash Interest Expense(2)						\$ 20,347
Pro Forma Total Debt, net(2)						\$ 401,020
Pro Forma Secured Debt, net(2)						\$ 101,020
Ratio of Acquisition Adjusted EBITDA to Pro Forma Cash						8.01x

Interest Expense(1)
(2)

Ratio of Pro Forma Total Debt, net to Acquisition Adjusted EBITDA(1)(2)									2.46x			
Ratio of Pro Forma Secured Debt, net Acquisition Adjusted EBITDA(1)(2)									0.62x			
Capital Expenditures	\$	13,993	\$	28,668	\$	40,858	\$	31,681	\$	28,582	\$	37,759
Free Cash Flow(1)	\$	83,134	\$	54,678	\$	92,892	\$	51,168	\$	133,855	\$	175,579
Free Cash Flow Conversion(1)		85.6%		65.6%		69.5%		61.8%		82.4%		82.3%

	As of			
	August 26, 2017	August 25, 2018	August 31, 2019	May 30, 2020
Balance Sheet Data				
Cash and cash equivalents	\$ 35,945	\$ 2,342	\$ 37,431	\$ 152,480
Total assets	902,512	1,051,805	1,104,231	1,533,040
Long-term debt, less current maturities	271,726	291,441	245,402	451,306
Total stockholders' equity	441,674	534,445	632,212	784,810

- (1) EBITDA, Adjusted EBITDA, Acquisition Adjusted EBITDA, Free Cash Flow and Free Cash Flow Conversion are non-GAAP financial measures. These non-GAAP financial measures, which are not calculated or presented in accordance with GAAP, have been provided as supplemental information and in addition to the financial measures presented in accordance with GAAP. Such non-GAAP financial measures should not be considered superior to, as a substitute for, or as an alternative to, and should be considered in conjunction with, the GAAP financial measures presented herein. The non-GAAP financial measures presented may differ from similar measures used by other companies. See "Non-GAAP financial measures" for a discussion of the reasons why management believes EBITDA, Adjusted EBITDA, Acquisition Adjusted EBITDA, Free Cash Flow and Free Cash Flow Conversion are useful in evaluating our business and also for a discussion of the analytical limitations of these measures.

The following table reconciles net income to EBITDA, Adjusted EBITDA and Acquisition Adjusted EBITDA for the periods presented.

(\$ in thousands)	Fiscal 2017	Fiscal 2018	Fiscal 2019	Nine months ended May 25, 2019	Nine months ended May 30, 2020	Twelve months ended May 30, 2020
Net income	\$ 71,330	\$ 102,357	\$ 111,798	\$ 79,930	\$ 18,983	\$ 50,851
Interest expense	16,837	18,246	17,939	13,293	23,140	27,786
Provision for income taxes	37,269	40,283	27,111	18,609	3,702	12,204
Depreciation	7,315	9,849	13,682	9,788	11,854	15,748
Amortization	24,660	9,328	9,635	7,204	18,514	20,945
EBITDA	157,411	180,063	180,165	128,824	76,193	127,534
Postretirement health care benefit income	(24,796)	—	—	—	—	—
Acquisition-related costs	6,592	2,177	—	—	9,761	9,761
Transaction Related Inventory Step-up	—	—	—	—	4,810	4,810
Restructuring	—	—	1,068	1,321	1,247	994
Non-operating income	(330)	(494)	(1,581)	(1,330)	(460)	(711)
Stock-based compensation	2,977	7,434	7,058	5,735	3,332	4,655
Adjusted EBITDA	<u>\$ 141,854</u>	<u>\$ 189,180</u>	<u>\$ 186,710</u>	<u>\$ 134,550</u>	<u>\$ 94,883</u>	<u>\$ 147,043</u>
Newmar Adjusted EBITDA(1)						<u>\$ 16,034</u>
Acquisition Adjusted EBITDA						<u>\$ 163,077</u>

- (1) Adjustment gives effect to the Newmar Acquisition, which was consummated on November 8, 2019, as if such acquisition had occurred on May 25, 2019, by including management's estimate of the Adjusted EBITDA of Newmar for the period from May 25, 2019 through November 7, 2019. This estimate is based on management's most recently available historical financial information at the time of acquisition and makes adjustments to eliminate expenses related to the prior owners and certain other non-recurring costs and expenses, if any. This estimate does not include any contributions from synergies or cost savings management expects to achieve in the future.

The following table reconciles net cash provided by operating activities to Free Cash Flow for the periods presented.

(\$ in thousands)	Fiscal 2017	Fiscal 2018	Fiscal 2019	Nine months ended May 25, 2019	Nine months ended May 30, 2020	Twelve months ended May 30, 2020
Net cash provided by operating activities	\$ 97,127	\$ 83,346	\$ 133,750	\$ 82,849	\$ 162,437	\$ 213,338
Capital expenditures	13,993	28,668	40,858	31,681	28,582	37,759
Free Cash Flow	<u>\$ 83,134</u>	<u>\$ 54,678</u>	<u>\$ 92,892</u>	<u>\$ 51,168</u>	<u>133,855</u>	<u>175,579</u>

- (2) Pro Forma Cash Interest Expense gives pro forma effect to this offering and the application of the proceeds therefrom as described under “Use of proceeds” as well as the issuance of our convertible notes due 2025, in each case, as if they had occurred on June 1, 2019. Pro Forma Total Debt, net and Pro Forma Secured Debt, net, reflect the amount of total debt and debt secured by liens, in each case net of unrestricted cash, and give pro forma effect to this offering and the application of the proceeds therefrom as described under “Use of proceeds” as if they had occurred on May 30, 2020.
-



News Release

Contact: Steve Stuber - Investor Relations - 952-828-8461 - srstuber@wgo.net
Media Contact: Sam Jefson - Public Relations Specialist – 641-585-6803 - sjefson@wgo.net

WINNEBAGO INDUSTRIES ANNOUNCES PROPOSED OFFERING OF \$300.0 MILLION AGGREGATE PRINCIPAL AMOUNT OF SENIOR SECURED NOTES

FOREST CITY, IOWA, June 30, 2020 - Winnebago Industries, Inc. (NYSE: WGO) (the “Company”), a leading outdoor lifestyle product manufacturer, announced today that it intends to offer, subject to market conditions and other factors, \$300.0 million in aggregate principal amount of senior secured notes due 2028 (the “Notes”). The Company intends to use approximately \$253.5 million of the proceeds of the offering to repay in full its obligations under its term loan facility. The remainder of the proceeds of the offering shall be used for general corporate purposes and to pay related fees and expenses.

The Notes and the related guarantees are being offered and sold to persons reasonably believed to be “qualified institutional buyers” pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and to non-U.S. persons outside the United States pursuant to Regulation S under the Securities Act. The Notes and the related guarantees will not be registered under the Securities Act or any state securities laws, and will not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws. This press release is being issued pursuant to Rule 135c under the Securities Act and shall not constitute an offer to sell or a solicitation of an offer to buy the Notes and the related guarantees or any other securities, and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

About Winnebago Industries

Winnebago Industries, Inc. is a leading North American manufacturer of outdoor lifestyle products under the Winnebago, Grand Design, Newmar and Chris-Craft brands, which are used primarily in leisure travel and outdoor recreation activities. The Company builds quality motorhomes, travel trailers, fifth wheel products and boats. Winnebago Industries has multiple facilities in Iowa, Indiana, Minnesota and Florida. The Company's common stock is listed on the New York Stock Exchange and traded under the symbol WGO.

Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements are inherently uncertain. A number of important factors could cause the Company's actual results to differ materially from these statements, including, but not limited to, risks relating to the offering of the Notes and the related guarantees, increases in interest rates, availability of credit, low consumer confidence, availability of labor, significant increases in repurchase obligations, inadequate liquidity or capital resources, availability and price of fuel, a continued 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 merger and acquisition activities, business interruptions, any unexpected expenses related to our enterprise resource planning system, the impact of potential information technology, cybersecurity or data security breaches, risks related to compliance with debt covenants and leverage ratios, impacts of public health crises, such as COVID-19, 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 U.S. Securities and Exchange Commission (the “SEC”), including in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 2019 and subsequent quarterly reports on Form 10-Q, copies of which are available from the SEC or from the Company upon request. You should not rely upon forward-looking statements as predictions of future events. 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.

###
