WINNEBAGO INDUSTRIES, INC.
P.O. BOX 152
FOREST CITY, IA 50436

FORM 10-K
FISCAL YEAR ENDED AUGUST 28, 1999

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

(X) Annual report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 (No Fee Required) for the fiscal year ended August 28, 1999; or

(   ) Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 (No Fee Required)
For the transition period from ___________________ to _____________________
Commission File Number 1-6403

WINNEBAGO INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Iowa	42-0802678
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
P.O. Box 152, Forest City, Iowa	50436
(Address of Principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (515) 582-3535

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock ($.50 par value)	The New York Stock Exchange, Inc. Chicago Stock Exchange, Inc. The Pacific Stock Exchange, Inc.

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 |X| 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 the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Annual Report on Form 10-K or any amendment to this Annual Report on Form 10-K ______.

Aggregate market value of the common stock held by non-affiliates of the Registrant on November 8, 1999: $225,548,865 (13,566,849 shares at closing price on New York Stock Exchange of $16.625).

Common stock outstanding on November 8, 1999, 21,827,651 shares.

DOCUMENTS INCORPORATED BY REFERENCE

1. The Winnebago Industries, Inc. Annual Report to Shareholders for the fiscal year ended August 28, 1999, portions of which are incorporated by reference into Part II hereof.
2. The Winnebago Industries, Inc. Proxy Statement for the Annual Meeting of Shareholders scheduled to be held January 11, 2000, portions of which are incorporated by reference into Part III hereof.

WINNEBAGO INDUSTRIES, INC.

FORM 10-K

Report for the Fiscal Year Ended August 28, 1999

PART I

ITEM 1. Business

GENERAL

Winnebago Industries, Inc. is a leading U.S. manufacturer of motor homes, self-contained recreation vehicles used primarily in leisure travel and outdoor recreation activities. Motor home sales by the Company represented more than 87 percent of its revenues in each of the past five fiscal years. The Company's motor homes are sold through dealer organizations primarily under the Winnebago, Itasca, Rialta and Ultimate brand names.

Other products manufactured by the Company consist principally of extruded aluminum, commercial vehicles, and a variety of component products for other manufacturers. Finance revenues consisted of revenues from floor plan unit financing for a limited number of the Company's dealers.

The Company was incorporated under the laws of the state of Iowa on February 12, 1958, and adopted its present name on February 28, 1961. The Company's executive offices are located at 605 West Crystal Lake Road in Forest City, Iowa. Unless the context indicates otherwise, the term "Company" refers to Winnebago Industries, Inc. and its subsidiaries.

FORWARD LOOKING INFORMATION

Except for the historical information contained herein, certain of the matters discussed in this Annual Report on Form 10-K are "forward looking statements" as defined in the Private Securities Litigation Reform Act of 1995, which involve risks and uncertainties, including, but not limited to availability of chassis, slower than anticipated sales of new or existing products, a significant increase in interest rates, a general slow down in the economy, or new product introductions by competitors and other factors which may be disclosed throughout this Annual Report on Form 10-K. Any forecasts and projections in this report are "forward looking statements," and are based on management's current expectations of the Company's near-term results, based on current information available pertaining to the Company, including the aforementioned risk factors, actual results could differ materially.

PRINCIPAL PRODUCTS

The Company determined it was appropriate to define its operations into two business segments for fiscal 1999 (See Note 14, "Business Segment Information" in the Company's Annual Report to Shareholders for the year ended August 28, 1999). However, during each of the last five fiscal years, at least 91% of the revenues of the Company were derived from recreational vehicle products.

The following table sets forth the respective contribution to the Company's net revenues by product class for each of the last five fiscal years (dollars in thousands):

	Fiscal Year Ended (1)				
	August 28, 1999	August 29, 1998	August 30, 1997	August 31, 1996	August 26, 1995
Motor Homes (Class A and C)	$ 610,987	$468,004	$381,191	$432,212	$402,435
	91.5%	89.1%	87.0%	89.2%	87.5%
Other Recreation Vehicle Revenues (2)	15,587	18,014	19,771	17,166	19,513
	2.3%	3.5%	4.5%	3.5%	4.2%
Other Manufactured Products Revenues (3)	38,081	37,000	35,750	34,020	36,961
	5.7%	7.0%	8.2%	7.0%	8.0%
Total Manufactured Products Revenues	664,655	523,018	436,712	483,398	458,909
	99.5%	99.6%	99.7%	99.7%	99.7%
Finance Revenues (4)	2,995	2,076	1,420	1,406	1,220
	.5%	.4%	.3%	.3%	.3%
Total Net Revenues	$ 667,650	$525,094	$438,132	$484,804	$460,129
	100.0%	100.0%	100.0%	100.0%	100.0%

(1) The fiscal year ended August 31, 1996 contained 53 weeks; all other fiscal years in the table contained 52 weeks. All years prior to fiscal 1998 are appropriately restated to exclude the Company's discontinued Cycle-Sat, Inc. (Cycle-Sat) subsidiary's revenues from satellite courier and tape duplication services.
(2) Primarily recreation vehicle related parts, EuroVan Campers, and recreation vehicle service revenue.
(3) Primarily sales of extruded aluminum, commercialvehicles and component products for other manufacturers.
(4) Winnebago Acceptance Corporation (WAC) revenues from dealer financing.

Unit sales of the Company's principal recreation vehicles for the last five fiscal years were as follows:

	Fiscal Year Ended (1)				
	August 28, 1999	August 29, 1998	August 30, 1997	August 31, 1996	August 26, 1995
Unit Sales:					
Class A	6,054	5,381	4,834	5,893	5,993
Class C	4,222	3,390	2,724	2,857	2,853
Total Motor Homes	10,276	8,771	7,558	8,750	8,846
Class B Conversions (EuroVan Camper)....	600	978	1,205	857	1,014

(1) The fiscal year ended August 31, 1996 contained 53 weeks; all other fiscal years in the table contained 52 weeks.

The primary use of recreation vehicles for leisure travel and outdoor recreation has historically led to a peak retail selling season concentrated in the spring and summer months. The Company's sales of recreation vehicles are generally influenced by this pattern in retail sales, but can also be affected by the level of dealer inventory.

The Company's products are generally manufactured against orders from the Company's dealers and from time to time to build inventory to satisfy the peak selling season. As of August 28, 1999, the Company's backlog of orders for Class A and Class C motor homes was approximately 2,700 units compared to approximately 1,700 units at August 29, 1998. The Company includes in its backlog all accepted purchase orders from dealers shippable within the next six months. Orders in backlog can be canceled at the option of the purchaser at any time without penalty and, therefore, backlog may not necessarily be a measure of future sales.

Presently, the Company meets its working capital requirements, capital equipment requirements and cash requirements of subsidiaries with funds generated internally. Since March 26, 1992, the Company has had a financing and security agreement with Bank of America Specialty Group (formerly Nations Bank Specialty Lending Unit) (See Note 6, "Notes Payable" in the Company's Annual Report to Shareholders for the year ended August 28, 1999).

RECREATION VEHICLES

MOTOR HOMES - A motor home is a self-propelled mobile dwelling used primarily as a temporary dwelling during vacation and camping trips.

Recreation Vehicle Industry Association (RVIA) classifies motor homes into three types (Class A, Class B and Class C). The Company currently manufactures Class A and Class C motor homes and converts Class B motor homes.

Class A models are conventional motor homes constructed directly on medium-duty truck chassis which include the engine and drivetrain components. The living area and driver's compartment are designed and produced by the recreation vehicle manufacturer.

Class B models are panel-type trucks to which sleeping, kitchen and toilet facilities are added. These models also have a top extension added to them for more head room.

Class C models are mini motor homes built on van-type chassis onto which the manufacturer constructs a living area with access to the driver's compartment. Certain models of the Company's Class C units include van-type driver's compartments built by the Company.

The Company currently manufactures and sells Class A and Class C motor homes primarily under the Winnebago, Itasca, Rialta and Ultimate brand names. These motor homes generally provide living accommodations for four to seven persons and include kitchen, dining, sleeping and bath areas, and in some models, a lounge. Optional equipment accessories include, among other items, air conditioning, electric power plant, stereo system and a wide selection of interior equipment. The Company converts Class B motor homes under the EuroVan Camper brand name, which are distributed through the Volkswagen dealer organization.

The Company offers, with the purchase of any new Winnebago, Itasca, or Ultimate motor home, a comprehensive 12-month/15,000-mile warranty, a 3-year/36,000-mile warranty on sidewalls, floors and slide-out room assemblies, and a 10-year fiberglass roof warranty. The Rialta has a 2-year/24,000-mile warranty. The EuroVan Camper has a 2-year/ 24,000-mile warranty on the conversion portion of the unit. Estimated warranty costs are accrued at the time of sale of the warranted products. Estimates of future warranty costs are based on prior experience and known current events.

The Company's Class A and Class C motor homes are sold by dealers in the retail market at prices ranging from approximately $45,000 to more than $250,000, depending on size and model, plus optional equipment and delivery charges.

The Company currently manufactures Class A and Class C motor homes ranging in length from 26 to 40 feet and 22 to 31 feet, respectively. Class B motor homes converted by the Company (EuroVan Camper) are 17 feet in length.

NON-RECREATION VEHICLE ACTIVITIES

OEM, COMMERCIAL VEHICLES, AND OTHER PRODUCTS

OEM - Original equipment manufacturer sales of component parts such as aluminum extrusions, metal stamping, rotational moldings, vacuum formed plastics, fiberglass components, panel lamination, electro-deposition painting of steel and sewn or upholstered items to outside manufacturers.

Commercial Vehicles - Commercial vehicles sales are custom shells primarily designed for the buyer's special needs and requirements.

Other Products - Sales of molded plastic docks for marine applications.

WINNEBAGO ACCEPTANCE CORPORATION (WAC) - WAC engages in floor plan and rental unit financing for a limited number of the Company's dealers.

DISCONTINUED ACTIVITIES -

On November 19, 1996, the Company sold all of the assets of its Cycle-Sat subsidiary, a distributor of satellite courier and tape duplication services, to Vyvx, Inc., a subsidiary of The Williams Companies, Inc., Tulsa, Oklahoma. See Note 2, "Discontinued Operations - Sale of Cycle-Sat Subsidiary" in the Company's Annual Report to Shareholders for the year ended August 28, 1999.

PRODUCTION

The Company's Forest City facilities have been designed to provide vertically integrated production line manufacturing. The Company also operates a fiberglass manufacturing facility in Hampton, Iowa, a sewing operation in Lorimor, Iowa and chassis modification and cabinet door manufacturing facilities in Charles City, Iowa. The Company manufactures the majority of the components utilized in its motor homes, with the exception of the chassis, engines, auxiliary power units and appliances.

Most of the raw materials and components utilized by the Company are obtainable from numerous sources. The Company believes that substitutes for raw materials and components, with the exception of chassis, would be obtainable with no material impact on the Company's operations. Certain components, however, are produced by only a small group of quality suppliers who have the capacity to supply large quantities on a national basis. This is especially true in the case of motor home chassis, where Ford Motor Company and Freightliner Custom Chassis Corporation are the Company's dominant suppliers. Decisions by such suppliers to decrease chassis production or utilize chassis production internally or shortages, production delays or work stoppages by the employees of such suppliers could have a material adverse effect on the Company's ability to produce, and ultimately the results from operations. The Company purchases Class A and C chassis from Ford Motor Company, Class A chassis from Freightliner Custom Chassis Corporation, Workhorse Custom Chassis LLC and Spartan Motors, Inc., Class C chassis from Chevrolet Motor Division and Volkswagen of America, Inc. Class B chassis from Volkswagen of America, Inc. are utilized in the Company's EuroVan Camper. Only three vendors accounted for as much as five percent of the Company's raw material purchases in fiscal 1999, Ford Motor Company, Freightliner Custom Chassis Corporation, and Volkswagen of America, Inc. (approximately 36 percent, in the aggregate). Ford Motor Company has been the Company's primary supplier of chassis for the past two fiscal years. Ford has advised the industry that for the fourth quarter of calendar 1999 and the first quarter of calendar 2000, it will reduce the number of chassis available to motor home manufacturers. The Company believes it will be able to acquire chassis from other suppliers to offset such reductions.

Motor home bodies are made from various materials and structural components which are typically laminated into rigid, lightweight panels. Body designs are developed with computer design and analysis, and subjected to a variety of tests and evaluations to meet Company standards and requirements.

The Company manufactures picture windows, lavatories, and all of the doors, cabinets, shower pans, waste holding tanks, wheel wells and sun visors used in its recreation vehicles. In addition, the Company produces most of the bucket seats, upholstery items, lounge and dinette seats, seat covers, decorator pillows, curtains and drapes.

The Company produces substantially all of the raw, liquid-painted and powder-coated aluminum extrusions used for interior and exterior trim in its recreation vehicles. The Company also sells aluminum extrusions to over 90 customers.

DISTRIBUTION AND FINANCING

The Company markets its recreation vehicles on a wholesale basis to a broadly diversified dealer organization located throughout the United States and, to a limited extent, in Canada. Foreign sales, including Canada, were less than three percent of net revenues in fiscal 1999. As of August 28, 1999 and August 29, 1998, the motor home dealer organization in the United States and Canada included approximately 340 and 350 dealers, respectively. During fiscal 1999, eight dealers accounted for approximately 25 percent of motor home unit sales, and only one dealer accounted for as much as seven percent (7.0%) of motor home unit sales.

Winnebago Industries Europe GmbH, a wholly owned subsidiary, was sold in August 1997 (See Note 14, "Business Segment Information," in the Company's Annual Report to Shareholders for the year ended August 28, 1999). All international sales (except Canada) are now handled by three distributors in Japan and one distributor in England who market the Company's recreation vehicles.

The Company has sales agreements with dealers which are renewed on an annual or bi-annual basis. Many of the dealers are also engaged in other areas of business, including the sale of automobiles, and many dealers carry one or more competitive lines. The Company continues to place high emphasis on the capability of its dealers to provide complete service for its recreation vehicles. Dealers are obligated to provide full service for owners of the Company's recreation vehicles, or in lieu thereof, to secure such service at their own expense from other authorized firms.

At August 28, 1999, the Company had a staff of 32 people engaged in field sales and service to the motor home dealer organization.

The Company advertises and promotes its products through national RV magazines and cable TV networks and on a local basis through trade shows, television, radio and newspapers, primarily in connection with area dealers.

Substantially all sales of recreation vehicles to dealers are made on cash terms. Most dealers are financed on a "floor plan" basis under which a bank or finance company lends the dealer all, or substantially all, of the purchase price, collateralized by a lien upon, or title to, the merchandise purchased. Upon request of a lending institution financing a dealer's purchases of the Company's products, and after completion of a credit investigation of the dealer involved, the Company will execute a repurchase agreement. These agreements provide that, in the event of default by the dealer on the dealer's agreement to pay the lending institution, the Company will repurchase the financed merchandise. The agreements provide that the Company's liability will not exceed 100 percent of the invoice price and provide for periodic liability reductions based on the time since the date of the invoice. The Company's contingent liability on all repurchase agreements was approximately $168,552,000 and $132,540,000 at August 28, 1999 and August 29, 1998, respectively. Included in these contingent liabilities are approximately $7,480,000 and $18,623,000, respectively, of certain dealer receivables subject to recourse (See Note 8, "Contingent Liabilities and Commitments" in the Company's Annual Report to Shareholders for the year ended August 28, 1999). The Company's contingent liability under repurchase agreements varies significantly from time to time, depending upon seasonal shipments, competition, dealer organization, gasoline supply and availability of bank financing.

COMPETITION

The recreation vehicle market is highly competitive, both as to price and quality of the product. The Company believes its principal marketing advantages are the quality of its products, its dealer organization, its warranty and service capability and its marketing techniques. The Company also believes that its prices are competitive with the competitions' units of comparable size and quality.

The Company is a leading manufacturer of motor homes. For the 12 months ended August 31, 1999, Recreation Vehicle Industry Association (RVIA) reported factory shipments of 47,900 Class A motor homes, 3,500 Class B motor homes and 18,500 Class C motor homes. Unit sales of such products by the Company for the last five fiscal years are shown on page 2 of this report. The Company has numerous competitors and potential competitors in this industry. The five largest manufacturers represented approximately 71 percent of the combined Class A and Class C motor home markets for the 12 months ended August 31, 1999, including the Company's sales, which represented 16 percent of the market. As the Company does not manufacture Class B motor homes but only completes a conversion package on these units, the Class B motor home comparison is not included in this report. The Company is not a significant factor in the markets for its other recreation vehicle products and its non-recreation vehicle products and services.

REGULATION, TRADEMARKS AND PATENTS

The Company is subject to a variety of federal, state and local regulations, including the National Traffic and Motor Vehicle Safety Act, under which the National Highway Traffic Safety Administration may require manufacturers to recall recreational vehicles that contain safety-related defects, and numerous state consumer protection laws and regulations relating to the operation of motor vehicles, including so-called "Lemon Laws." The Company is subject to regulations promulgated by the Occupational Safety and Health Administration (OSHA). The Company's facilities are periodically inspected by federal or state agencies, such as OSHA, concerned with workplace health and safety. The Company believes that its products and facilities comply in all material respects with the applicable vehicle safety, consumer protection, RVIA and OSHA regulations and standards. Amendments to any of these regulations and the implementation of new regulations, however, could significantly increase the cost of manufacturing, purchasing, operating or selling the Company's products and could have a material adverse effect on the Company's results of operations. The failure of the Company to comply with present or future regulations could result in fines being imposed on the Company, potential civil and criminal liability, suspension of sales or production, or cessation of operations. In addition, a major product recall could have a material adverse effect on the Company's results of operations.

The Company's operations are subject to a variety of federal and state environmental regulations relating to the use, generation, storage, treatment, emission and disposal of hazardous materials and wastes and noise pollution. Although the Company believes that it is currently in material compliance with applicable environmental regulations, the failure of the Company to comply with present or future regulations could result in fines being imposed on the Company, potential civil and criminal liability, suspension of production or operations, alterations to the manufacturing process, or costly cleanup or capital expenditures.

The Company has several registered trademarks, including Winnebago, Itasca, Minnie Winnie, Brave, Chieftain, Sunrise, Adventurer, Spirit, Sunflyer, Suncruiser, Sundancer, Rialta and Minnie.

RESEARCH AND DEVELOPMENT

During fiscal 1999, 1998 and 1997, the Company spent approximately $1,978,000, $1,128,000 and $1,695,000, respectively, on research and development activities. These activities involved the equivalent of 32, 16 and 24 full-time employees during fiscal 1999, 1998 and 1997, respectively.

HUMAN RESOURCES

As of September 1, 1999, 1998 and 1997, the Company employed approximately 3,400, 3,010 and 2,830 persons, respectively. Of these, approximately 2,800, 2,410 and 2,270 persons, respectively, were engaged in manufacturing and shipping functions. None of the Company's employees are covered under a collective bargaining agreement.

ITEM 2. Properties

The Company's manufacturing, maintenance and service operations are conducted in multi-building complexes owned by the Company, containing an aggregate of approximately 1,452,000 square feet in Forest City, Iowa. The Company also owns 698,000 square feet of warehouse facilities located in Forest City. The Company leases approximately 235,000 square feet of its unoccupied manufacturing facilities in Forest City to others. The Company also owns a manufacturing facility (74,000 square feet) in Hampton, Iowa and manufacturing facilities (53,000 square feet) in Charles City, Iowa. The Company leases a storage facility (25,000 square feet) in Hampton, Iowa, a manufacturing facility (17,200 square feet) in Lorimor, Iowa, and a manufacturing facility (10,000 square feet) in Charles City, Iowa. Leases on the above leased facilities expire at various dates, the earliest of which is December 31, 1999. The Company's facilities in Forest City are located on approximately 780 acres of land, all owned by the Company.

Most of the Company's buildings are of steel or steel and concrete construction and are protected from fire with high-pressure sprinkler systems, dust collector systems, automatic fire doors and alarm systems. The Company believes that its facilities and equipment are well maintained, in excellent condition and suitable for the purposes for which they are intended. The Company believes that after the recent expansion in Charles City, Iowa and after future expansions are completed in Hampton, Iowa, Charles City, Iowa and Forest City, Iowa, its facilities will be sufficient to meet its production requirements for the foreseeable future. Should the Company require increased production capacity in the future, the Company believes that additional or alternative space adequate to serve the Company's foreseeable needs would be available.

ITEM 3. Legal Proceedings

The Company is involved in various legal proceedings which are ordinary routine litigation incident to its business, many of which are covered in whole or in part by insurance. While it is impossible to estimate with certainty the ultimate legal and financial liability with respect to this litigation, management is of the opinion that while the final resolution of any such litigation may have an impact on the Company's consolidated results for a particular reporting period, the ultimate disposition of such litigation will not have any material adverse effect on the Company's financial position, results of operations or liquidity.

ITEM 4. Submission of Matters to a Vote of Security Holders

Not Applicable.

Executive Officers of the Registrant

NAME	OFFICE (YEAR FIRST ELECTED AN OFFICER)	AGE
Bruce D. Hertzke +	Chairman of the Board, Chief Executive Officer and President (1989)	48
Edwin F. Barker	Vice President, Chief Financial Officer (1980)	52
Raymond M. Beebe	Vice President, General Counsel & Secretary (1974)	57
Ronald D. Buckmeier	Vice President, Product Development (1997)	52
Robert L. Gossett	Vice President, Administration (1998)	48
Brian J. Hrubes	Controller (1996)	48
James P. Jaskoviak	Vice President, Sales and Marketing (1994)	47
Robert J. Olson	Vice President, Manufacturing (1996)	48
Joseph L. Soczek, Jr.	Treasurer (1996)	56

+ Director

Officers are elected annually by the Board of Directors. All of the foregoing officers have been employed by the Company as officers or in other responsible positions for at least the last five years, except that Robert L. Gossett was a Vice President of TCB, Inc. prior to joining the Company in 1998. Mr. Gossett had been with TCB for at least the past five years. TCB, Inc. is a nationwide distributor and value-added manufacturer of glass, plastic and ceramic consumer and packaging industry products.

PART II

ITEM 5. Market for the Registrant's Common Equity and Related Stockholder Matters

Reference is made to information concerning the market for the Company's common stock, cash dividends and related stockholder matters on page 40 of the Company's Annual Report to Shareholders for the year ended August 28, 1999, which information is incorporated by reference herein. On October 7, 1999, the Board of Directors declared a cash dividend of $.10 per common share payable January 10, 2000 to shareholders of record on December 10, 1999. The Company paid dividends of $.20 per common share during fiscal years 1999 and 1998.

ITEM 6. Selected Financial Data

Reference is made to the information included under the caption "Selected Financial Data" on page 1 of the Company's Annual Report to Shareholders for the year ended August 28, 1999, which information is incorporated by reference herein.

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Reference is made to the information under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 17 through 21 of the Company's Annual Report to Shareholders for the year ended August 28, 1999, which information is incorporated by reference herein.

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

As of August 28, 1999, the Company had an investment portfolio of fixed income securities, which are classified as cash and cash equivalents of $48.2 million. These securities, like all fixed income investments, are subject to interest rate risk and will decline in value if market interest rates increase. However, the Company has the ability to hold its fixed income investments until maturity and, therefore, the Company would not expect to recognize an adverse impact in income or cash flows in such an event.

As of August 28, 1999, the Company had dealer financing receivables in the amount of $24.6 million. Interest rates charged on these receivables vary based on the prime rate and are adjusted monthly.

ITEM 8. Financial Statements and Supplementary Data

The consolidated financial statements of the Company which appear on pages 22 through 37 and the report of the independent accountants which appears on page 38, and the supplementary data under "Interim Financial Information (Unaudited)" on page 39 of the Company's Annual Report to Shareholders for the year ended August 28, 1999, are incorporated by reference herein.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

PART III

ITEM 10. Directors and Executive Officers of the Registrant

Reference is made to the table entitled Executive Officers of the Registrant in Part One of this report and to the information included under the caption "Election of Directors" in the Company's Proxy Statement for the Annual Meeting of Shareholders scheduled to be held January 11, 2000, which information is incorporated by reference herein.

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") requires the Company's officers and directors and persons who beneficially own more than 10 percent of the Company's common stock (collectively "Reporting Persons") to file reports of ownership and changes in ownership with the Securities and Exchange Commission (the "SEC") and the New York Stock Exchange. Reporting Persons are required by the SEC regulations to furnish the Company with copies of all Section 16(a) forms they file. Based solely on its review of the copies of such forms received or written representations from certain Reporting Persons that no Forms 5 were required for those persons, the Company believes that, during fiscal year 1999, all the Reporting Persons complied with all applicable filing requirements, except that Mr. John V. Hanson, a Director of the Company, inadvertently omitted to file a Form 4 reporting the purchase by his wife of 100 shares of the Company's common stock.

ITEM 11. Executive Compensation

Reference is made to the information included under the caption "Executive Compensation" in the Company's Proxy Statement for the Annual Meeting of Shareholders scheduled to be held January 11, 2000, which information is incorporated by reference herein.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management

Reference is made to the share ownership information included under the caption "Voting Securities and Principal Holders Thereof" in the Company's Proxy Statement for the Annual Meeting of Shareholders scheduled to be held January 11, 2000, which information is incorporated by reference herein.

ITEM 13. Certain Relationships and Related Transactions

Reference is made to the information included under the caption "Certain Transactions with Management" in the Company's Proxy Statement for the Annual Meeting of Shareholders scheduled to be held January 11, 2000, which information is incorporated by reference herein.

PART IV

ITEM 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a) 1. The consolidated financial statements of the Company are incorporated by reference in ITEM 8 and an index to financial statements appears on page 13 of this report.

2. Consolidated Financial Statement Schedules Winnebago Industries, Inc. and Subsidiaries

		PAGE
	Report of Independent Auditors on Supplemental Financial Schedule	14
II.	Valuation and Qualifying Accounts	15

All schedules, other than Schedule II, are omitted because of the absence of the conditions under which they are required or because the information required is shown in the consolidated financial statements or the notes thereto.

(a) 3. Exhibits

See Exhibit Index on page 16.

(b) Reports on Form 8-K

No reports on Form 8-K have been filed during the last quarter of the period covered by this report.

UNDERTAKING

For the purposes of complying with the amendments to the rules governing Form S-8 (effective July 13, 1990) under the Securities Act of 1933, the undersigned registrant hereby undertakes as follows, which undertaking shall be incorporated by reference into registrant's Registration Statements on Form S-8 Nos. 2-40316 (which became effective on or about June 10, 1971), 2-82109 (which became effective on or about March 15, 1983), 33-21757 (which became effective on or about May 31, 1988), 33-59930 (which became effective on or about March 24, 1993) and 333-31595 (which became effective on or about July 18, 1997).

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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.

WINNEBAGO INDUSTRIES, INC.

By /s/ Bruce D. Hertzke

Chairman of the Board

Date: November 22, 1999

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on, November 22, 1999, by the following persons on behalf of the Registrant and in the capacities indicated.

SIGNATURE	CAPACITY
/s/ Bruce D. Hertzke - ---------------------------- Bruce D. Hertzke	Chairman of the Board, Chief Executive Officer, President and Director (Principal Executive Officer)
/s/ Edwin F. Barker - ---------------------------- Edwin F. Barker	Vice President, Chief Financial Officer (Principal Financial Officer)
/s/ Brian J. Hrubes - ---------------------------- Brian J. Hrubes	Controller (Principal Accounting Officer)
/s/ Gerald E. Boman - ---------------------------- Gerald E. Boman	Director
/s/ Jerry N. Currie - ---------------------------- Jerry N. Currie	Director
/s/ Fred G. Dohrmann - ---------------------------- Fred G. Dohrmann	Director
/s/ John V. Hanson - ---------------------------- John V. Hanson	Director
/s/ Gerald C. Kitch - ---------------------------- Gerald C. Kitch	Director
/s/ Richard C. Scott - ---------------------------- Richard C. Scott	Director
/s/ Frederick M. Zimmerman - ---------------------------- Frederick M. Zimmerman	Director

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

WINNEBAGO INDUSTRIES, INC. AND SUBSIDIARIES	*PAGE
Independent Auditors' Report	38
Consolidated Balance Sheets	22 - 23
Consolidated Statements of Income	24
Consolidated Statements of Cash Flows	25
Consolidated Statements of Changes in Stockholders' Equity	26
Notes to Consolidated Financial Statements	27 - 37

* Refers to respective pages in the Company's 1999 Annual Report to Shareholders, a copy of which is attached hereto, which pages are incorporated herein by reference.

INDEPENDENT AUDITORS' REPORT

Board of Directors and Shareholders
Winnebago Industries, Inc.
Forest City, Iowa

We have audited the consolidated financial statements of Winnebago Industries, Inc. and subsidiaries (the Company) as of August 28, 1999 and August 29, 1998 and for each of the three years in the period ended August 28, 1999 and have issued our report thereon dated October 7, 1999. Such consolidated financial statements and report are included in your fiscal 1999 Annual Report to Shareholders and are incorporated herein by reference. Our audits also included the consolidated financial statement schedule of Winnebago Industries, Inc. and subsidiaries, as listed in Item 14(a)2. 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.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP
Minneapolis, Minnesota
October 7, 1999

WINNEBAGO INDUSTRIES, INC. AND SUBSIDIARIES

SCHEDULE II -- VALUATION AND QUALIFYING ACCOUNTS

(Dollars in thousands)

COLUMN A	COLUMN B	COLUMN C		COLUMN D	COLUMN E	COLUMN F
		ADDITIONS (REDUCTIONS)				
PERIOD AND DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	CHARGED TO COST AND EXPENSES	BAD DEBTS RECOVERIES	DEDUCTIONS CHARGE-OFFS	OTHER	BALANCE AT END OF PERIOD
Year Ended August 28, 1999:						
Allowance for doubtful accounts receivable	$ 1,582	$ (616)	$ - - -	$ 6	$ - - -	$ 960
Allowance for doubtful dealer receivables	78	(16)	11	- - -	- - -	73
Allowance for excess and obsolete inventory	703	1,339	- - -	1,251	- - -	791
Allowance for doubtful notes receivable	973	(711)	- - -	- - -	- - -	262
Year Ended August 29, 1998:						
Allowance for doubtful accounts receivable	1,429	367	- - -	214	- - -	1,582
Allowance for doubtful dealer receivables	155	(6)	- - -	71	- - -	78
Allowance for excess and obsolete inventory	814	1,443	- - -	1,554	- - -	703
Allowance for doubtful notes receivable	1,465	(492)	- - -	- - -	- - -	973
Year Ended August 30, 1997:						
Allowance for doubtful accounts receivable	702	730	1	4	- - -	1,429
Allowance for doubtful dealer receivables	197	(160)	118	- - -	- - -	155
Allowance for excess and obsolete inventory	569	1,319	- - -	1,074	- - -	814
Allowance for doubtful notes receivable	797	668	- - -	- - -	- - -	1,465

EXHIBIT INDEX

3a. Articles of Incorporation previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 27, 1988 (Commission File Number 1-6403), and incorporated by reference herein.

3b. Amended Bylaws of the Registrant previously filed with the Registrant's quarterly report on Form 10-Q for the quarter ended February 27, 1999 (Commission File Number 1-6403), and incorporated by reference herein.

4a. Restated Inventory Floor Plan Financing Agreement between Winnebago Industries, Inc. and Bank of America Specialty Group (formerly NationsBank Specialty Lending Unit) previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 27, 1994 (Commission File Number 1-6403), and incorporated by reference herein and the First Amendment dated October 31, 1995 thereto.

4b. Restated Financing and Security Agreement dated July 6, 1995 between Winnebago Industries, Inc. and Bank of America Specialty Group (formerly Nations Bank Specialty Lending Unit) previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 26, 1995 (Commission File Number 1-6403), and incorporated by reference herein.

10a. Winnebago Industries, Inc. Stock Option Plan for Outside Directors previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 29, 1992 (Commission File Number 1-6403), and incorporated by reference herein.

10b. Amendment to Winnebago Industries, Inc. Deferred Compensation Plan previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 26, 1995 (Commission File Number 1-6403), and incorporated by reference herein.

10c. Amendment to Winnebago Industries, Inc. Profit Sharing and Deferred Savings and Investment Plan previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 26, 1995 (Commission File Number 1-6403), and incorporated by reference herein.

10d. Winnebago Industries, Inc. Book Unit Rights Plan previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 29, 1987 (Commission File Number 1-6403), and incorporated by reference herein.

10e. Winnebago Industries, Inc. 1987 Non-Qualified Stock Option Plan previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 29, 1987 (Commission File Number 1-6403), and incorporated by reference herein.

10f. Winnebago Industries, Inc. Officers' Incentive Compensation Plan for fiscal 2000.

10g. Winnebago Industries, Inc. Employee's Stock Bonus Plan and Trust Agreement previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 31, 1996 (Commission File Number 1-6403) and incorporated by reference herein.

10h. Winnebago Industries, Inc. Directors' Deferred Compensation Plan previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 30, 1997 (Commission File Number 1-6403) and incorporated by reference herein.

10i. Winnebago Industries, Inc. 1997 Stock Option Plan previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 30, 1997 (Commission File Number 1-6403) and incorporated by reference herein.

10j. Amendment to Winnebago Industries, Inc. Executive Share Option Plan previously filed with the Registrant's quarterly report on Form 10-Q for the quarter ended May 29, 1999 (Commission File Number 1-6403), and incorporated by reference herein.

10k. Winnebago Industries, Inc. Officers' Long-Term Incentive Plan, fiscal three-year period 1999, 2000 and 2001 previously filed with the Registrant's quarterly report on Form 10-Q for the quarter ended February 27, 1999 (Commission File Number 1-6403), and incorporated by reference herein.

10l. Winnebago Industries, Inc. Officers' Long-Term Incentive Plan, fiscal three-year period 2000, 2001 and 2002.

13. Winnebago Industries, Inc. Annual Report to Shareholders for the year ended August 28, 1999.

21. List of Subsidiaries.

23. Consent of Independent Auditors.

27. Financial Data Schedule.

EXHIBIT 10f.

WINNEBAGO INDUSTRIES, INC.

OFFICERS INCENTIVE COMPENSATION PLAN

GROUP A - OFFICERS

FISCAL PERIOD 1999 - 2000

WINNEBAGO INDUSTRIES, INC.
OFFICERS INCENTIVE COMPENSATION PLAN
FISCAL PERIOD 1999 - 2000

1. PURPOSE. The purpose of the Winnebago Industries, Inc. Officers Incentive Compensation Plan (the "Plan") is to promote the growth and profitability of Winnebago Industries, Inc. (the "Company") by providing its officers with an incentive to achieve corporate profit objectives and to attract and retain officers who will contribute to the achievement of long-term growth and profitability of the Company.

2. ADMINISTRATION.

   a. HUMAN RESOURCES COMMITTEE. The Plan shall be administered by a Committee (the "Committee") appointed by the Board of Directors.

   b. POWERS AND DUTIES. The Committee shall have sole discretion and authority to make any and all determinations necessary or advisable for administration of the Plan and may amend or revoke any rule or regulation so established for the proper administration of the Plan. All interpretations, decisions, or determinations made by the Committee pursuant to the Plan shall be final and conclusive.

   c. ANNUAL APPROVAL. The Committee must approve the Plan prior to the beginning of each new fiscal year.

3. PARTICIPATION ELIGIBILITY.

   a. Participants must be an officer of the Company with responsibilities that can have a real impact on the Corporation's end results.

   b. The Committee will approve all initial participation prior to the beginning of each new program except as provided for in Section c. below.

   c. The President of Winnebago Industries, Inc. will make the determination on partial year participation for new participants, for payment of earned holdback allocations due to retirement or disability and other related partial year participation issues necessary to maintain routine and equitable administration of the Plan.

4. NATURE OF THE PLAN. The incentive award is based upon financial performance of the Corporation as established by the Management Plan. The Plan is an annual program that provides for quarterly cumulative measurements of financial performance and an opportunity for quarterly incentive payment based on performance results.

   The financial performance measurements for this Plan will be earnings per share and return on equity of the Company. These financial performance measurements will provide an appropriate balance between quality and quantity of earnings. The Company's beginning of the fiscal year stockholders' equity will be used as the base figure for the calculation of return on equity. Any stock repurchase program, adopted or completed outside of the Management Plan will not be considered in the earnings per share and the return on equity calculations.

5. METHOD OF PAYMENT. The amount of the participants' incentive compensation for the quarter shall be in direct proportion to the financial performance expressed as a percentage (Financial Factor) against predetermined compensation targets for each participant. Upon completion of the first quarter of the fiscal year, quarterly results thereafter shall be combined to form cumulative fiscal year-to-date results. The results for the respective period will be used in identifying the Financial Factor to be used for that period when calculating the participant's incentive compensation.

   50% of the quarterly calculated incentive will be paid within 45 days after the close of the fiscal quarter. The remaining 50% of the quarterly calculated incentive will be held back and carried forward into the next cumulative quarter. At the end of the fourth fiscal quarter (fiscal year end), a final year-end accounting will be made prior to the payment of any remaining incentive holdback for the year.

   The incentive for the officers except for the Chief Executive Officer, provides for a 60% bonus (Target) comprised of (2/3) cash and (1/3) stock at 100% achievement of the financial objectives of earnings per share and return on equity. The incentive for the Chief Executive Officer provides for a 87.5% bonus (Target) comprised of (2/3) cash and (1/3) stock at 100% achievement of the financial objectives of earnings per share and return on equity.

   A participant must be employed by Winnebago Industries, Inc. at the end of the fiscal year to be eligible for any previous quarterly holdback allocations except as waived by the President of Winnebago Industries, Inc. for normal retirement and disability.

6. STRATEGIC PERFORMANCE. The Human Resources Committee reserves the right to modify the core incentive eligibility by plus/minus 20% (of the calculated Financial Factor) based upon strategic organizational priorities. Strategic performance will be measured at the end of the fiscal year only. Strategic measurements may focus on one or more of the following strategic factors but are not limited to those stated.

Revenue Growth	Customer Satisfaction
Market Share	Inventory Management
Product Quality	Technical Innovation
Product Introductions	Ethical Business Practices

7. ANNUAL STOCK MATCH. 50% of the total cash incentives earned for the year will be matched annually and paid in restricted stock to encourage stock ownership and promote the long-term growth and profitability of Winnebago Industries, Inc.

8. CHANGE IN CONTROL. In the event the Company undergoes a change in control during the Plan year including, without limitation, an acquisition or merger involving the Corporation ("Change in Control"), the Committee shall, prior to the effective date of the Change in Control (the "Effective Date"), make a good faith estimate with respect to the achievement of the financial performance through the end of the Plan year immediately preceding the Effective Date. In making such estimate, the Committee may compare the achievement of the finance performance against forecast through the Plan period and may consider such factors as it deems appropriate. The Committee shall exclude from any such estimate any and all costs and expenses arising out of or in connection with the

Change in Control. Based on such estimate, the Committee shall make a full Plan year award within 15 days after the Effective Date to all participants. Any holdback for previous period(s) will be released and paid to the participant together with the annual stock match payment earned.

"CHANGE IN CONTROL" for the purposes of the Officers Incentive Compensation Plan shall mean the time when (i) any Person becomes an Acquiring Person, or (ii) individuals who shall qualify as Continuing Directors of the Company shall have ceased for any reason to constitute at least a majority of the Board of Directors of the Company, provided however, that in the case of either clause (i) or (ii) a Change of Control shall not be deemed to have occurred if the event shall have been approved prior to the occurrence thereof by a majority of the Continuing Directors who shall then be members of such Board of Directors, and in the case of clause (i) a Change of Control shall not be deemed to have occurred upon the acquisition of stock of the Company by a pension, profit sharing, stock bonus, employee stock ownership plan or other retirement plan intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, established by the Company or any subsidiary of the Company. (In addition, stock held by such a plan shall not be treated as outstanding in determining ownership percentages for purposes of this definition.)

For the purpose of the definition "Change of Control:"

(a) "Continuing Director" means (i) any member of the Board of Directors of the Company, while such person is a member of the Board, who is not an Affiliate or Associate of any Acquiring Person or of any such Acquiring Person's Affiliate or Associate and was a member of the Board prior to the time when such Acquiring Person shall have become an Acquiring Person, and (ii) any successor of a Continuing Director, while such successor is a member of the Board, who is not an Acquiring Person or any Affiliate or Associate of any Acquiring Person or a representative or nominee of an Acquiring Person or of any affiliate or associate of such Acquiring Person and is recommended or elected to succeed the Continuing Director by a majority of the Continuing Directors.

(b) "Acquiring Person" means any Person or any individual or group of Affiliates or Associates of such Person who acquires beneficial ownership, directly or indirectly, of 20% or more of the outstanding stock of the Company if such acquisition occurs in whole or in part, except that the term "Acquiring Person" shall not include a Hanson Family Member or an Affiliate or Associate of a Hanson Family Member.

(c) "Affiliate" means a Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

(d) "Associate" means (1) any corporate, partnership, limited liability company, entity or organization (other than the Company or a majority-owned subsidiary of the Company) of which such a Person is an officer, director, member, or partner or is, directly or indirectly the beneficial owner of ten percent (10%) or more of the class of equity securities, (2) any trust or fund in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity, (3) any relative or spouse of such person, or any relative of such spouse, or (4) any investment company for which such person or any Affiliate of such person serves as investment advisor.

(e) "Hanson Family Member" means John K. Hanson and Luise V. Hanson (and the executors or administrators of their estates), their lineal descendants (and the executors or administrators of their estates), the spouses of their lineal descendants (and the executors or administrators of their estates) and the John K. and Luise V. Hanson Foundation.

(f) "Company" means Winnebago Industries, Inc., an Iowa corporation.

(g) "Person" means an individual, corporation, limited liability company, partnership, association, joint stock company, trust, unincorporated organization or government or political subdivision thereof.

9. GOVERNING LAW. Except to the extent preempted by federal law, the consideration and operation of the Plan shall be governed by the laws of the State of Iowa.

10. EMPLOYMENT RIGHTS. Nothing in this Plan shall confer upon any employee the right to continue in the employ of the Company, or affect the right of the Company to terminate an employee's employment at any time, with or without cause.

Approved by:

- ----------------------------------- ---------------------
Bruce D. Hertzke Dated
Chairman of the Board, CEO and President

- ---------------------------------- ---------------------
Gerald C. Kitch Dated
Human Resources Committee Chairman

EXHIBIT 10l.

WINNEBAGO INDUSTRIES, INC.

OFFICERS LONG-TERM INCENTIVE PLAN

FISCAL THREE-YEAR PERIOD

2000, 2001 AND 2002

WINNEBAGO INDUSTRIES, INC.
OFFICERS LONG-TERM INCENTIVE PLAN
FISCAL THREE-YEAR PERIOD 2000, 2001 AND 2002

1. PURPOSE. The purpose of the Winnebago Industries, Inc. Officers Long-Term Incentive Plan (the "Plan") is to promote the long-term growth and profitability of Winnebago Industries, Inc. (the "Company") by providing its officers with an incentive to achieve long-term corporate profit objectives and to attract and retain officers by providing such officers with an equity interest in the Company.

2. ADMINISTRATION.

    a. HUMAN RESOURCES COMMITTEE. The Plan shall be administered by a Committee (the "Committee") appointed by the Board of Directors.

    b. POWERS AND DUTIES. The Committee shall have sole discretion and authority to make any and all determinations necessary or advisable for administration of the Plan and may amend or revoke any rule or regulation so established for the proper administration of the Plan. All interpretations, decisions, or determinations made by the Committee pursuant to the Plan shall be final and conclusive.

    c. ANNUAL APPROVAL. The Committee must approve the Plan prior to the beginning of each new fiscal three (3) year plan period. Each year a new plan will be established for a new three-year period.

3. PARTICIPATION ELIGIBILITY.

    a. Participants must be an officer of the Company with responsibilities that can have a real impact on the Corporation's end results.

    b. The Committee will approve all initial participation prior to the beginning of each new program except as provided for in Section c. below.

    c. The President of Winnebago Industries, Inc. will make the determination on partial year participation for new participants, for partial awards due to retirement or disability and other related partial year participation issues necessary to maintain routine and equitable administration of the Plan.

4. NATURE OF THE PLAN. The long-term incentive award is based upon financial performance of the Corporation as established by the three (3) year Management Plan. The Plan is a three (3) year (fiscal) program that provides for an opportunity for an incentive award based on the achievement of long-term performance results as measured at the end of the three (3) year fiscal period.

    The financial performance measurements for this Plan will be earnings per share and return on equity of the Company for this period. These financial performance measurements will provide an appropriate balance between quality and quantity of earnings. The Company's formal three-year financial plan will be the basis on which actual performance will be measured. The beginning of the fiscal year stockholders' equity at the first year of this period will be used as the base figure for the calculation of return on equity. Any stock repurchase program, adopted or completed outside of the three (3) year Management Plan will not be considered in the earnings per share and the return on equity calculations.

5. METHOD OF PAYMENT. The long-term incentive award will be a performance stock grant made in restricted shares of the common stock of Winnebago Industries, Inc. The amount of the participants' long-term incentive award for the three (3) year fiscal period shall be in direct proportion to the financial performance expressed as a percentage (Financial Factor) against predetermined award targets for each participant. The results for the fiscal three (3) year period will be used in identifying the Financial Factor to be used for that plan period when calculating the participants long-term incentive awards.

   The long-term incentive for the officers provides for an opportunity of 25% of the annualized base salary (Target) to be awarded in restricted stock at 100% achievement of the financial long-term objectives of earnings per share and return on equity. The annualized base salary figure used shall be the salary in place for each participant as of January 2000. The stock target opportunity shall be established by dividing the base salary target by the mean stock price as of the first business day of the three (3) year fiscal period. The resultant stock unit share opportunity (at 100% of Plan) will be adjusted up or down as determined by actual financial performance expressed as a percentage (Financial Factor) at the end of the three (3) year fiscal period.

   A participant must be employed by Winnebago Industries, Inc. at the end of the fiscal three (3) year period to be eligible for any long-term incentive award except as waived by the President of Winnebago Industries, Inc. for normal retirement and disability.

6. CHANGE IN CONTROL. In the event the Company undergoes a change in control during the fiscal three (3) year plan period including, without limitation, an acquisition or merger involving the Corporation ("Change in Control"), the Committee shall, prior to the effective date of the Change in Control (the "Effective Date"), make a good faith estimate with respect to the achievement of the financial performance through the end of the Plan three (3) year period. In making such estimate, the Committee may compare the achievement of the financial performance against the forecast through the Plan three (3) year period and may consider such other factors as it deems appropriate. The Committee shall exclude from any such estimate any and all costs and expenses arising out of or in connection with the Change in Control. Based on such estimate, the Committee shall make a full three (3) year Plan award within 15 days after the Effective date to all participants.

   "CHANGE IN CONTROL" for the purposes of the Officer's Long-Term Incentive Plan shall mean the time when (i) any Person becomes an Acquiring Person, or (ii) individuals who shall qualify as Continuing Directors of the Company shall have ceased for any reason to constitute at least a majority of the Board of Directors of the Company, provided however, that in the case of either clause (i) or (ii) a Change of Control shall not be deemed to have occurred if the event shall have been approved prior to the occurrence thereof by a majority of the Continuing Directors who shall then be members of such Board of Directors, and in the case of clause (i) a Change of Control shall not be deemed to have occurred upon the acquisition of stock of the Company by a pension, profit sharing, stock bonus, employee stock ownership plan or other retirement plan intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, established by the Company or any subsidiary of the Company. (In addition, stock held by such a plan shall not be treated as outstanding in determining ownership percentages for purposes of this definition.)

For the purpose of the definition "Change of Control:"

(a) "Continuing Director" means (i) any member of the Board of Directors of the Company, while such person is a member of the Board, who is not an Affiliate or Associate of any Acquiring Person or of any such Acquiring Person's Affiliate or Associate and was a member of the Board prior to the time when such Acquiring Person shall have become an Acquiring Person, and (ii) any successor of a Continuing Director, while such successor is a member of the Board, who is not an Acquiring Person or any Affiliate or Associate of any Acquiring Person or a representative or nominee of an Acquiring Person or of any affiliate or associate of such Acquiring Person and is recommended or elected to succeed the Continuing Director by a majority of the Continuing Directors.

(b) "Acquiring Person" means any Person or any individual or group of Affiliates or Associates of such Person who acquires beneficial ownership, directly or indirectly, of 20% or more of the outstanding stock of the Company if such acquisition occurs in whole or in part, except that the term "Acquiring Person" shall not include a Hanson Family Member or an Affiliate or Associate of a Hanson Family Member.

(c) "Affiliate" means a Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

(d) "Associate" means (1) any corporate, partnership, limited liability company, entity or organization (other than the Company or a majority-owned subsidiary of the Company) of which such a Person is an officer, director, member, or partner or is, directly or indirectly the beneficial owner of ten percent (10%) or more of the class of equity securities, (2) any trust or fund in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity, (3) any relative or spouse of such person, or any relative of such spouse, or (4) any investment company for which such person or any Affiliate of such person serves as investment advisor.

(e) "Hanson Family Member" means John K. Hanson and Luise V. Hanson (and the executors or administrators of their estates), their lineal descendants (and the executors or administrators of their estates), the spouses of their lineal descendants (and the executors or administrators of their estates) and the John K. and Luise V. Hanson Foundation.

(f) "Company" means Winnebago Industries, Inc., an Iowa corporation.

(g) "Person" means an individual, corporation, limited liability company, partnership, association, joint stock company, trust, unincorporated organization or government or political subdivision thereof.

7. GOVERNING LAW. Except to the extent preempted by federal law, the consideration and operation of the Plan shall be governed by the laws of the State of Iowa.

8. EMPLOYMENT RIGHTS. Nothing in this Plan shall confer upon any employee the right to continue in the employ of the Company, or affect the right of the Company to terminate an employee's employment at any time, with or without cause.

Approved by:

- ----------------------------------- ---------------------
Bruce D. Hertzke Dated
Chairman of the Board, CEO and President

- ----------------------------------- ---------------------
Gerald C. Kitch Dated
Human Resources Committee Chairman

1999
ANNUAL
REPORT

[LOGO] WINNEBAGO INDUSTRIES

TABLE OF CONTENTS

Selected Financial Data...............................1
Mission Statement.....................................2
Report to Shareholders................................3
Operations Review 6
Motor Home Product Classification 16
Management's Discussion and Analysis 17
Consolidated Balance Sheets..........................22
Consolidated Statements of Income....................24
Consolidated Statements of Cash Flows................25
Consolidated Statements of Changes in
Stockholders' Equity 26
Notes to Consolidated Financial Statements...........27
Independent Auditors' Report.........................38
Net Revenues by Major Product Class..................39
Interim Financial Information 39
Shareholder Information..............................40
Directors and Officers................Inside Back Cover

CORPORATE PROFILE

Winnebago Industries, Inc., headquartered in Forest City, Iowa, is a 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 with state-of-the-art computer-aided design and manufacturing systems on automotive-styled assembly lines. The Company's products are subjected to what the Company believes is the most rigorous testing in the RV industry. These vehicles are sold through dealer organizations primarily under the Winnebago(R), Itasca(R), Rialta(R) and Ultimate(TM) brand names. The Company markets its recreation vehicles on a wholesale basis to a broadly diversified dealer organization located throughout the United States, and to a limited extent, in Canada. As of August 28, 1999, the motor home dealer organization in the United States and Canada included approximately 340 dealers. Motor home sales by Winnebago Industries represented more than 87 percent of its revenues in each of the past five years. In addition, the Company's subsidiary, Winnebago Acceptance Corporation (WAC), engages in floor plan and rental unit financing for a limited number of the Company's dealers. Other products manufactured by the Company consist principally of a variety of component parts for other manufacturers.

Winnebago Industries was incorporated under the laws of the state of Iowa on February 12, 1958, and adopted its present name on February 28, 1961.

RECENT FINANCIAL PERFORMANCE
(In thousands, except per share data)

	FISCAL 1999	FISCAL 1998	INCREASE (DECREASE)
NET REVENUES	$667,650	$525,094	27%
GROSS PROFIT	$109,659	$74,160	48%
OPERATING INCOME	$63,982	$32,977	94%
NET INCOME	$44,260	$24,384	82%
DILUTED INCOME PER SHARE	$1.96	$1.00	96%
DILUTED WEIGHTED AVE. SHARES	22,537	24,314	(7%)

SELECTED FINANCIAL DATA

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)	AUG. 28, 1999	AUG. 29, 1998	AUG. 30, 1997(1)	AUG. 31, 1996(1)(2)	AUG. 26, 1995(1)
FOR THE YEAR					
Net revenues	$ 667,650	$ 525,094	$ 438,132	$ 484,804	$ 460,129
Income before taxes	66,609	35,927	6,992	21,063	20,006
Provision (credit) for income taxes	22,349	11,543	416	6,639	(7,912)
Income from continuing operations	44,260	24,384	6,576	14,424	27,918
Loss from discontinued operations	--	--	--	(2,039)	(162)
Gain on sale of Cycle-Sat subsidiary	--	--	16,472	--	--
Net income	44,260	24,384	23,048	12,385	27,756
Income (loss) per share:					
Continuing operations:					
Basic	1.99	1.01	.26	.57	1.11
Diluted	1.96	1.00	.26	.57	1.10
Discontinued operations:					

Basic	--	--	.65	(.08)	(.01)
Diluted	--	--	.64	(.08)	(.01)
Net income per share:					
Basic	$ 1.99	$ 1.01	$ .91	$ .49	$ 1.10
Diluted	1.96	1.00	.90	.49	1.09
Weighted average common shares outstanding (in thousands):					
Basic	22,209	24,106	25,435	25,349	25,286
Diluted	22,537	24,314	25,550	25,524	25,513
Cash dividends per share:	$ .20	$ .20	$ .20	$ .30	$ .30
Return on assets	15.5%	10.6%	10.8%	5.6%	13.1%
Return on equity	29.6%	20.9%	18.6%	11.8%	27.6%
Unit Sales:					
Class A	6,054	5,381	4,834	5,893	5,993
Class C	4,222	3,390	2,724	2,857	2,853
Total Class A & C Motor Homes	10,276	8,771	7,558	8,750	8,846
Class B Conversions (EuroVan Campers)	600	978	1,205	857	1,014
AT YEAR END					
Total assets	$ 285,889	$ 230,612	$ 213,475	$ 220,596	$ 211,630
Stockholders' equity	149,384	116,523	123,882	105,311	100,448
Working capital	123,720	92,800	100,772	62,951	70,449
Long-term debt	--	--	--	1,692	3,810
Current ratio	2.5 to 1	2.5 to 1	3.4 to 1	2.0 to 1	2.4 to 1
Number of employees	3,400	3,010	2,830	3,150	3,010

(1) Restated to reflect Cycle-Sat, Inc. and North Iowa Electronics, Inc. as discontinued operations.
(2) The fiscal year ended August 31, 1996 contained 53 weeks, all other fiscal years contained 52 weeks.

	NET REVENUES (Dollars in Millions)	NET INCOME FROM CONTINUING OPERATIONS (Dollars)	NET INCOME PER DILUTED SHARE (Dollars)
1995	460.1	27.9	1.09
1996	484.8	14.4	0.49
1997	438.1	6.6	0.90
1998	525.1	24.4	1.00
1999	667.7	44.3	1.96

WINNEBAGO INDUSTRIES, INC.

MISSION STATEMENT

Winnebago Industries, Inc. is a leading manufacturer of recreation vehicles (RVs) and related products and services. Our mission is to continually improve our products and services to meet or exceed the expectations of our customers. We emphasize employee teamwork and involvement in identifying and implementing programs to save time and lower production costs while maintaining the highest quality values. These strategies allow us to prosper as a business with a high degree of integrity and to provide a reasonable return for our shareholders, the ultimate owners of our business.

VALUES

How we accomplish our mission is as important as the mission itself. Fundamental to the success of the Company are these basic values we describe as the four P's:

PEOPLE -- Our employees are the source of our vast strength. They provide our corporate intelligence and determine our reputation and vitality. Involvement and teamwork are our core human values.

PRODUCTS -- Our products are the end result of our team's efforts, and they should be the best in meeting or exceeding our customers' expectations worldwide. As our products are viewed, so are we viewed.

PLANT -- The Company believes its plant is the most technologically advanced in the RV industry. We continue to review facility improvements that will increase the utilization of our plant capacity and enable us to build the best quality product for the investment.

PROFITABILITY -- Profitability is the ultimate measure of how efficiently we provide our customers with the best products for their needs. Profitability is required to survive and grow. As our respect and position within the marketplace grows, so will our profit.

GUIDING PRINCIPLES

QUALITY COMES FIRST -- To achieve customer satisfaction, the quality of our products and services must be our number one priority.

CUSTOMERS ARE CENTRAL TO OUR EXISTENCE -- Our work must be done with our customers in mind, providing products and services that meet or exceed the expectations of our customers. We must not only satisfy our customers, we must also surprise and delight them.

CONTINUOUS IMPROVEMENT IS ESSENTIAL TO OUR SUCCESS -- We must strive for excellence in everything we do: in our products, in their safety and value, as well as in our services, our human relations, our competitiveness, and our profitability.

EMPLOYEE INVOLVEMENT IS OUR WAY OF LIFE -- We are a team. We must treat each other with trust and respect.

DEALERS AND SUPPLIERS ARE OUR PARTNERS -- The Company must maintain mutually beneficial relationships with dealers, suppliers and our other business associates.

INTEGRITY IS NEVER COMPROMISED -- The Company must pursue conduct in a manner that is socially responsible and that commands respect for its integrity and for its positive contributions to society. Our doors are open to all men and women alike without discrimination and without regard to ethnic origin or personal beliefs.

TO OUR FELLOW SHAREHOLDERS:

What a fantastic year! Winnebago Industries achieved its highest revenues and earnings in its history. In fact, income of $1.96 per diluted share for fiscal 1999 was nearly double the $1.00 per diluted share reported for fiscal 1998.

We attribute this year's phenomenal success to many factors. First, we must acknowledge the great work ethic of our many fine employees who have worked so diligently to achieve these great results.

[PHOTO: EMPLOYEES INSTALLING WINNEBAGO ADVENTURER ROOF ON LINE #1.]

Another important factor is our emphasis on new product development. Approximately four years ago, we made major changes in our corporation. We began to focus on what we do best - producing high-quality motor homes. So, we divested the Company's other activities and focused our resources and product development efforts towards that goal. These product development changes have had a very positive impact

[PHOTO: 2000 ITASCA SUNDANCER 29U (LEFT) AND ITASCA SUNCRUISER 25U.]

[PHOTO: 2000 ITASCA SUNDANCER 29U]

on Winnebago Industries' position in the recreation vehicle (RV) market. According to the retail reporting firm Statistical Surveys, Inc., Winnebago Industries was the top-selling Class C manufacturer for calendar 1998, while the Winnebago brand was the number one selling Class A product for calendar 1998.

We are continuing our emphasis on new product development. Since the 1997 model year, virtually all of our products are new. We've completely redesigned existing products while introducing new motor home lines to expand our product offerings. Tremendous effort and research went into our new 2000 model lineup as you'll see later in this report.

[PHOTO: 2000 WINNEBAGO JOURNEY 36L]

Also, a significant factor in our outstanding success in fiscal 1999 was continued favorable market conditions and the strength of our brand name. Strong demand for our products continues to be driven by consumer confidence, favorable interest rates, favorable demographic trends and awareness of the Winnebago brand name.

We are proud of the increase in our shareholder value. As of the close of fiscal 1999, total shareholder return over the last five years increased by 180 percent.

We now face the new millennium as a new company, virtually reborn since the mid-90's. In the future, we will continue to focus on product development for the recreation vehicle market and plan for continued growth.

Several methods are currently being used to achieve continued growth for the future: increased standardization of component parts to make manufacturing more efficient, outsourcing more component parts, increasing the

TOTAL SHAREHOLDER RETURN
(Dollars)

	STOCK PRICE AT FISCAL YEAR END	DIVIDENDS
1995	8.38	.30
1996	8.13	.30
1997	8.38	.20
1998	11.13	.20
1999	24.13	.20

utilization of technology through plant modernization, plant expansion both in our main manufacturing facility and through additional satellite facilities, as well as through increased employee hiring.

Winnebago Industries is ready and able to meet the challenges ahead in this exciting new era. Once again, I'd like to thank our valued employees, our loyal motor home dealers, motor home owners and you, our shareholders. Your support will continue to be the measure of our success.

/S/ BRUCE D. HERTZKE

BRUCE D. HERTZKE
CHAIRMAN OF THE BOARD,
CHIEF EXECUTIVE OFFICER AND
PRESIDENT

NOVEMBER 26, 1999

[PHOTO: BRUCE D. HERTZKE]

[PHOTO: 2000 RIALTA 22QD]

OPERATIONS REVIEW

WINNEBAGO INDUSTRIES - OUR PEOPLE - OUR LEGACY

Winnebago Industries' success in fiscal 1999 was largely due to the extraordinary efforts of its employees. Winnebago Industries' experienced workforce is its most valuable resource. Company-wide employment levels were approximately 3,400 employees at the end of fiscal 1999, a growth of over 13 percent since the end of fiscal 1998.

A strong work ethic prevails throughout the ranks at Winnebago Industries, driving us to higher levels of productivity and quality. Average employee longevity is approximately 9 years of service, while 13 percent of our employees have served the Company for more than 20 years.

Winnebago Industries will continue its quest to ensure the Company's position as employer of choice within our manufacturing communities. We do that through providing our employees with good working conditions, as well as by providing fair and competitive pay programs with comprehensive benefit packages.

Winnebago Industries has also worked closely with area schools and colleges to develop programs to train our future employees. We have shared our expertise on equipment and software needs that will provide a smooth transition for young adults coming into the workplace. We are pleased to assist with these projects to ensure students have high-quality education opportunities that are also a good fit with our job opportunities in the future.

OUR FUTURE - A GROWING MARKET

Due to favorable economic conditions and the growth of the number of people in our prime motor home target market, RV sales appear to be on a continuing upward trend. The economic conditions of North America have continued to be a catalyst for the RV market. Readily available fuel, relatively low interest rates and excellent consumer confidence levels have greatly contributed towards the record setting year for Winnebago Industries.

The Baby Boom generation is now reaching Winnebago Industries' prime target market of people age 50 and above. According to research, an individual in the United States is turning age 50 every 7.5 seconds, contributing an additional 350,000 people per month to that prime target market. From available demographic information, this trend is expected to continue for the next 30 years.

[PHOTO: 2000 RIALTA 22FD]

Other trends contributing to the growth of the motor home industry include the growing wealth of the Company's target market from inheritance incomes and excellent returns received in retirement investment accounts as a result of the excellent performance of the stock market throughout the past decade.

GROWTH THROUGH EXPANSION

The anticipation of continued growth within the RV industry and for Winnebago Industries' products is causing the Company to continue expansion plans. Winnebago Industries invested approximately four million dollars during fiscal 1999 to increase production capacity.

In Charles City, Iowa, a new 53,000-square-foot hardwoods facility was completed during fiscal 1999. This facility fabricates cabinet doors and drawers and includes a state-of-the-art stain process and materials control system.

Construction has also begun on a new 50,000-square-foot facility for additional fabrication adjacent to the Company's existing facility in Hampton, Iowa. Completion of the facility is scheduled for the Spring of 2000.

Winnebago Industries has plans to invest approximately ten million dollars during fiscal 2000 for additional production capacity.

The Company has announced three expansion programs at its Forest City location to be completed during fiscal 2000.

* Slated to be completed shortly after the beginning of 2000, Winnebago Industries is developing approximately 45,000 square feet of additional motor home manufacturing capabilities within its current manufacturing complex. The development is estimated to increase Winnebago Industries' motor home manufacturing capabilities by approximately 1,000 units per year and will employ over 200 additional employees when at full production.

* The product development facility will be expanded for increased interior and exterior design opportunities.

[PHOTO: STATE-OF-THE-ART STAIN LINE IN NEW CHARLES CITY]

* The Company also announced plans for a 16,000 square foot addition to its Customer Service facility. The new addition will allow the Company to expand its commercial and specialty vehicle production, and painting operations to accommodate special paint needs. This addition will also add 14 service bays to enhance service and training capabilities.

Additionally, Winnebago Industries has announced future plans to build a new $2,700,000 (50,000-square-foot) manufacturing plant in Charles City for the production of the Company's top-of-the-line Ultimate brand motor homes. Plans are to include the Ultimate's Ulti-Bay(TM) chassis modification department that is currently in a leased facility in Charles City. The Ultimate Advantage(TM) and Ultimate Freedom(TM) motor homes are the Company flagship models, retailing for approximately $185,000 to $250,000. Winnebago Industries will continue to explore expansion opportunities in order to meet the anticipated demand for its products in the future.

TECHNOLOGY - A DRIVING FORCE

Winnebago Industries' motor homes are also becoming more and more complex to manufacture, driven by consumer demand for additional comfort and entertainment features.

The implementation of new technology is allowing the Company to address complexity issues, as well as increasing quality and productivity. Winnebago Industries spent $11.6 million on capital improvements to its plant facilities including equipment replacement during fiscal 1999, of which, over half was used for technology related equipment.

Included in the new equipment purchased were two new laser cutting systems, bringing the total to three currently being utilized by the Company. Increasing accuracy and flexibility, these new machines each reduce labor by 25 percent while replacing existing metal stamping presses and cutting machines.

Among other new technology driven tools installed during fiscal 1999, a computer numerically controlled saw in the Cabinet Shop decreased labor by 66 percent, while increasing capacity by 50 percent.

[PHOTO: LASER CUTTING SYSTEM SAVES LABOR WHILE INCREASING ACCURACY]

NEW PRODUCTS

For the third consecutive year, Winnebago Industries put enormous emphasis on new product development, which is evident with the introduction of the Company's new motor home lines for 2000. Virtually every product series has either been dramatically redesigned or introduced as a completely new product since the Company's 1997 offerings. Winnebago Industries currently builds four brands of motor homes: Winnebago, Itasca, Rialta and Ultimate.

[PHOTO: 2000 ITASCA HORIZON 36LD]

RESEARCH DRIVEN

Customer-focused research was a large part of Winnebago Industries' 2000 product development process. Research was gathered from the retail customer through focus groups, surveys and individual one-on-one meetings. Product development caravans were also utilized so that members of the product design team could travel together on specific camping reviews and personally make use of the products they designed while talking with retail customers. Truly user-driven, these new 2000 models were the most highly researched products in the Company's history.

[PHOTO: 2000 WINNEBAGO MINNIE 31C]

Special emphasis was placed on providing more home-style features for Winnebago Industries' 2000 motor homes. Although the research results primarily had impact on the Winnebago Adventurer(R) and Chieftain(R) and Itasca Suncruiser(R) and Sunflyer(R) lines, the resulting product improvements were incorporated in the Company's other product lines. Every aspect of usability was reviewed as both formal and informal product and consumer research was conducted for these motor homes.

Research found that features as seemingly insignificant as the size of cabinet door handles make an impact on the consumer's overall impression of a product's usability. When the new models were designed, Winnebago Industries' product development team made sure these motor homes had user-friendly features such as a larger exterior assist handle and a larger solid handrail inside that were positioned for optimum ease of entry and exit. Switches are larger and clearly marked. The dash was redesigned for optimum placement of gauges and switches and the optional rearview backup monitor was positioned in the dash for ease of viewing. And the list of user-driven features goes on and on. Literally hundreds of changes were made to make the 2000 motor homes more like home.

ADVENTURER AND SUNCRUISER

Debuting on the Adventurer and Suncruiser series, TrueAir(TM) Residential Central Air Conditioning is a true thermostatically controlled central air conditioning system that provides quieter, more even distribution of cooled air throughout the entire motor home. Located below the floor, the TrueAir system is easily accessible for cleaning, and eliminates condensation running down sidewalls from roof AC units, decreases clearance height and provides a more aerodynamic roof line. Unlike traditional air conditioners which use thin foam pads, the TrueAir system uses easy-to-access residential-style filters to remove more airborne impurities and deliver better air quality. The TrueAir system is also offered on the Winnebago Chieftain, Itasca Sunflyer, Ultimate Advantage and Ultimate Freedom, as well as the brand new Winnebago Journey(TM) and Itasca Horizon(TM) motor home series.

[PHOTO: 2000 WINNEBAGO ADVENTURER 37G]

Another new feature that makes its debut on the 2000 Adventurer and Suncruiser lines is the OnePlace(TM) Systems Center. The OnePlace center is designed to make motor home operation easier by centralizing important and frequently checked switches and gauges in one convenient location. All switches are clearly marked for easy identification and operation. The OnePlace center is also featured on the Winnebago Chieftain, Itasca Sunflyer, Ultimate Advantage and the new Winnebago Journey and Itasca Horizon motor home lines.

JOURNEY AND HORIZON

Winnebago Industries continued its expansion into the growing diesel pusher market with the introduction of the new Winnebago Journey and Itasca Horizon motor home lines for 2000. Modestly priced for diesel pushers, these exciting new wide-body, bus-style products are designed with high-end features such as front entry door; sleek, contemporary front end styling with high-gloss exterior fiberglass skin. Available in three models in 34- and 36-foot lengths with front slideout room extensions, the Journey is built on the 24,850 gross vehicle weight rating (GVWR) Freightliner XC chassis with 275 hp Cummins diesel engine with 4-speed Allison transmission, rear radiator and Jacobs Extarder exhaust brake. The Itasca Horizon features two floorplans, each with both a front slideout room and a rear bedroom wardrobe slideout. The Itasca Horizon also features other upgraded features, such as a 6-speed Allison transmission and an available Caterpillar 300 hp diesel engine.

[PHOTO: 2000 WINNEBAGO JOURNEY 36L]

CHIEFTAIN AND SUNFLYER

The 2000 Winnebago Chieftain and Itasca Sunflyer are heading into the next millennium with all the innovation, functionality and livability as ever before - - and more. Available in four floorplans in 34-, 35-, and 36-foot lengths, two of which are new for 2000, the Chieftain and Sunflyer models are packed with amenities and features that make living easy. All three front-engine gas chassis models feature two slideouts - a front lounge slide and a rear bedroom slide. The galley/couch slideout extends 20-inches for additional livability in the 34Y and the 36L diesel pusher model, while the 35U and 36W feature a 30-inch dinette/couch slideout.

[PHOTO: 2000 ULTIMATE ADVANTAGE 38K]

ULTIMATE ADVANTAGE AND FREEDOM

A brand new floorplan, the 36C joins the luxurious, wide-body, bus-style, diesel pusher Ultimate Advantage lineup for 2000. Based on the 29,410 GVWR Freightliner chassis with a 300hp Caterpiller diesel engine, the new 36C features a

30-inch deep dinette/couch slideout that glides into a flat floor when fully extended, as well as a unique wardrobe slideout in the bedroom. Besides the elegant look, the sofa in the 36C slideout converts into a large 60" x 71" sleeping area for guests. An innovative kitchen/couch slideout is offered on the 38K and 40J floorplans with a new optional passenger-side J-shaped leather seat.

The top-of-the-line Ultimate Freedom is offered on a new platform for 2000. Built on the 31,000 GVWR Spartan Mountain Master GT chassis, the Ultimate Freedom utilizes a 350 hp Cummins diesel engine with independent front suspension.

The Ultimate Advantage and Freedom both utilize the Company's Ulti-Bay chassis design, providing major efficiencies in terms of material use and storage space utilization.

Both Freightliner and Spartan chassis manufacturers provide the front and rear sections of the chassis, while Winnebago Industries completes the mid-section structure of the chassis and body with tall, extremely spacious storage compartments in the area normally claimed by chassis rails.

BRAVE AND SUNRISE

The Winnebago Brave(R) and Itasca Sunrise(R) continue to be affordable Class A products. Two distinct product lines are offered in each: the basement Brave SE and Sunrise SE available in four floorplans and the full-basement Brave and Sunrise available in three models, including the new 33V floorplan.

[PHOTO: 2000 WINNEBAGO BRAVE 32T]

MINNIE AND SPIRIT

Winnebago Industries offers a new crowned fiberglass roof design with ducted roof air conditioning for all the 2000 Class C models (except Rialta). This design allows for efficient water runoff and for even, quiet distribution of cooled air throughout the motor home.

Multiple sleeping areas, slideout availability for expanded living areas and basement storage are all key ingredients to making Winnebago Minnie(R) and Itasca Spirit(R) motor homes a must for great family trips. The Minnie and Spirit provide excellent entry-level value with six models to choose from, ranging from 22 to 31 feet in length.

Two new floorplans join the Minnie and Spirit lineup for 2000, the 24V and 27P.

[PHOTO: 2000 ITASCA SUNDANCER 30V]

MINNIE WINNIE AND SUNDANCER

The Winnebago Minnie Winnie(R) and Itasca Sundancer(R) lines feature three, widebody, basement models for 2000, including a unique 30V floorplan with galley/couch hydraulic slideout. For added convenience, all Minnie Winnie and Sundancer models feature a new step to get from the cab into the galley/dinette area.

[PHOTO 2000 RIALTA 22FD]

RIALTA

The Rialta from Winnebago Industries is a unique Class C product that offers fuel efficiency, great front-wheel-drive maneuverability and multi-purpose usability. The 2000 Rialta provides upscale amenities in three available floorplans.

[PHOTO: DENTALONE(TM) MOBILE DENTAL VEHICLE]

COMMERCIAL VEHICLES

The Commercial Vehicle Division continues to experience growth with a volume increase of over 32 percent from fiscal 1998. Several models are offered specifically designed to target popular customizing markets such as medical, dental, law enforcement, handicap accessible, etc.

Winnebago Industries anticipates further growth of this division as the Company's commercial vehicle customers search out ways to serve their specific audience more efficiently in their own markets.

[GRAPHIC: WINNEBAGO-ITASCA TRAVELERS]

WIT

The Winnebago-Itasca Travelers (WIT) Club continues to be an excellent way to stay connected with our motor home owners. The Company's WIT Club members have proven themselves to be loyal customers and consequently repurchase the Company's products at a much higher rate than non-members. With caravans, rallies and tours held frequently throughout the year, the WIT Club provides members with a way to use their motor homes, stay active and keep in touch with their club-member friends. Membership benefits include a monthly magazine, professional trip routing, purchasing and service discounts, mail forwarding and various types of insurance.

OEM

The sale of original equipment manufacturing (OEM) components to a wide array of outside companies allows Winnebago Industries an opportunity to maximize the use of its production capacity, while providing the added benefit of low cost component parts. Winnebago Industries generated OEM revenues of $29.2 million in fiscal 1999.

The largest portion of OEM revenues were generated by Winnebago Industries' Creative Aluminum Products Company (CAPCO), which produces aluminum extrusion products. OEM sales are also generated from the sale of thermoformed and rotocast plastics, fiberglass components, panel lamination, electro-deposition painting of steel and sewn or upholstered items.

SALES AND SERVICE SUPPORT

Winnebago Industries believes that providing quality sales and service support makes the Company most effective at the dealer level and inevitably makes our retail customers more satisfied, thus ensuring long-term growth. The Company in essence, "raised the bar" for sales and service yet again during fiscal 1999.

Since sales and aftermarket support are so important to Winnebago Industries' business philosophy, we closely monitor our customers' satisfaction levels from data collected through surveys. From this data Winnebago Industries has developed a Customer

[PHOTO: SALES AND SERVICE TRAINING SESSIONS ARE CONDUCTED WITH DEALERSHIP PERSONNEL FREQUENTLY THROUGHOUT THE YEAR.]

Satisfaction Index (CSI) that is used to shape our sales and service programs and to reward our most effective dealers. The oldest dealer recognition program within the RV industry, the "Circle of Excellence Award" was initiated in 1986. Winnebago Industries recognized 159 dealers with this top honor for the 1999 model year.

QUALITY CIRCLE AWARD

Winnebago Industries has received the Quality Circle Award from the Recreation Vehicle Dealers' Association (RVDA) each year since it was instituted three years ago. Judged by the entire RV industry's dealer body, the award is based on the manufacturer's sales and service commitment to their dealers and retail customers. Presented to only six RV manufacturers annually, Winnebago Industries is one of only two motor home manufacturers to have received this award all three years. Winnebago Industries averaged 85.7 percent satisfaction on the seven Dealer Satisfaction Index (DSI) questions dealing with service, parts and warranty - a solid 17.8 percent higher than the industry average.

[PHOTO: QUALITY CIRCLE AWARDS FROM RVDA.]

ACTION TEAMS

Several of our employees participate in Action Teams that are developed in order to maximize efficiencies in our manufacturing system. For example, a Unit Fill Team was recently formed to explore new and innovative installation procedures of soft goods such as window treatments, furniture, etc. into motor homes. These Action Teams draw from a wide variety of expertise through the involvement of production employees working daily with the subject matter, as well as employees from our quality and engineering departments to assist with resolution. Currently 18 Action Teams are active within Winnebago Industries, resulting in more individual participation within the Company and ultimately more pride in the manufacture and quality of our motor homes.

EMPLOYEE COST SAVINGS SUGGESTION PROGRAM

Winnebago Industries and our employees have also benefited from the Cost Savings Suggestion Program initiated in 1990. The Cost Savings Suggestion program rewards employees for suggesting improvements to the Company's motor home products or internal processes that result in cost and/or time savings. Since the program began, over 2,800 ideas have been implemented. During fiscal 1999, 433 employee suggestions were implemented with an annualized savings of $490,000.

MOTOR HOME PRODUCT CLASSIFICATION

CLASS A MOTOR HOMES

These are conventional motor homes constructed directly on medium-duty truck chassis which include the engine and drivetrain components. The living area of the driver's compartments are designed and produced by Winnebago Industries. Class A motor homes from Winnebago Industries include: Winnebago Brave, Adventurer, Chieftain and Journey; Itasca Sunrise, Suncruiser, Sunflyer and Horizon; and Ultimate Advantage and Freedom.

CLASS B VAN CAMPERS

These are panel-type trucks to which sleeping, kitchen, and toilet facilities are added. These models also have a top extension to provide more headroom. Winnebago Industries converts the EuroVan Camper, which is distributed by Volkswagen of America and Volkswagen of Canada.

CLASS C MOTOR HOMES (MINI)

These are mini motor homes built on a van-type chassis onto which Winnebago Industries constructs a living area with access to the driver's compartment. Class C motor homes from Winnebago Industries include: Winnebago Minnie and Minnie Winnie; Itasca Spirit and Sundancer; and Rialta.

[LOGO: WINNEBAGO INDUSTRIES]

MOTOR HOME FAMILY TREE

Winnebago Industries manufactures four brands of Class A and C motor homes. Listed below are the brand names and model designations of the Company's 2000 product line.

LOGOS:

WINNEBAGO	ITASCA	RIALTA	ULTIMATE
- Minnie	- Spirit	- Rialta	- Ultimate Advantage
- Minnie Winnie	- Sundancer		- Ultimate Freedom
- Brave	- Sunrise		
- Adventurer	- Suncruiser		
- Chieftain	- Sunflyer		
- Journey	- Horizon		

OTHER RELATED PRODUCTS:

Winnebago Conversion Vehicles -- Licensed truck and van conversions manufactured and marketed by Choo Choo Customs Group, Inc.

Winnebago Park Homes -- Licensed products manufactured and marketed by Chariot Eagle, Inc.

Winnebago Tents -- Licensed products manufactured and marketed by Avid Outdoor.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

The primary use of recreation vehicles (RVs) for leisure travel and outdoor recreation has historically led to a peak retail selling season concentrated in the spring and summer months. The Company's sales of RVs are generally influenced by this pattern in retail sales, but can also be affected by the level of dealer inventory. The Company's products are generally manufactured against orders from the Company's dealers and from time to time to build inventory to satisfy the peak selling season.

RESULTS OF OPERATIONS

FISCAL 1999 COMPARED TO FISCAL 1998

Net revenues for manufactured products were $664,655,000 for fiscal 1999, an increase of $141,637,000, or 27.1 percent, from fiscal 1998. Motor home shipments (Class A and C) during fiscal 1999 were 10,276 units, an increase of 1,505 units, or 17.2 percent, compared to fiscal 1998. Increased revenues resulted from increased unit sales as well as a better product mix of higher margin products such as diesel-powered Class A vehicles and motor homes with increased features such as slideouts. The Recreation Vehicle Industry Association (RVIA) reported factory shipments (Class A and C) for the industry increased by 16.9 percent during the Company's 1999 fiscal year. In comparison, the Company's shipments increased by 17.2 percent. The Company continues to have a strong presence in the Class C market with shipments at 21.7 percent of the total market during both fiscal 1999 and fiscal 1998. Market conditions for the Company's motor home products as well as in the recreation vehicle industry in general continue to remain very favorable due to consumer confidence, favorable interest rates and favorable demographic trends. As of August 28, 1999, the Company's backlog of orders for Class A and Class C motor homes was approximately 2,700 orders compared to approximately 1,700 orders at August 29, 1998. The Company includes in its backlog all accepted purchase orders from dealers shippable within the next six months. Orders in backlog can be canceled at the option of the purchaser at any time without penalty and, therefore, backlog may not necessarily be a measure of future sales.

Net revenues for dealer financing from Winnebago Acceptance Corporation (WAC) were $2,995,000 for fiscal 1999, an increase of $919,000 or 44.3 percent from fiscal 1998. Increased revenues reflect the increase in average dealer receivable balances when comparing fiscal 1999 to fiscal 1998.

Cost of manufactured products, as a percent of manufactured product revenues, was 84.0 percent for fiscal 1999, compared to 86.2 percent for fiscal 1998. The Company's increased volume of motor homes and favorable product mix change during fiscal 1999 contributed to the improved margins.

Selling and delivery expenses increased by $2,328,000 to $23,525,000 comparing fiscal 1999 to fiscal 1998 but decreased as a percentage of net revenues to 3.5 percent from 4.0 percent. The increase in dollars can be attributed primarily to increases in advertising and promotional expenses. Increased sales volume, during fiscal year 1999 contributed to the decrease in percentage.

General and administrative expenses increased by $2,166,000 to $22,152,000 comparing fiscal 1999 to fiscal 1998 but decreased as a percentage of net revenues to 3.3 percent from 3.8 percent. The dollar increase was primarily due to increases in the Company's employee incentive programs. Partially offsetting the dollar increase in general and administrative expenses was monies the Company received and recorded during fiscal 1999 on a previously fully reserved receivable that was repaid. Increased sales volume during fiscal 1999 contributed to the decrease in percentage.

For fiscal 1999, the Company had net financial income of $2,627,000 compared to net financial income of $2,950,000 during fiscal 1998. During fiscal 1999, the Company recorded $2,615,000 of net interest and dividend income and gains of $12,000 in foreign currency transactions. During fiscal 1998, the Company recorded $2,892,000 of net interest and dividend income and gains of $58,000 in foreign currency transactions.

For fiscal 1999, the Company had net income of $44,260,000, or $1.96 per diluted share, compared to fiscal 1998's net income of $24,384,000, or $1.00 per diluted share.

FISCAL 1998 COMPARED TO FISCAL 1997

Net revenues for manufactured products were $523,018,000 for fiscal 1998, an increase of $86,306,000, or 19.8 percent, from fiscal 1997. Motor home shipments (Class A and C) during fiscal 1998 were 8,771 units, an increase of 1,213 units, or 16.0 percent, compared to fiscal 1997. Fiscal 1998 was the first full year that the Company's strategy of refocusing on its core business of manufacturing quality motor homes had been in place. The Company brought to the market in fiscal 1998 the most extensive new product lineup in its history. Over one half of the Company's 1998 products featured new or significantly redesigned models. The RVIA reported factory shipments (Class A and C) for the industry increased by 13.1 percent during the Company's 1998 fiscal year. In comparison, the Company's shipments increased by 16.0 percent. The Company continued to have a strong share in the Class C market with shipments at 21.7 percent of the total market during the 1998 fiscal year compared to 20.5 percent in fiscal 1997. As of August 29, 1998, the Company's backlog of orders for Class A and Class C motor homes was approximately 1,700 orders compared to approximately 1,300 orders at August 30, 1997.

Net revenues for dealer financing from WAC were $2,076,000 for fiscal 1998, an increase of $656,000 or 46.2 percent from fiscal 1997. Increased revenues reflect the increase in average dealer receivable balances when comparing fiscal 1998 to fiscal 1997.

Cost of manufactured products, as a percent of manufactured product revenues, was 86.2 percent for fiscal 1998, compared to 88.3 percent for fiscal 1997. The Company's increased volume of production and sales of motor homes resulted in the improved margins as well as lower discount allowances during fiscal 1998.

Selling and delivery expenses decreased by $5,934,000 to $21,197,000 comparing fiscal 1998 to fiscal 1997 and decreased as a percentage of net revenues to 4.0 percent from 6.2 percent. The decreases in dollars and percentage can be attributed primarily to significant decreases in promotional costs during fiscal 1998 when compared to fiscal 1997. Increased sales volume during fiscal 1998, also contributed to the decrease in percentage. Due to the closing and sale of Winnebago Industries Europe, GmbH (WIE) in fiscal 1997, this former subsidiary had no impact on the Company's results during fiscal 1998.

General and administrative expenses decreased by $327,000 to $19,986,000 comparing fiscal 1998 to fiscal 1997 and decreased as a percentage of net revenues to 3.8 percent from 4.6 percent. Increases in the Company's employee bonus programs and reserves for product liability costs during fiscal 1998 partially offset the WIE effect when comparing the two fiscal years. Increased sales volume, during fiscal 1998, contributed to the decrease in percentage.

For fiscal 1998, the Company had net financial income of $2,950,000 compared to net financial income of $1,844,000 during fiscal 1997. During fiscal 1998, the Company recorded $2,892,000 of net interest and dividend income and gains of $58,000 in foreign currency transactions. During fiscal 1997, the Company recorded $2,258,000 of net interest and dividend income, $137,000 of realized and unrealized gains in its trading securities portfolio, and losses of $551,000 in foreign currency transactions, relating to transactions by the Company with WIE and by WIE with dealers located in foreign countries other than Germany.

For fiscal 1998, the Company had income from continuing operations before taxes of $35,927,000 compared to $6,992,000 for fiscal 1997. The 1998 effective tax rate was 32.1 percent, consistent with management's expectations. During fiscal 1997, a tax loss from the closing and sale of WIE resulted in a tax credit of approximately $3,700,000. This tax credit reduced the Company's effective tax rate on continuing operations to 5.9 percent for fiscal 1997.

During fiscal 1997, the Company completed the sale of its 80 percent owned subsidiary, Cycle-Sat, Inc., for approximately $57,000,000 which resulted in an after-tax gain of $16,472,000 or $.64 per diluted share (See Note 2 to the Company's 1999 Consolidated Financial Statements).

For fiscal 1998, the Company had net income of $24,384,000, or $1.00 per diluted share, compared to fiscal 1997's net income of $23,048,000, or $.90 per diluted share.

ANALYSIS OF FINANCIAL CONDITION, LIQUIDITY AND RESOURCES

The Company meets its working capital requirements, capital equipment requirements and cash requirements of subsidiaries with funds generated internally.

At August 28, 1999, working capital was $123,720,000, an increase of $30,920,000 from the amount at August 29, 1998. Cash provided by operations was $25,004,000, $61,962,000 and $5,215,000 during fiscal years ended August 28, 1999, August 29, 1998, and August 30, 1997, respectively. Operating cash flows were lower in fiscal 1999, due primarily to increases in inventories and the Company's receivable balances partially offset by an increase in the Company's current payables. Cash flows used by investing activities were $20,185,000 and $7,751,000 in fiscal 1999 and fiscal 1998, respectively, compared to cash flows provided by investing activities of $46,719,000 during fiscal 1997. Cash flows used by investing activities primarily include increases in dealer receivables and investments in capital expenditures. Capital expenditures were $11,577,000 in fiscal 1999, $5,567,000 in fiscal 1998 and $4,438,000 in fiscal 1997. Cash provided by investing activities for fiscal 1997 was due primarily to the proceeds the Company received from the sale of the Cycle-Sat subsidiary. Net cash used by financing activities was $11,399,000 in fiscal 1999, $32,438,000 in fiscal 1998 and $20,560,000 in fiscal 1997. Cash used by financing activities in fiscal 1999 and 1998 was primarily to repurchase shares of the Company's common stock at a cost of $8,975,000 and $23,358,000, respectively. Cash used by financing activities in fiscal 1997 was primarily for the payment of long-term debt of discontinued operations of $13,220,00. (See Consolidated Statements of Cash Flows.)

The Company's sources of liquidity consisted principally of cash and cash equivalents in the amount of $48,160,000 at August 28, 1999 compared to $54,740,000 at August 29, 1998.

The Company also has available a line of credit for $30,000,000 (or 75 percent of eligible inventory, whatever is less) through a financing and security agreement with Bank of America Specialty Group (formerly Nations Bank Specialty Lending Unit). The Company did not borrow under this line of credit during fiscal 1999 or fiscal 1998. (See Note 6 to the Company's 1999 Consolidated Financial Statements.)

Principal expected demands at August 28, 1999 on the Company's liquid assets for fiscal 2000 include approximately $18,600,000 of capital expenditures and payments of cash dividends. On June 17, 1999, the Company's Board of Directors authorized the repurchase of up to $15,000,000 of the Company's common stock depending on market conditions.

Management currently expects its cash on hand, funds from operations and borrowings available under existing credit facilities to be sufficient to cover both short-term and long-term operating requirements.

ACCOUNTING CHANGES

RECOGNITION OF DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" was issued in June 1998 and must be adopted by the Company no later than fiscal 2001. This statement requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure these instruments at fair value. The Company has not completed the process of evaluating the effect of SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities."

FORWARD LOOKING INFORMATION

Except for the historical information contained herein, certain of the matters discussed in this report are "forward looking statements" as defined in the Private Securities Litigation Reform Act of 1995, which involve risks and uncertainties, including, but not limited to the availability of chassis, slower than anticipated sales of new or existing products, a significant increase in interest rates, a general slowdown in the economy, or new product introductions by competitors and other factors which may be disclosed throughout this Annual Report. Any forecasts and projections in this report are "forward looking statements," and are based on management's current expectations of the Company's near-term results, based on current information available pertaining to the Company, including the aforementioned risk factors, actual results could differ materially.

IMPACT OF INFLATION

Historically, the impact of inflation on the Company's operations has not been significantly detrimental, as the Company has usually been able to adjust its prices to reflect the inflationary impact on the cost of manufacturing its products. The inability of the Company to successfully offset increases in manufacturing costs could have a material adverse effect on the Company's results of operations.

YEAR 2000 (Y2K) COMPLIANCE

INTRODUCTION

The term "year 2000 issue" is a general term used to describe the various problems that may result from the improper processing of dates and date-sensitive calculations by computers as the year 2000 is approached and reached. These problems generally arise from the fact that most computer hardware and software have historically used only two digits to identify the year in a date.

Y2K BACKGROUND

The Company's overall goal is to be Y2K ready. "Y2K ready" means that critical systems, devices, applications or business relationships have been evaluated and are expected to be suitable for continued use into and beyond the Y2K, or contingency plans are in place. The Company started its Y2K project in 1996.

Y2K PROJECT

The Company's Y2K project was divided into four major steps: 1) Strategy for compliance; 2) Inventory and assessment; 3) Remediation; and 4) System testing.

1. The Company decided to make the corrections for compliance by programming rather than through file conversion.

2. Using its chosen method of correction, management determined that approximately 25 percent of its Information Systems Department's available time would be required to complete the Y2K project by mid-year 1998.

3. The Company's programs' corrections were completed in May 1998.

4. System testing was completed in September 1999.

The Company's Plant Engineering and Maintenance Department was charged with the assessment and remediation of any Y2K problems in its plant production equipment and in any building infrastructure equipment. As of October 1999, plant production equipment has been reviewed and updated for Y2K compliance. Building infrastructure equipment is currently being reviewed and updated to Y2K compliance and is scheduled to be completed by December 1, 1999.

The Company's Purchasing and Information Systems Departments have contacted all of the Company's major suppliers to determine their readiness for their compliance with the Y2K issue.

The Company is not aware of any date sensitive chips in the component parts of its products that could cause a problem with the units in the field when the date of January 1, 2000 is reached.

COSTS

The total cost associated with the modifications has not exceeded $300,000 which has been expensed as of August 28, 1999. Any remaining costs incurred by the Company for the Y2K project are expected to be de minimis and will be absorbed in existing budgets.

RISKS

The failure to correct a material Y2K problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect the Company's operations. Due to the general uncertainty inherent in the Y2K problem, resulting in part from the uncertainty of the Y2K readiness of the Company's third-party suppliers and customers, the Company is unable to determine at this time whether the consequences of Y2K failures will have a material impact on the Company's operations. The Company believes that, with the completion of its Y2K project as scheduled, the possibility of significant interruptions of normal operations should be reduced.

CONTINGENCY

At this time, the Company believes it has addressed all Y2K issues. Should a significant problem occur, the Company will revert to standard manual procedures to continue operation until the problem is corrected.

Readers are cautioned that forward-looking statements contained in the Y2K update should be read in conjunction with the Company's disclosures under the heading: "FORWARD-LOOKING INFORMATION."

CONSOLIDATED BALANCE SHEETS

(DOLLARS IN THOUSANDS)	AUGUST 28, 1999	AUGUST 29, 1998
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 48,160	$ 54,740
Receivables, less allowance for doubtful accounts ($960 and $1,582, respectively)	33,342	22,025
Dealer financing receivables, less allowance for doubtful accounts ($73 and $78, respectively)	24,573	12,782
Inventories	87,031	55,433
Prepaid expenses	3,593	3,516
Deferred income taxes	6,982	6,906
Total current assets	203,681	155,402
PROPERTY AND EQUIPMENT, at cost		
Land	1,150	1,158
Buildings	41,136	38,779
Machinery and equipment	73,839	69,095
Transportation equipment	5,345	5,047
	121,470	114,079
Less accumulated depreciation	83,099	81,167
Total property and equipment, net	38,371	32,912
LONG-TERM NOTES RECEIVABLE, less allowances ($262 and $973, respectively)	787	4,515
INVESTMENT IN LIFE INSURANCE	19,749	18,750
DEFERRED INCOME TAXES	18,654	16,071
OTHER ASSETS	4,647	2,962
TOTAL ASSETS	$285,889	$230,612

See notes to consolidated financial statements.

(DOLLARS IN THOUSANDS)	AUGUST 28, 1999	AUGUST 29, 1998
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable, trade	$ 38,604	$ 24,461
Income taxes payable	10,201	12,623
Accrued expenses:		
Accrued compensation	13,204	9,479
Product warranties	6,407	5,260
Insurance	3,962	3,566
Promotional	2,629	2,236
Other	4,954	4,977
Total current liabilities	79,961	62,602
POSTRETIREMENT HEALTH CARE AND DEFERRED COMPENSATION BENEFITS	56,544	51,487
CONTINGENT LIABILITIES AND COMMITMENTS		
STOCKHOLDERS' EQUITY		
Capital stock common, par value $.50; authorized 60,000,000 shares, issued 25,874,000 and 25,865,000 shares, respectively	12,937	12,932
Additional paid-in capital	21,907	22,507
Reinvested earnings	151,482	111,665
	186,326	147,104
Less treasury stock, at cost	36,942	30,581
TOTAL STOCKHOLDERS' EQUITY	149,384	116,523
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$285,889	$230,612

CONSOLIDATED STATEMENTS OF INCOME

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)	YEAR ENDED AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 30, 1997
Continuing operations			
Revenues			
Manufactured products	$664,655	$523,018	$436,712
Dealer financing	2,995	2,076	1,420
Total net revenues	667,650	525,094	438,132
Costs and expenses			
Cost of manufactured products	557,991	450,934	385,540
Selling and delivery	23,525	21,197	27,131
General and administrative	22,152	19,986	20,313
Total costs and expenses	603,668	492,117	432,984
Operating income	63,982	32,977	5,148
Financial income	2,627	2,950	1,844
Income from continuing operations before income taxes	66,609	35,927	6,992
Provision for taxes	22,349	11,543	416
Income from continuing operations	44,260	24,384	6,576
Discontinued operations			
Gain on sale of Cycle-Sat subsidiary (net of applicable income tax provision of $13,339)	--	--	16,472
Net income	$ 44,260	$ 24,384	$ 23,048
Income per share:			
Continuing operations:			
Basic	$ 1.99	$ 1.01	$ .26
Diluted	1.96	1.00	.26
Discontinued operations:			
Basic	--	--	.65
Diluted	--	--	.64
Net income per share:			
Basic	$ 1.99	$ 1.01	$ .91
Diluted	1.96	1.00	.90
Weighted average common shares outstanding (in thousands):			
Basic	22,209	24,106	25,435
Diluted	22,537	24,314	25,550

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(DOLLARS IN THOUSANDS)	YEAR ENDED AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 30, 1997
Cash flows from operating activities:			
Net income	$ 44,260	$ 24,384	$ 23,048
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation and amortization	5,748	5,582	6,468
Loss (gain) on disposal of property, leases and other assets	82	(45)	577
(Credit) provision for doubtful receivables	(1,049)	692	1,238
Pre-tax gain on sale of Cycle-Sat subsidiary	--	--	(29,811)
Realized and unrealized gains on trading securities, net	--	--	(137)
Proceeds from sale of trading securities	--	--	4,453
Provision for loss on disposal of electronic component assembly segment	--	--	(4,074)
Other	--	400	--
Change in assets and liabilities:			
(Increase) decrease in receivables and other assets	(11,740)	10,585	(4,027)
(Increase) decrease in inventories	(31,598)	(1,849)	9,519
Increase (decrease) in accounts payable and accrued expenses	19,781	9,448	(2,349)
(Decrease) increase in income taxes payable	(2,422)	12,623	--
(Decrease) increase in deferred income taxes	(2,659)	(3,160)	1,074
Increase in postretirement benefits	4,601	3,302	1,430
Other	--	--	(2,194)
Net cash provided by operating activities	25,004	61,962	5,215
Cash flows from investing activities:			
Purchases of property and equipment	(11,577)	(5,567)	(4,438)
Proceeds from sale of property and equipment	355	313	4,498
Investments in dealer receivables	(91,386)	(54,268)	(38,228)
Collections of dealer receivables	79,611	54,828	36,543
Investments in long-term notes receivable and other assets	(2,962)	(5,664)	(4,090)
Proceeds from long-term notes receivable and other assets	5,774	2,607	2,889
Proceeds from sale of Cycle-Sat subsidiary	--	--	57,000
Payments to minority shareholder from sale of Cycle-Sat	--	--	(7,160)
Other	--	--	(295)
Net cash (used) provided by investing activities	(20,185)	(7,751)	46,719
Cash flows from financing activities and capital transactions:			
Payments for purchase of common stock	(8,975)	(28,358)	--
Payment of long-term debt of discontinued operations	--	(695)	(13,220)
Payments of cash dividends	(4,443)	(4,898)	(5,090)
Payments of long-term debt and capital leases	--	--	(2,863)
Proceeds from issuance of common and treasury stock	2,019	1,513	613
Net cash used by financing activities and capital transactions	(11,399)	(32,438)	(20,560)
Net (decrease) increase in cash and cash equivalents	(6,580)	21,773	31,374
Cash and cash equivalents at beginning of year	54,740	32,967	1,593
Cash and cash equivalents at end of year	$ 48,160	$ 54,740	$ 32,967

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF
CHANGES IN STOCKHOLDERS' EQUITY

(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)	COMMON SHARES NUMBER	COMMON SHARES AMOUNT	ADDITIONAL PAID-IN CAPITAL	REINVESTED EARNINGS	TREASURY STOCK NUMBER	TREASURY STOCK AMOUNT
Balance, August 31, 1996	25,840	$ 12,920	$ 23,723	$ 74,221	487	$ 5,553
Proceeds from the sale of common stock to employees	14	7	(614)	--	(107)	(1,220)
Cash dividends on common stock - $.20 per share	--	--	--	(5,090)	--	--
Net income	--	--	--	23,048	--	--
Balance, August 30, 1997	25,854	12,927	23,109	92,179	380	4,333
Proceeds from the sale of common stock to employees	11	5	(602)	--	(225)	(2,110)
Payments for purchase of common stock	--	--	--	--	2,897	28,358
Cash dividends on common stock - $.20 per share	--	--	--	(4,898)	--	--
Net income	--	--	--	24,384	--	--
Balance, August 29, 1998	25,865	12,932	22,507	111,665	3,052	30,581
Proceeds from the sale of common stock to employees	9	5	(600)	--	(254)	(2,614)
Payments for purchase of common stock	--	--	--	--	777	8,975
Cash dividends on common stock - $.20 per share	--	--	--	(4,443)	--	--
Net income	--	--	--	44,260	--	--
Balance, August 28, 1999	25,874	$ 12,937	$ 21,907	$ 151,482	3,575	$ 36,942

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

In fiscal 1999, the Company's operations were conducted predominantly in two industry segments: the manufacture and sale of recreation vehicles and other manufactured products, and floor plan financing for selected Winnebago, Itasca, Rialta, and Ultimate dealers. The recreation vehicle market is highly competitive, both as to price and quality of the product. The Company believes its principal marketing advantages are the quality of its products, its dealer organization, its warranty and service capability and its marketing techniques. The Company also believes that its prices are competitive with the competitions' units of comparable size and quality.

PRINCIPLES OF CONSOLIDATION. The consolidated financial statements include the parent company and subsidiary companies. All material intercompany balances and transactions with subsidiaries have been eliminated.

STATEMENTS OF CASH FLOWS. For purposes of these statements, cash equivalents primarily consisted of commercial paper, tax exempt money market preferreds and variable rate auction preferred stock with an original maturity of three months or less. For cash equivalents, the carrying amount is a reasonable estimate of fair value.

FISCAL PERIOD. The Company follows a 52/53 week fiscal year period. The financial statements presented are all 52 week periods.

REVENUE RECOGNITION. Sales are recorded by the Company when products are shipped to independent dealers. Interest income from dealer floor plan receivables is recorded on the accrual basis in accordance with the terms of the loan agreements.

INVENTORIES. Inventories are valued at the lower of cost or market, with cost being determined by using the last-in, first-out (LIFO) method and market defined as net realizable value.

PROPERTY AND EQUIPMENT. Depreciation of property and equipment is computed using the straight-line method on the cost of the assets, less allowance for salvage value where appropriate, at rates based upon their estimated service lives. Accelerated depreciation methods are used for tax purposes whenever permitted.

Management periodically reviews the carrying values of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. In performing the review for recoverability, management estimates the nondiscounted future cash flows expected to result from the use of the asset and its eventual disposition. The Company incurred an impairment charge of $400,000 to write down one of its buildings to estimated net realizable value during fiscal 1998 as a result of this review.

PROVISION FOR WARRANTY CLAIMS. Estimated warranty costs are provided at the time of sale of the warranted products. Estimates of future warranty costs are based on prior experience and known current events.

INCOME TAXES. The Company accounts for income taxes under SFAS No. 109, "Accounting for Income Taxes." This Statement requires recognition of deferred assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the years in which the differences are expected to reverse.

ALLOWANCE FOR DOUBTFUL ACCOUNTS. Allowance for doubtful accounts are based on previous loss experience. Additional amounts are provided through charges to income as management believes necessary after evaluation of receivables and current economic conditions. Amounts which are considered to be uncollectible are charged off and recoveries of amounts previously charged off are credited to the allowance upon recovery.

RESEARCH AND DEVELOPMENT. Research and development expenditures are expensed as incurred. Development activities generally relate to creating new products and improving or creating variations of existing products, to meet new applications. During fiscal 1999, 1998 and 1997, the Company spent approximately $1,978,000, $1,128,000, and $1,695,000, respectively, on research and development activities.

INCOME PER COMMON SHARE. Basic income per common share is computed by dividing net income by the weighted average common shares outstanding during the period.

Diluted income per common share is computed by dividing net income by the weighted average common shares outstanding plus the incremental shares that would have been outstanding upon the assumed exercise of dilutive stock options (See Note 15).

FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS. All financial instruments are carried at amounts believed to approximate fair value.

USE OF ESTIMATES. The preparation of financial statements in conformity with generally accepted accounting principles 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 could differ from those estimates.

RECLASSIFICATIONS. Certain prior year information has been reclassified to conform to the current year presentation.

NOTE 2: DISCONTINUED OPERATIONS - SALE OF CYCLE-SAT SUBSIDIARY

The Company owned an 80% interest in Cycle-Sat, Inc. (Cycle-Sat), a telecommunications service firm that was a leading distributor of television and radio commercials using satellite, fiber-optic and digital technologies. On August 5, 1996 (the measurement date), the Company adopted a formal plan to sell Cycle-Sat. Accordingly, Cycle-Sat is accounted for as a discontinued operation in the accompanying consolidated financial statements.

On November 19, 1996, the Company sold all of the assets of Cycle-Sat to Vyvx, Inc., a subsidiary of The Williams Companies, Inc., Tulsa, Oklahoma for approximately $57 million. The transaction resulted in an after-tax gain of $16.5 million or $.64 per diluted share. Revenues applicable to Cycle-Sat for fiscal 1997 were $7,073,000.

NOTE 3: DEALER FINANCING RECEIVABLES

Dealer floor plan receivables are collateralized by recreation vehicles and are due upon the dealer's sale of the vehicle, with the entire balance generally due at the end of one year. At August 28, 1999, the Company had certain concentration of credit risks whereby $24,146,000 of dealer financing receivables were due from one dealer.

NOTE 4: INVENTORIES

Inventories consist of the following:

(DOLLARS IN THOUSANDS)	AUGUST 28, 1999	AUGUST 29, 1998
Finished goods	$ 25,622	$ 24,147
Work-in-process	24,822	15,328
Raw materials	55,076	33,384
	105,520	72,859
LIFO reserve	18,489	17,426
	$ 87,031	$ 55,433

The above value of inventories, before reduction for the LIFO reserve, approximates replacement cost at the respective dates.

NOTE 5: LONG-TERM NOTES RECEIVABLE

Long-term notes receivable of $787,000 and $4,515,000 at August 28, 1999 and August 29, 1998, respectively, are primarily collateralized by real estate. The notes had weighted average interest rates of 9.6 percent per annum and 8.6 percent per annum at August 28, 1999 and August 29, 1998, respectively, and have various maturity dates ranging through July 2001.

NOTE 6: NOTES PAYABLE

Short-term lines of credit and related borrowings outstanding at fiscal year-end are as follows:

(DOLLARS IN THOUSANDS)	AVAILABLE CREDIT LINES		OUTSTANDING		INTEREST RATE	
	AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 28, 1999	AUGUST 29, 1998
Notes payable	$ 30,000	$ 30,000	$ ---	$ ---	8.75%	9.0%

Since March 1992, the Company has had a financing and security agreement with Bank of America Specialty Group (formerly Nations Bank Specialty Lending Unit). Terms of the agreement limit borrowings to the lesser of $30,000,000 or 75 percent of eligible inventory (fully manufactured recreation vehicles and motor home chassis and related components). Borrowings are secured by the Company's receivables and inventory. Borrowings under the agreement bear interest at the prime rate, as defined in the agreement, plus 50 basis points. The line of credit is available and continues for successive one-year periods unless either party provides at least 90 days' notice prior to the end of the one-year period to the other party that they wish to terminate the line of credit. The agreement also contains certain restrictive covenants, including maintenance of minimum net worth, working capital and current ratio. As of August 28, 1999, the Company was in compliance with these financial covenants. There were no outstanding borrowings under the line of credit during fiscal 1998 or fiscal 1999.

NOTE 7: EMPLOYEE RETIREMENT PLANS

The Company has a qualified profit sharing and contributory 401(k) plan and a stock bonus retirement plan for eligible employees. The plans provide for contributions by the Company in such amounts as the Board of Directors may determine. Contributions to the plans in cash for fiscal 1999, 1998 and 1997 were $2,391,000, $1,985,000, and $1,933,000, respectively.

The Company also has a non-qualified deferred compensation program which permits key employees to annually elect (via individual contracts) to defer a portion of their compensation until their retirement. The retirement benefit to be provided is based upon the amount of compensation deferred and the age of the individual at the time of the contracted deferral. An individual generally vests at the later of age 55 and five years of service since the deferral was made. For deferrals prior to December 1992, vesting occurs at the later of age 55 and five years of service from first deferral or 20 years of service. Deferred compensation expense was $1,923,000, $1,487,000, and $1,558,000, in fiscal 1999, 1998 and 1997, respectively. Total deferred compensation liabilities were $23,856,000 and $22,024,000 at August 28, 1999 and August 29, 1998, respectively.

To assist in funding the deferred compensation liability, the Company has invested in corporate-owned life insurance policies. The cash surrender value of these policies (net of borrowings of $10,390,000 and $9,254,000 at August 28, 1999 and August 29, 1998, respectively) are presented as assets of the Company in the accompanying balance sheets.

The Company provides certain health care and other benefits for retired employees who have fulfilled eligibility requirements at age 55 with 15 years of continuous service. Retirees are required to pay a monthly premium for medical coverage based on years of service at retirement and then current age. The Company's postretirement health care plan currently is not funded. The status of the plan is as follows:

(DOLLARS IN THOUSANDS)	AUGUST 28, 1999	AUGUST 29, 1998
Change in benefit obligation:		
Benefit obligation, beginning of year	$ 31,929	$ 22,081
Service cost	1,880	1,225
Interest cost	1,834	1,535
Net benefits paid	(444)	(317)
Actuarial (gain)/loss	(7,154)	7,405
Benefit obligation, end of year	$ 28,045	$ 31,929
Funded status - benefit obligation	$ 28,045	$ 31,929
Unrecognized net actuarial gain (loss)	4,231	(2,926)
Unrecognized prior service cost	411	460
Accrued benefit cost	$ 32,687	$ 29,463

The discount rate used in determining the accumulated postretirement benefit obligation was 7.0 percent at August 28, 1999 and 6.0 percent at August 29, 1998. The average assumed health care cost trend rate used in measuring the accumulated postretirement benefit obligations as of August 28, 1999 was 9.14 percent, decreasing each successive year until it reaches 5.25 in 2019 after which it remains constant.

Net postretirement benefit expense for the fiscal years ending August 28, 1999, August 29, 1998 and August 30, 1997 consisted of the following components:

(DOLLARS IN THOUSANDS)	AUG. 28, 1999	AUG. 29, 1998	AUG. 30, 1997
Components of net periodic benefit cost:			
Service cost	$ 1,880	$ 1,225	$ 876
Interest cost	1,834	1,535	1,153
Net amortization and deferral	(48)	(183)	(490)
Net periodic benefit cost	$ 3,666	$ 2,577	$ 1,539

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one percentage point change in assumed health care cost trend rates would have the following effects:

(DOLLARS IN THOUSANDS)	ONE PERCENTAGE POINT INCREASE	ONE PERCENTAGE POINT DECREASE
Effect on total of service and interest cost components	$1,098	($803)
Effect on postretirement benefit obligation	7,342	(5,478)

NOTE 8: CONTINGENT LIABILITIES AND COMMITMENTS

It is customary practice for companies in the recreation vehicle industry to enter into repurchase agreements with lending institutions which have provided wholesale floor plan financing to dealers. Most dealers are financed on a "floor plan" basis under which a bank or finance company lends the dealer all, or substantially all, of the purchase price, collateralized by a lien upon, or title to, the merchandise purchased. Upon request of a lending institution financing a dealer's purchases of the Company's products, and after completion of a credit investigation of the dealer involved, the Company will execute a repurchase agreement. These agreements provide that, in the event of default by the dealer on the agreement to pay the lending institution, the Company will repurchase the financed merchandise. The agreements provide that the Company's liability will not exceed 100 percent of the dealer invoice and provide for periodic liability reductions based on the time since the date of the original invoice. The Company's contingent obligations under these repurchase agreements are reduced by the proceeds received upon the sale of any repurchased unit. The Company's contingent liability on all repurchase agreements was approximately $168,552,000 and $132,540,000 at August 28, 1999 and August 29, 1998, respectively. The Company's losses under repurchase agreements were approximately $55,000, $153,000 and $344,000 during fiscal 1999, 1998 and 1997, respectively.

Included in these contingent liabilities are certain dealer receivables subject to full recourse to the Company with Bank of America Specialty Group (formerly Nations Bank Specialty Lending Unit) and Conseco Finance Servicing Group (formerly Green Tree Financial). Contingent liabilities under these recourse agreements were $7,480,000 and $18,623,000 at August 28, 1999 and August 29, 1998, respectively. The Company did not incur any actual losses under these recourse agreements during fiscal 1999, 1998 and 1997.

The Company has product liability insurance for product liability claims, however the Company self-insures for a portion of product liability claims. Self-insurance retention liability varies annually based on insurance market conditions and for the past three fiscal years was at $2,500,000 per occurrence and ranged from $6,000,000 (fiscal 1999) to $8,000,000 in aggregate per policy year. Liabilities in excess of these amounts are the responsibility of the insurer.

The Company is involved in various legal proceedings which are ordinary routine litigation incident to its business, many of which are covered in whole or in part by insurance. While it is impossible to estimate with certainty the ultimate legal and financial liability with respect to this litigation, management is of the opinion that while the final resolution of any such litigation may have an impact on the Company's consolidated results for a particular reporting period, the ultimate disposition of such litigation will not have any material adverse effect on the Company's financial position, results of operations or liquidity.

NOTE 9: INCOME TAXES

The components of the provision for income taxes are as follows:

(DOLLARS IN THOUSANDS)	YEAR ENDED AUG. 28, 1999	AUG. 29, 1998	AUG. 30, 1997
Continuing operations:			
Current	$ 25,008	$ 14,703	$ 1,288
Deferred	(2,659)	(3,160)	(872)
	22,349	11,543	416
Discontinued operations:			
Current	--	--	11,393
Deferred	--	--	1,946
	--	--	13,339
Total provision	$ 22,349	$ 11,543	$ 13,755

The following is a reconciliation of the U.S. statutory tax rate to the effective income tax rates (benefit) provided:

	YEAR ENDED AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 30, 1997
U.S. federal statutory rate	35.0%	35.0%	35.0%
Cash surrender value	(0.6)	(1.2)	(0.9)
Life insurance premiums	0.1	0.2	0.3
Tax credits	(0.7)	(1.0)	(1.1)
Net loss of WIE not included in consolidated return	---	---	7.3
Loss on sale of WIE	---	---	(9.9)
State taxes, net of federal benefit	0.5	0.1	1.0
Foreign sales corporation commissions	(0.2)	(0.5)	0.7
Other	(0.5)	(0.5)	5.0
Total	33.6%	32.1%	37.4%
Whereof:			
Continuing operations	33.6%	32.1%	5.9%
Discontinued operations	---	---	44.7%

The tax effect of significant items comprising the Company's net deferred tax assets are as follows:

(DOLLARS IN THOUSANDS)	AUGUST 28, 1999 ASSETS	LIABILITIES	TOTAL	AUGUST 29, 1998 TOTAL
Current:				
Accrued vacation	$ 1,260	$ --	$ 1,260	$ 1,199
Legal reserves	627	--	627	740
Warranty reserves	2,242	--	2,242	1,841
Bad debt reserves	380	--	380	859
Self-insurance reserve	1,387	--	1,387	1,248
Miscellaneous reserves	1,375	(289)	1,086	1,019
Subtotal	7,271	(289)	6,982	6,906
Noncurrent:				
Postretirement health care benefits	11,440	--	11,440	10,312
Deferred compensation	8,834	--	8,834	8,247
Property and equipment	--	(2,491)	(2,491)	(2,488)
Operating loss carryforward of subsidiary	871	--	871	--
Subtotal	21,145	(2,491)	18,654	16,071
Total	$ 28,416	$ (2,780)	$ 25,636	$ 22,977

NOTE 10: FINANCIAL INCOME AND EXPENSE

The following is a reconciliation of financial income (expense):

(DOLLARS IN THOUSANDS)	YEAR ENDED AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 30, 1997
Interest income from investments and receivables	$ 1,085	$ 2,454	$ 2,534
Dividend income	1,621	863	398
Interest expense	(91)	(425)	(674)
Net realized losses on sale of trading securities	--	--	(995)
Net unrealized gains on trading securities	--	--	1,132
Gains (losses) on foreign currency transactions	12	58	(551)
	$ 2,627	$ 2,950	$ 1,844

NOTE 11: DIVIDEND DECLARED

On October 7, 1999, the Board of Directors declared a cash dividend of $.10 per common share payable January 10, 2000, to shareholders of record on December 10, 1999.

NOTE 12: STOCK OPTION PLANS

The Company's 1987 stock option plan allowed the granting of non-qualified and incentive stock options to key employees at prices not less than 100 percent of fair market value, determined by the mean of the high and low prices, on the date of grant. The plan expired in fiscal 1997; however, exercisable options representing 186,599 shares remain outstanding at August 28, 1999.

The Company's 1997 stock option plan provides additional incentives to those officers, employees, directors, advisors and consultants of the Company whose substantial contributions are essential to the continued growth and success of the Company's business. A total of 2,000,000 shares of the Company's common stock may be issued or transferred or used as the basis of stock appreciation rights under the 1997 stock option plan. The plan allows the granting of non-qualified and incentive stock options as well as stock appreciation rights. The plan is administered by a committee appointed by the Company's Board of Directors. The option prices for these shares shall not be less than 85 percent of the fair market value of a share at the time of option granting for non-qualified stock options or less than 100 percent for incentive stock options. The term of each option expires and all rights to purchase shares thereunder cease ten years after the date such option is granted or on such date prior thereto as may be fixed by the Committee. Options granted under this plan become exercisable six months after the date the option is granted unless otherwise set forth in the agreement.

A summary of stock option activity for fiscal 1999, 1998 and 1997 is as follows:

	1999			1998			1997		
	SHARES	PRICE PER SHARE	WTD. AVG. EXERCISE PRICE/SH	SHARES	PRICE PER SHARE	WTD. AVG. EXERCISE PRICE/SH	SHARES	PRICE PER SHARE	WTD. AVG. EXERCISE PRICE/SH
Outstanding at beginning of year	650,695	$4 - $9	$ 7.34	649,500	$4 - $10	$6.53	746,000	$4 - $12	$6.56
Options granted	259,250	10 - 15	10.47	231,000	9	8.56	242,000	7 - 8	7.68
Options exercised	(227,098)	6 - 10	7.24	(218,472)	4 - 10	6.22	(107,000)	4 - 6	4.87
Options canceled	(2,671)	8	7.75	(11,333)	8	7.75	(231,500)	8 - 12	10.40
Outstanding at end of year	680,176	$4 - $15	$ 8.56	650,695	$4 - $9	$7.34	649,500	$4 - $10	$6.53
Exercisable at end of year	309,593	$4 - $15	$ 7.47	444,352	$4 - $9	$6.87	422,500	$4 - $10	$5.92

The following table summarizes information about stock options outstanding at August 28, 1999:

RANGE OF EXERCISE PRICES	NUMBER OUTSTANDING AT AUGUST 28, 1999	WEIGHTED REMAINING CONTRACTUAL LIFE	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE AT AUGUST 28, 1999	WEIGHTED AVERAGE EXERCISE PRICE
$ 4.31 - $5.69	95,600	2	$ 4.45	95,600	$ 4.45
7.19 - 7.75	114,999	7	7.66	51,999	7.55
8.56 - 9.00	216,327	7	8.62	147,994	8.65
10.19 - 15.38	253,250	9	10.47	14,000	15.38
	680,176	7	$ 8.56	309,593	$ 7.47

In 1997, the Company adopted SFAS No. 123, "Accounting for Stock Based Compensation." The Company has elected to continue following the accounting guidance of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" for measurement and recognition of stock-based transactions with employees. No compensation cost has been recognized for options issued under the stock option plans because the exercise price of all options granted was not less than 100 percent of fair market value of the common stock on the date of grant. Had compensation cost for the stock options issued been determined based on the fair value at the grant date, consistent with provisions of SFAS No. 123, the Company's 1999, 1998 and 1997 income and earnings per share would have been changed to the pro forma amounts indicated below:

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)	1999	1998	1997
Net income			
As reported	$ 44,260	$ 24,384	$ 23,048
Pro forma	43,508	24,055	22,884
Income per share (basic)			
As reported	$ 1.99	$ 1.01	$ .91
Pro forma	1.96	1.00	.90
Income per share (diluted)			
As reported	$ 1.96	$ 1.00	$ .90
Pro forma	1.93	.99	.90

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	1999	1998	1997
Dividend yield	1.54%	2.28%	3.19%
Risk-free interest rate	6.05%	4.59%	6.64%
Expected life	7 years	7 years	7 years
Expected volatility	44.36%	32.29%	29.27%
Estimated fair value of options granted per share	$5.06	$2.86	$2.40-$2.58

NOTE 13: SUPPLEMENTAL CASH FLOW DISCLOSURE

Cash paid during the year for:

		YEAR ENDED	
(DOLLARS IN THOUSANDS)	AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 30, 1997
Interest	$ 96	$ 465	$ 656
Income taxes	27,430	10,599	16,426

NOTE 14: BUSINESS SEGMENT INFORMATION

The Company defines its operations into two business segments: Recreation vehicles and other manufactured products and dealer financing. Recreation vehicles and other manufactured products includes all data relative to the manufacturing and selling of the Company's Class A, B and C motor home products as well as sales of component products for other manufacturers and recreation vehicle related parts and service revenue. Dealer financing includes floorplan and rental unit financing for a limited number of the Company's dealers. Management focuses on operating income as a segment's measure of profit or loss when evaluating a segment's financial performance. Operating income is before interest expense, interest income, and income taxes. A variety of balance sheet ratios are used by management to measure the business. Maximizing the return from each segment's assets excluding cash and cash equivalents is the primary focus. The accounting policies of the segments are the same as those described in the Summary of Significant Accounting Policies (Note 1). Identifiable assets are those assets used in the operations of each industry segment. General corporate assets consist of cash and cash equivalents, deferred income taxes and other corporate assets not related to the two business segments. General corporate income and expenses include administrative costs. Inter-segment sales and expenses are not significant.

For the years ended August 28, 1999, August 29, 1998 and August 30, 1997, the Company's segment information is as follows:

(DOLLARS IN THOUSANDS)	RECREATION VEHICLES & OTHER MANUFACTURED PRODUCTS	DEALER FINANCING	GENERAL CORPORATE	TOTAL
1999				
Net revenues	$ 664,655	$ 2,995	$ ---	$ 667,650
Operating income (loss)	60,435	4,085	(538)	63,982
Identifiable assets	181,951	25,439	78,499	285,889
Depreciation and amortization	5,507	4	237	5,748
Capital expenditures	11,463	18	96	11,577
Operating income of the dealer financing segment reflects a $1,100,000 repayment of a previously fully reserved receivable.				
1998				
Net revenues	$ 523,018	$ 2,076	$ ---	$ 525,094
Operating income (loss)	32,466	1,845	(1,334)	32,977
Identifiable assets	132,954	15,441	82,217	230,612
Depreciation and amortization	5,323	5	254	5,582
Capital expenditures	5,545	19	3	5,567
1997				
Net revenues from continuing operations	$ 436,712	$ 1,420	$ ---	$ 438,132
Operating income (loss) from continuing operations	6,976	736	(2,564)	5,148
Identifiable assets	135,973	16,912	60,590	213,475
Depreciation and amortization	5,797	9	662	6,468
Capital expenditures	3,982	35	421	4,438

Summary information for WIE is as follows: Net revenues - $9,655, operating loss - $(6,376). The Company sold WIE during August, 1997. As a result of the sale, the Company recorded a capital loss for tax purposes resulting in a tax credit of approximately $3,700,000 due to this loss. These amounts are included in the Recreation Vehicles and Other Manufactured Products segment above.

NOTE 15: INCOME PER SHARE

The following table reflects the calculation of basic and diluted income per share for the past three fiscal years.

(IN THOUSANDS, EXCEPT PER SHARE DATA)	AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 30, 1997
Income per share - basic:			
Income from continuing operations	$44,260	$24,384	$ 6,576
Income from discontinued operations	--	--	16,472
Net income	$44,260	$24,384	$23,048
Weighted average shares outstanding	22,209	24,106	25,435
Income per share from continuing operations - basic	$ 1.99	$ 1.01	$ .26
Income per share from discontinued operations - basic	--	--	.65
Net income per share	$ 1.99	$ 1.01	$ .91
Income per share - assuming dilution:			
Income from continuing operations	$44,260	$24,384	$ 6,576
Income from discontinued operations	--	--	16,472
Net income	$44,260	$24,384	$23,048
Weighted average shares outstanding	22,209	24,106	25,435
Dilutive impact of options outstanding	328	208	115
Weighted average shares and potential dilutive shares outstanding	22,537	24,314	25,550
Income per share from continuing operations - assuming dilution	$ 1.96	$ 1.00	$ .26
Income per share from discontinued operations - assuming dilution	--	--	.64
Net income per share - assuming dilution	$ 1.96	$ 1.00	$ .90

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS
WINNEBAGO INDUSTRIES, INC.
FOREST CITY, IOWA

We have audited the consolidated balance sheets of Winnebago Industries, Inc. and subsidiaries (the Company) as of August 28, 1999 and August 29, 1998 and the related consolidated statements of income, cash flows and changes in stockholders' equity for each of the three years in the period ended August 28, 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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, the consolidated financial statements present fairly, in all material respects, the financial position of Winnebago Industries, Inc. and subsidiaries as of August 28, 1999 and August 29, 1998, and the results of their operations and their cash flows for each of the three years in the period ended August 28, 1999 in conformity with generally accepted accounting principles.

/S/ DELOITTE & TOUCHE LLP

DELOITTE & TOUCHE LLP
MINNEAPOLIS, MINNESOTA

OCTOBER 7, 1999

NET REVENUES BY MAJOR PRODUCT CLASS (UNAUDITED)

(DOLLARS IN THOUSANDS)	FISCAL YEAR ENDED (1) AUGUST 28, 1999	AUGUST 29, 1998	AUGUST 30, 1997	AUGUST 31, 1996	AUGUST 26, 1995
Motor homes (Class A & C)	$610,987	$468,004	$381,191	$432,212	$402,435
	91.5%	89.1%	87.0%	89.2%	87.5%
Other recreation vehicle revenues (2)	15,587	18,014	19,771	17,166	19,513
	2.3%	3.5%	4.5%	3.5%	4.2%
Other manufactured products revenues (3)	38,081	37,000	35,750	34,020	36,961
	5.7%	7.0%	8.2%	7.0%	8.0%
Total manufactured products revenues	664,655	523,018	436,712	483,398	458,909
	99.5%	99.6%	99.7%	99.7%	99.7%
Finance revenues (4)	2,995	2,076	1,420	1,406	1,220
	.5%	.4%	.3%	.3%	.3%
Total net revenues	$667,650	$525,094	$438,132	$484,804	$460,129
	100.0%	100.0%	100.0%	100.0%	100.0%

(1) The fiscal year ended August 31, 1996 contained 53 weeks; all other fiscal years in the table contained 52 weeks. All years prior to fiscal 1998 are appropriately restated to exclude the Company's discontinued Cycle-Sat subsidiary's revenues from satellite courier and tape duplication services.
(2) Primarily recreation vehicle related parts, EuroVan Campers, and recreation vehicle service revenue.
(3) Primarily sales of extruded aluminum, commercial vehicles, and component products for other manufacturers.
(4) WAC revenues from dealer financing.

INTERIM FINANCIAL INFORMATION (UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA) FISCAL 1999	QUARTER ENDED NOVEMBER 28, 1998	FEBRUARY 27, 1999	MAY 29, 1999	AUGUST 28, 1999
Net revenues	$157,664	$154,132	$191,546	$164,308
Gross profit	24,876	24,369	33,742	26,672
Operating income	14,080	14,586	21,616	13,700
Net income	9,649	9,954	14,611	10,046
Net income per share (basic)	.43	.45	.66	.45
Net income per share (diluted)	.43	.45	.65	.44

FISCAL 1998	QUARTER ENDED NOVEMBER 29, 1997	FEBRUARY 28, 1998	MAY 30, 1998	AUGUST 29, 1998
Net revenues	$125,896	$118,709	$150,515	$129,974
Gross profit	18,423	14,355	20,905	20,477
Operating income	7,428	5,719	10,231	9,599
Net income	5,338	4,350	7,334	7,362
Net income per share (basic)	.21	.18	.31	.32
Net income per share (diluted)	.21	.18	.31	.32

The Company recorded an inventory write-up of approximately $1,962,000 during the fourth quarter of fiscal 1998 as a result of completing a physical count of work-in-process inventories. It was not possible to identify the adjustment to any specific period. The Company also recorded a reduction in its LIFO reserve due to favorable prices of inventory purchased during the fourth quarter of fiscal 1998 of approximately $1,516,000.

SHAREHOLDER INFORMATION

PUBLICATIONS

A notice of Annual Meeting of Shareholders and Proxy Statement is furnished to shareholders in advance of the annual meeting.

Copies of the Company's quarterly financial news releases and the annual report on Form 10-K (without exhibits), required to be filed by the Company with the Securities and Exchange Commission, may be obtained without charge from the corporate offices as follows:

Public Relations Department
Winnebago Industries, Inc.
605 W. Crystal Lake Road
P.O. Box 152
Forest City, Iowa 50436-0152
Telephone: (515) 582-3535
Fax: (515) 582-6966
E-Mail: pr@winnebagoind.com

This annual report as well as corporate news releases may also be viewed online in the Investor Relations section of Winnebago Industries' website: http://www.winnebagoind.com

SHAREHOLDER ACCOUNT ASSISTANCE

Transfer Agent to contact for address changes, account certificates and stock holdings:

Norwest Bank Minnesota, N.A.
P.O. Box 64854
St. Paul, Minnesota 55164-0854
OR
161 North Concord Exchange
South St. Paul, Minnesota 55075-1139
Telephone: (800) 468-9716 or (612) 450-4064
E-Mail: stocktransfer@norwest.com

ANNUAL MEETING

The Annual Meeting of Shareholders will be held on Tuesday, January 11, 2000, at 7:30 p.m. (CST) in Friendship Hall, Highway 69 South, Forest City, Iowa.

AUDITOR

Deloitte & Touche LLP
400 One Financial Plaza
120 South Sixth Street
Minneapolis, Minnesota 55402-1844

COMMON STOCK DATA

The Company's common stock is listed on the New York, Chicago and Pacific Stock Exchanges.
Ticker symbol: WGO
Shareholders of record as of November 8, 1999: 7,267
Below are the New York Stock Exchange high, low and closing prices of Winnebago Industries, Inc. stock for each quarter of fiscal 1999 and fiscal 1998.

FISCAL 1999	HIGH	LOW	CLOSE	FISCAL 1998	HIGH	LOW	CLOSE
First Quarter	$12.06	$ 8.25	$11.06	First Quarter	$ 8.50	$ 6.81	$ 7.69
Second Quarter	16.38	10.88	13.75	Second Quarter	12.00	7.38	12.00
Third Quarter	17.50	12.88	16.50	Third Quarter	13.25	10.50	11.19
Fourth Quarter	28.75	16.63	24.13	Fourth Quarter	15.19	10.75	11.13

CASH DIVIDENDS PER SHARE

FISCAL 1999		FISCAL 1998	
Amount	Date Paid	Amount	Date Paid
$ .10	January 11, 1999	$ .10	January 5, 1998
.10	July 2, 1999	.10	July 6, 1998

DIRECTORS AND OFFICERS

DIRECTORS

BRUCE D. HERTZKE (48)
Chairman of the Board, Chief Executive Officer
and President
Winnebago Industries, Inc.

GERALD E. BOMAN (64)
Former Senior Vice President
Winnebago Industries, Inc.

JERRY N. CURRIE (54)
President and Chief Executive Officer
CURRIES Company and GRAHAM Manufacturing

FRED G. DOHRMANN (67)
Former Chairman of the Board and
Chief Executive Officer
Winnebago Industries, Inc.

JOHN V. HANSON (57)
Former President and Deputy Chairman of the Board
Winnebago Industries, Inc.

GERALD C. KITCH (61)
Former Executive Vice President
Pentair, Inc.

RICHARD C. SCOTT (65)
Vice President, University Development
Baylor University

FREDERICK M. ZIMMERMAN (63)
Professor of Manufacturing Systems Engineering
The University of St. Thomas

LUISE V. HANSON (86)
Director Emeritus

OFFICERS

[PHOTOS]

BRUCE D. HERTZKE (48)
Chairman of the Board, Chief
Executive Officer and President

EDWIN F. BARKER (52)
Vice President,
Chief Financial Officer

RAYMOND M. BEEBE (57)
Vice President,
General Counsel and Secretary

RONALD D. BUCKMEIER (52)
Vice President,
Product Development

ROBERT L. GOSSETT (48)
Vice President, Administration

BRIAN J. HRUBES (48)
Controller

JAMES P. JASKOVIAK (47)
Vice President,
Sales and Marketing

ROBERT J. OLSON (48)
Vice President, Manufacturing

JOSEPH L. SOCZEK, JR. (56)
Treasurer

EXHIBIT 21

LIST OF SUBSIDIARIES

NAME OF CORPORATION	JURISDICTION OF INCORPORATION	PERCENT OF OWNERSHIP
Winnebago Industries, Inc.	Iowa	Parent
Winnebago International Corporation	Iowa	100%
Winnebago Health Care Management Company	Iowa	100%
Winnebago Acceptance Corporation	Iowa	100%
Winnebago R.V., Inc.	Delaware	100%

EXHIBIT 23

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statements No. 2-40316, No. 2-82109, No. 33-21757, No. 33-59930, and No. 333-31595 of Winnebago Industries, Inc. on Form S-8 of our reports dated October 7, 1999 appearing in and incorporated by reference in the Annual Report on Form 10-K for Winnebago Industries, Inc. for the year ended August 28, 1999.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP
Minneapolis, Minnesota
November 22, 1999

5

YEAR
AUG-28-1999
AUG-28-1999
48,160
0
58,948
1,033
87,031
203,681
121,470
83,099
285,889
79,961
0
0
0
12,937
173,389
285,889
667,650
667,650
557,991
557,991
45,677
0
(2,627)
66,609
22,349
44,260
0
0
0
44,260
1.99
1.96