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

FORM 8-K

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

Date of report (Date of earliest event reported) October 12, 2006

Winnebago Industries, Inc.

(Exact Name of Registrant as Specified in its Charter)

Iowa
(State or Other Jurisdiction
of Incorporation)

001-06403
(Commission File Number)

42-0802678
(IRS Employer
Identification No.)

P.O. Box 152, Forest City, Iowa
(Address of Principal Executive Offices)

50436
(Zip Code)

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

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

Winnebago Industries, Inc. is filing herewith a press release issued on October 12, 2006, as Exhibit 99.1 which is included herein. The press release was issued to report earnings for the fourth quarter and fiscal year 2006 ended August 26, 2006.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit Number | Description |
|---------------------------|--------------------|
|---------------------------|--------------------|

| | |
|------|---|
| 99.1 | Press release of Winnebago Industries, Inc. dated October 12, 2006. |
|------|---|

SIGNATURES

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

Dated: October 12, 2006

WINNEBAGO INDUSTRIES, INC.

By: /s/ Bruce D. Hertzke

Name: Bruce D. Hertzke

Title: Chief Executive Officer

EXHIBIT INDEX

| Exhibit Number | Description |
|---------------------------|---|
| 99.1 | Press release of Winnebago Industries, Inc. dated October 12, 2006. |

Contact: Sheila Davis – PR/IR Mgr. – 641-585-6803 – sdavis@winnebagoind.com

**WINNEBAGO INDUSTRIES REPORTS RESULTS
FOR FOURTH QUARTER AND FISCAL YEAR 2006
– Cash Dividend Announced –**

FOREST CITY, IOWA, October 12, 2006 – Winnebago Industries, Inc. (NYSE:WGO), the leading United States motor home manufacturer, today reported financial results for the Company's fourth quarter and fiscal year 2006 ended August 26, 2006.

Net income for the fourth quarter was \$9.3 million, compared to net income of \$15.4 million for the fourth quarter of fiscal 2005. On a diluted per share basis, the Company earned 30 cents a share for the fourth quarter of fiscal 2006, compared to 46 cents per diluted share for the fourth quarter last year. Included as an increase to net income in the fourth quarter was \$924,000, or 3 cents per diluted share, due to a liquidation of last-in, first-out (LIFO) inventory values as a result of a significant reduction of inventory levels during 2006. Conversely, product liability expense increased in the fourth quarter of 2006 as a result of increased claims payment experience and the number of claims filed, which resulted in a decrease in net income of \$1.2 million, or 4 cents per diluted share. Lastly, included as a reduction to net income in the fourth quarter of fiscal 2006 was \$717,000, or 2 cents per diluted share, of stock option expense due to the adoption of Statement of Financial Accounting Standards No. 123R, *Share-Based Payment* beginning August 28, 2005, which was not effective in the fourth quarter of last year.

Revenues for the fourth quarter ended August 26, 2006 were \$205.4 million, a decrease of 11.3 percent, compared to revenues of \$231.5 million for the fourth quarter last year.

Net income for fiscal 2006 was \$44.7 million, compared to \$65.1 million for fiscal 2005. On a diluted per share basis, the Company earned \$1.37 a share, compared to \$1.92 a share for fiscal 2005. Included as a reduction to net income for fiscal 2006 was \$3.8 million, or 12 cents per diluted share, of stock option expense.

Revenues for fiscal 2006 were \$864.4 million, a decrease of 12.9 percent compared to \$992.0 million for the previous fiscal year.

"We were encouraged with our financial performance during fiscal 2006, particularly in light of such challenging market conditions," said Winnebago Industries' Chairman and CEO Bruce Hertzke. "While negative economic factors, including rising interest rates, record fuel prices and declining consumer confidence created a very difficult market for the motor home industry, we remained solidly profitable."

"The innovative, fuel-efficient Winnebago View and Itasca Navion Class C diesel motor homes have continued to sell extremely well in the marketplace," continued Hertzke. "As a result, the View and Navion have helped us achieve a significant increase in our Class C market share, capturing 25.1 percent of the Class C retail market for the first eight months of calendar 2006, compared to 19.3 percent for the same period a year ago, according to Statistical Surveys, Inc., an independent retail reporting service."

"Fourth quarter and fiscal 2006 results for Winnebago Industries were impacted by a significant shift in mix to lower priced products, primarily Class C motor homes," said Winnebago Industries' President Ed Barker. "Contributing to the shift in mix during the fourth quarter was the introduction of the value-priced 2007 Winnebago Access and Itasca Impulse Class C motor homes. We also achieved a record level of operating cash flow of \$113.3 million during fiscal 2006 as a result of aggressive management of our inventory and receivable levels."

During the Company's fourth quarter ended August 26, 2006, Winnebago Industries repurchased 219,000 shares of common stock for approximately \$6.2 million. During fiscal 2006, the Company repurchased 1,977,000 shares of common stock for an aggregate price of \$57.8 million. As of August 26, 2006, the Company had \$22.2 million remaining on the current share repurchase authorization.

"The recent decline in fuel prices and the pause in interest rate hikes by the Federal Reserve suggests more positive economic conditions going forward," said Hertzke. "We do not currently, however, see an immediate change in motor home buying patterns, and anticipate continued softness throughout our first and second fiscal quarters."

In a meeting held yesterday, Winnebago Industries' Board of Directors declared a quarterly cash dividend of ten cents a share, payable on January 8, 2007 to shareholders of record as of December 8, 2006.

Winnebago Industries will conduct a conference call in conjunction with this release at 9 a.m. Central Time today, Thursday, October 12, 2006. Members of the news media, investors and the general public are invited to access a live broadcast of the conference call via the Investor Relations page of the Company's website at <http://www.winnebagoind.com/investor.html>, or from www.vcall.com. The event will be archived and available for replay for the next 90 days.

About Winnebago Industries

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

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements are inherently uncertain. A number of factors could cause actual results to differ materially from these statements, including, but not limited to the effect of global tensions, declines in consumer confidence, the availability and price of fuel, a significant increase in interest rates, a slowdown in the economy, availability of chassis and other key component parts, sales order cancellations, slower than anticipated sales of new or existing products, new products introduced by competitors and other factors. Additional information concerning certain risks and uncertainties that could cause actual results to differ materially from that projected or suggested is contained in the Company's filings with the Securities and Exchange Commission (SEC) over the last 12 months, copies of which are available from the SEC or from the Company upon request.

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Winnebago Industries, Inc.
Unaudited Consolidated Statements of Income
(In thousands, except per share amounts)

| | Quarter Ended | | Fiscal Year Ended | |
|---|-----------------|------------------|-------------------|------------------|
| | 8/26/2006 | 8/27/2005 | 8/26/2006 | 8/27/2005 |
| Net revenues | \$ 205,411 | \$ 231,461 | \$ 864,403 | \$ 991,975 |
| Cost of goods sold | 180,070 | 199,002 | 759,502 | 854,997 |
| Gross profit | <u>25,341</u> | <u>32,459</u> | <u>104,901</u> | <u>136,978</u> |
| Operating expenses | | | | |
| Selling | 5,905 | 6,516 | 19,619 | 19,936 |
| General and administrative | 6,691 | 2,895 | 22,184 | 18,787 |
| Total operating expenses | <u>12,596</u> | <u>9,411</u> | <u>41,803</u> | <u>38,723</u> |
| Operating income | 12,745 | 23,048 | 63,098 | 98,255 |
| Financial income | <u>1,443</u> | <u>741</u> | <u>5,097</u> | <u>2,635</u> |
| Income before income taxes | 14,188 | 23,789 | 68,195 | 100,890 |
| Provision for taxes | <u>4,871</u> | <u>8,411</u> | <u>23,451</u> | <u>35,817</u> |
| Net income | <u>\$ 9,317</u> | <u>\$ 15,378</u> | <u>\$ 44,744</u> | <u>\$ 65,073</u> |
| Income per common share: | | | | |
| Basic | \$ 0.30 | \$ 0.47 | \$ 1.39 | \$ 1.95 |
| Diluted | \$ 0.30 | \$ 0.46 | \$ 1.37 | \$ 1.92 |
| Weighted average common shares outstanding: | | | | |
| Basic | 31,126 | 32,946 | 32,265 | 33,382 |
| Diluted | 31,407 | 33,342 | 32,550 | 33,812 |

Winnebago Industries, Inc.
Unaudited Consolidated Condensed Balance Sheets
(In thousands)

| | Aug. 26, 2006 | Aug. 27, 2005 |
|---|-------------------|-------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 24,934 | \$ 19,484 |
| Short-term investments | 129,950 | 93,100 |
| Receivables, net | 20,859 | 40,910 |
| Inventories | 77,081 | 120,655 |
| Prepaid and other | 14,336 | 13,943 |
| Total current assets | <u>267,160</u> | <u>288,092</u> |
| Property and equipment, net | 56,907 | 63,853 |
| Deferred income taxes | 25,002 | 24,997 |
| Investment in life insurance | 20,814 | 22,066 |
| Other assets | 14,832 | 13,952 |
| Total assets | <u>\$ 384,715</u> | <u>\$ 412,960</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 27,923 | \$ 34,660 |
| Income taxes payable | 7,876 | 4,458 |

| | | |
|---|-------------------|-------------------|
| Accrued expenses | 44,323 | 51,505 |
| Total current liabilities | 80,122 | 90,623 |
| Postretirement health care and deferred compensation benefits, net of current portion | 86,271 | 86,450 |
| Stockholders' equity | 218,322 | 235,887 |
| Total liabilities and stockholders' equity | <u>\$ 384,715</u> | <u>\$ 412,960</u> |

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

Winnebago Industries, Inc.
Unaudited Condensed Statement of Cash Flows
(Dollars in thousands)

| | Fiscal Year Ended | |
|---|-------------------|------------------|
| | Aug. 26, 2006 | Aug. 27, 2005 |
| Operating activities: | | |
| Net income | \$ 44,744 | \$ 65,073 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation | 10,635 | 9,999 |
| Stock-based compensation | 4,894 | 143 |
| Post retirement benefit income and deferred compensation expense | 1,319 | 1,181 |
| Deferred income taxes | 538 | 3,424 |
| Provision for doubtful accounts | 161 | 119 |
| Loss on disposal of property | 156 | 80 |
| Other | 73 | 433 |
| Increase in cash surrender value of life insurance policies | (976) | (999) |
| Excess tax benefit of stock options | (501) | — |
| Change in assets and liabilities: | | |
| Inventories | 43,574 | 10,078 |
| Receivables and prepaid assets | 18,954 | 5,576 |
| Income taxes payable | 3,955 | 1,301 |
| Accounts payable and accrued expenses | (13,300) | (16,776) |
| Postretirement and deferred compensation benefits | (971) | (868) |
| Net cash provided by operating activities | <u>113,255</u> | <u>78,764</u> |
| Investing activities: | | |
| Purchases of short-term investments | (214,825) | (255,023) |
| Proceeds from the sale or maturity of short-term investments | 177,975 | 213,023 |
| Proceeds from the sale of property | 594 | 154 |
| Other | 374 | (430) |
| Purchases of property and equipment | (4,830) | (9,653) |
| Net cash used in investing activities | <u>(40,712)</u> | <u>(51,929)</u> |
| Financing activities: | | |
| Payments for purchase of common stock | (57,802) | (26,796) |
| Payments of cash dividends | (11,670) | (9,400) |
| Proceeds from issuance of treasury stock | 1,878 | 4,400 |
| Excess tax benefit of stock options | 501 | — |
| Net cash used in financing activities | <u>(67,093)</u> | <u>(31,796)</u> |
| Net increase (decrease) in cash and cash equivalents | 5,450 | (4,961) |
| Cash and cash equivalents at beginning of year | 19,484 | 24,445 |
| Cash and cash equivalents at end of year | <u>\$ 24,934</u> | <u>\$ 19,484</u> |

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

Winnebago Industries, Inc.
Unaudited Motor Home Deliveries

| | Quarter Ended | | Fiscal Year Ended | |
|----------------------------|---------------|--------------|-------------------|---------------|
| | 8/26/2006 | 8/27/2005 | 8/26/2006 | 8/27/2005 |
| Motor home unit deliveries | | | | |
| Class A Gas | 620 | 1,026 | 2,961 | 4,527 |
| Class A Diesel | 260 | 440 | 1,494 | 2,147 |
| Total Class A | 880 | 1,466 | 4,455 | 6,674 |
| Class C | 1,635 | 1,085 | 5,388 | 3,963 |
| Total deliveries | <u>2,515</u> | <u>2,551</u> | <u>9,843</u> | <u>10,637</u> |

Winnebago Industries, Inc.
Unaudited Backlog and Dealer Inventory
(Units)

| | As of | |
|--|--------------|--------------|
| | 8/26/2006 | 8/27/2005 |
| Sales order backlog | | |
| Class A Gas | 530 | 637 |
| Class A Diesel | 270 | 336 |
| Total Class A | 800 | 973 |
| Class C | 896 | 1,086 |
| Total backlog* | <u>1,696</u> | <u>2,059</u> |
| Total approximate revenue dollars (in thousands) | \$ 142,000 | \$ 170,000 |
| Dealer inventory | 4,733 | 4,794 |

* The Company includes in its backlog all accepted orders from dealers to be shipped within the next six months. Orders in backlog can be cancelled or postponed at the option of the purchaser at any time without penalty and, therefore, backlog may not necessarily be an accurate measure of future sales.

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