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 (Fee Required) for the fiscal year ended August 27, 1994; 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 Stsock ($.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 definite 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 _X_ .

Aggregate market value of the common stock held by non-affiliates of the Registrant on October 17, 1994: $105,696,399 (13,421,765 shares at closing price on New York Stock Exchange of $7.875).

Common stock outstanding on November 14, 1994, 25,242,203 shares.

DOCUMENTS INCORPORATED BY REFERENCE

1. The Winnebago Industries, Inc. Annual Report to Shareholders for the fiscal year ended August 27, 1994, 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 December 14, 1994, portions of which are incorporated by reference into Part III hereof.

WINNEBAGO INDUSTRIES, INC.

FORM 10-K

Report for the Fiscal Year Ended August 27, 1994

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 and van conversion sales by the Company represented more than 80 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, Vectra, Rialta and Luxor brand names.

During fiscal 1994, 1993 and 1992, other products manufactured by the Company consisted principally of extruded aluminum and a variety of component products for other manufacturers. Service revenues during fiscal 1994, 1993 and 1992 consisted principally of revenues from satellite courier and tape duplication services. Service revenues, in fiscal 1994 and 1993 also includes revenues from floor plan financing of dealer inventories of the Company's products. Additionally in fiscal years prior to 1994, service revenues included revenues from contract assembly of a variety of electronic products.

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.

PRINCIPAL PRODUCTS

The Company determined it was appropriate to define its operations into three business segments for fiscal 1994, (See Note 19, "Business Segment Information" in the Company's Annual Report to Shareholders for the year ended August 27, 1994). However, during each of the last five fiscal years, at least 88% 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 27, 1994	August 28, 1993	August 29, 1992	August 31, 1991	August 25, 1990
Motor Homes	$ 385,319	$ 326,861	$ 245,908	$ 180,878	$ 286,713
	85.2%	85.1%	83.4%	81.2%	86.2%
Other Recreation Vehicle Revenues (2)	21,903	17,655	17,126	15,586	22,039
	4.8%	4.6%	5.8%	7.0%	6.6%
Other Manufactured Products Revenues (3)	25,184	20,344	18,090	13,974	11,423
	5.6%	5.3%	6.1%	6.3%	3.4%
Total Manufactured Products Revenues	432,406	364,860	281,124	210,438	320,175
	95.6%	95.0%	95.3%	94.5%	96.2%
Service Revenues (4)	19,710	19,223	13,870	12,210	12,658
	4.4%	5.0%	4.7%	5.5%	3.8%
Total Net Revenues	$ 452,116	$ 384,083	$ 294,994	$ 222,648	$ 332,833
	100.0%	100.0%	100.0%	100.0%	100.0%

(1) The fiscal year ended August 31, 1991 contained 53 weeks; all other fiscal years in the table contained 52 weeks.

(2) Primarily recreation vehicle related parts and service and van conversions.

(3) Principally sales of extruded aluminum and component products for other manufacturers.

(4) Principally Cycle-Sat, Inc. (Cycle-Sat) revenues from satellite courier and tape duplication services. Also includes in years prior to August 27, 1994, North Iowa Electronics, Inc. (NIE) revenues from contract assembly of a variety of electronic products; and in years ended August 27, 1994, August 28, 1993 and August 25, 1990, 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 27, 1994	August 28, 1993	August 29, 1992	August 31, 1991	August 25, 1990
Motor Homes					
Class A	6,820	6,095	4,161	2,814	4,613
Class B	376	- - -	- - -	- - -	- - -
Class C	1,862	1,998	2,425	2,647	3,820
Total	9,058	8,093	6,586	5,461	8,433
Van Conversions (2)	1,020	1,103	876	842	1,789

(1) The fiscal year ended August 31, 1991 contained 53 weeks; all other fiscal years in the table contained 52 weeks.

(2) Subsequent to August 27, 1994, the Company discontinued its van conversion operations.

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 has generally manufactured recreation vehicles during the entire year, both for immediate delivery and for inventory to satisfy the peak selling season. During fiscal years when interest rates are high and/or market conditions are uncertain, the Company attempts to maintain a lower level of inventory of recreation vehicles. Order backlog information is not deemed significant to understand the Company's business.

Presently, the Company meets its working capital and capital equipment requirements and cash requirements of subsidiaries with funds generated internally and funds from agreements with financial institutions. Since March 26, 1992, the Company has had a financing and security agreement with NationsCredit Corporation, formerly Chrysler First Commercial Corporation. Additionally, on February 24, 1994, the Company and Cycle-Sat entered into a $3,000,000 line of credit with Firstar Bank Cedar Rapids. (See Note 8, Notes Payable, in the Company's Annual Report to Shareholders for the year ended August 27, 1994.)

RECREATION VEHICLES

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

Among the Recreation Vehicle Industry Association (RVIA) classifications of motor homes, Winnebago currently manufactures and sells three types:

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

Class B models are a panel-type truck 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 motor homes primarily under the Winnebago, Itasca, Vectra, Rialta and Luxor brand names. The Class A and Class C 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.

A subsidiary, Winnebago Industries Europe GmbH, a wholly-owned subsidiary, was formed in fiscal 1992 to expand the Company's presence in Europe. (See Note 19, Business Segment Information, in the Company's Annual Report to Shareholders for the year ended August 27, 1994.)

Except for the Company's new Rialtas, the Company's motor homes are sold with a basic warranty against defects in workmanship or materials for a period of 12 months or 15,000 miles, whichever occurs first. The Company's new Rialtas are sold with a basic warranty package for a period of 24 months or 24,000 miles, whichever occurs first. At the expiration of the basic warranty period, the first owner receives a 36-month or 36,000-mile, whichever occurs first, structure warranty against delamination on the sidewalls and back walls. This 36-month or 36,000-mile extension does not apply to the Winnebago Warrior and Itasca Passage models.

The Company's motor homes are sold by dealers in the retail market at prices ranging from approximately $32,000 to more than $170,000, 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 23 to 37 feet and 21 to 29 feet, respectively. The Company's Class B motor homes are 17 feet in length.

COMPONENT PARTS AND ACCESSORIES - The Company manufactures or purchases component parts and accessory items primarily for its and, to a lesser extent, other recreation vehicle manufacturers' units. These parts and accessories are sold to distributors, manufacturers and dealers.

NON-RECREATION VEHICLE ACTIVITIES

OEM - Original equipment manufacturer sales of component parts such as aluminum extrusions, metal stamping, rotational moldings, vacuum formed plastics and fiberglass to outside manufacturers.

CYCLE-SAT, INC. - Through the use of the latest innovations in satellite, fiber optic and digital technologies, Cycle-Sat has grown to become a leading high-speed distributor of television and radio commercials. To this end, Cycle-Sat employs a satellite-assisted duplication center in Memphis, Tennessee and a patented satellite network in place at approximately 545 television stations in the U.S. and Canada. The Company's patented Cyclecypher equipment allows the direct and automatic distribution of television commercials and traffic instructions to specific television and radio stations. Ancillary services include audio and video post production services and the operation of two satellite news gathering vehicles, which are leased to provide spot news coverage of sports events and for corporate videoconferences.

WINNEBAGO ACCEPTANCE CORPORATION - Prior to the sale of its dealer floor plan receivables in February 1990, WAC provided financing for selected Winnebago dealers for floor plan and rental units. Subsequent to the February 1990 sale of its dealer floor plan receivables, WAC has only engaged in floor plan financing for a limited number of dealers during fiscal years 1993 and 1994.

DISCONTINUED ACTIVITIES - The Company discontinued its van conversion operations subsequent to August 27, 1994.

The Company sold a majority of the assets of North Iowa Electronics, Inc., a contract assembler of a variety of electronic products, on August 8, 1993. See Note 3 in the Company's Annual Report to Shareholders for the year ended August 27, 1994.

On September 20, 1991, the Company discontinued its Commercial Vehicle Division operations (manufacturing of route delivery vans). See Note 2 in the Company's Annual Report to Shareholders for the year ended August 27, 1994.

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, and a sewing operation in Lorimor, 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. The Company purchases Class A and C chassis and engines from General Motors Corporation - Chevrolet Division and Ford Motor Company; Class C chassis and engines from Volkswagen of America, Inc.; and Class A chassis and engines from Oshkosh Truck Corporation and Spartan Motors, Inc. Only two vendors accounted for as much as five percent of the Company's purchases in fiscal 1994, General Motors Corporation and Ford Motor Company (approximately 17 percent, in the aggregate).

Class B chassis and engines from Volkswagen of America, Inc. are utilized in the Company's EuroVan Camper.

Motor home bodies are made principally of Thermo-Panel materials: the lamination of aluminum and/or fiberglass, extruded polystyrene foam and plywood into lightweight rigid structural panels by a process developed by the Company. These panels are cut to form the floor, roof and sidewalls. Additional structural strength is provided by Thermo-Steel(R) construction, which combines Thermo-Panel materials and a framework of heavy gauge steel reinforcement at structural stress points. The body is designed to meet rigid Winnebago safety standards, with most models subjected to computer stress analysis. Certain models of motor homes are made in part of other materials such as aluminum, fiberglass and plastic.

The Company manufactures tip-out 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 doors, bucket seats, upholstery items, lounge and dinette seats, seat covers, mattresses, decorator pillows, curtains and drapes.

The Company produces substantially all of the raw, anodized and powder-painted aluminum extrusions used for interior and exterior trim in its recreation vehicles. The Company also sells aluminum extrusions to over 130 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 and other foreign countries. Foreign sales, including Canada, were less than ten percent of net revenues in fiscal 1994. As of August 27, 1994, the motor home dealer organization included approximately 325 dealers, compared to approximately 310 dealers at August 28, 1993. During fiscal 1994, 13 dealers accounted for approximately 25 percent of motor home unit sales, and only one dealer accounted for more than four percent (4.3%) of motor home unit sales.

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 27, 1994, the Company had a staff of 34 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 $118,954,000 and $101,445,000 at August 27, 1994 and August 28, 1993, respectively. Included in these contingent liabilities are approximately $36,231,000 and $27,758,000, respectively, of certain dealer receivables subject to recourse, (See Note 11 in the Company's Annual Report to Shareholders for the year ended August 27, 1994). 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.

Since fiscal 1984, the Company has made available to retail customers a retail financing program which provides loans with up to 15-year terms for motor home financing at favorable rates through participation with a financial institution. The Company, from time to time, offers retail financing incentives in the form of lower interest rates to attract customers to purchase motor homes.

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 those of units of comparable size and quality.

The Company is a leading manufacturer of motor homes. For the 12 months ended August 31, 1994, RVIA reported factory shipments of 36,300 Class A motor homes and 16,900 Class C motor homes. Unit sales of such products by the Company for the last five fiscal years are shown elsewhere 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, except for the markets serviced by Cycle-Sat, which is a major factor in the satellite courier and tape duplication business.

REGULATION, TRADEMARKS AND PATENTS

The plumbing, heating and electrical systems manufactured and installed in all of the Company's motor homes are manufactured and installed to meet National Fire Protection Association 501C (American National Standards Institute 119.2) as well as Federal Motor Vehicle Safety Standards applicable to motor homes. A variety of other federal and state regulations pertaining to safety in recreation vehicles have been adopted or are proposed from time to time. The Company believes that it is in compliance with all such existing regulations and while it is not able to predict what effect the adoption of any such future regulations will have on its business, it is confident of its ability to equal or exceed any reasonable safety standards.

The Company has several registered trademarks, including Winnebago, Itasca, Chieftain, Minnie Winnie, Brave, Passage, Sunrise, Adventurer, Spirit, Suncruiser, Sundancer, Sunflyer, Warrior, Elante', Vectra, Thermo-Panel and Thermo-Steel, .

RESEARCH AND DEVELOPMENT

During fiscal 1994, 1993 and 1992, the Company spent approximately $1,704,000, $1,077,000 and $1,820,000, respectively, on research and development activities. These activities involved the equivalent of 30, 17 and 34 full-time employees during fiscal 1994, 1993 and 1992, respectively. Figures for fiscal 1992 have been restated to exclude expenses for the discontinued Commercial Vehicle Division.

HUMAN RESOURCES

As of September 1, 1994, 1993 and 1992, the Company employed approximately 3,150, 2,770 and 2,530 persons, respectively. Of these, approximately 2,300, 2,090 and 1,820 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, containing an aggregate of approximately 1,417,000 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. In fiscal 1989, the Company purchased a 308,000 square foot shopping mall on 30 acres in Temple, Texas. At August 27, 1994, a customer service facility operation occupied approximately 75,000 square feet of the mall and the Company had leased a majority of the remainder of the mall to various retail stores. The Company also leases a manufacturing facility and a storage facility in Hampton, Iowa (74,000 square feet and 10,000 square feet) and a manufacturing facility in Lorimor, Iowa (17,200 square feet). Leases on the above facilities expire at various dates, the earliest of which is March, 1996. In fiscal 1993, Winnebago Industries Europe GmbH purchased a distribution and service facility in Kirkel, Germany. The facility has approximately 16,700 square feet and is located on approximately six acres of land. The Company also owns a 14,400 square foot facility in Forest City which is leased to Cycle-Sat. The Company's facilities in Forest City are located on approximately 784 acres of land, all owned by the Company.

Most of the Company's buildings are of steel or steel and concrete construction and are fire resistant 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, suitable for the purposes for which they are intended and adequate to meet the Company's needs for the foreseeable future.

ITEM 3. Legal Proceedings

On April 23, 1991, the Federal Trade Commission ("FTC") issued to the Company Civil Investigative Demands to produce documents and answers to written interrogatories in connection with an investigation of whether the Company engaged in deceptive practices in selling approximately 7,800 diesel powered LeSharo and Phasar motor homes and Centauri and utility vans which were produced between 1983 and 1986. After narrowing the FTC's Civil Investigative Demands through a motion to quash and subsequent stipulated order, the Company produced responsive documents at its corporate offices in December, 1991 and January, 1992. The Company had no further contact with the FTC for approximately 26 months when the Company's FTC Counsel in Washington, D.C. received a letter dated March 22, 1994 from the FTC staff in which it was suggested that the FTC staff had concluded that the Company had engaged in violations of Section 5 of the FTC Act in connection with the marketing and sale of certain of the diesel and gasoline LeSharo and Phasar motor homes and Centauri and utility vans. The FTC staff letter also suggested a willingness to pursue consent negotiations with the Company or otherwise that the FTC staff would be preparing a recommendation to the commission that it issue a complaint against the Company seeking consumer redress and other equitable relief. Any recommendation made by the FTC staff would have to be approved by the Commission itself. If the FTC should decide to issue such a complaint, the Company believes it would have meritorious defenses to the same and further believes that the FTC would have several significant hurdles to overcome including the statute of limitations issues. Contemporaneously, the Company has contacted Regie Nationale Des Unises Renault, the manufacturer of a majority of the component parts under investigation by the FTC, relative to the most recent action taken by the FTC's staff.

In addition to the foregoing, 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. Counsel for the Company based on his present knowledge of pending legal proceedings and after consultation with trial counsel, has advised the Company that, while the outcome of such litigation is uncertain, he is of the opinion that it is unlikely that these proceedings will result in any recovery which will materially exceed the Company's reserve for estimated losses. On the basis of such advice, Management is of the opinion that the pending legal proceedings 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
John K. Hanson +	Chairman of the Board (1958)	81
Fred G. Dohrmann +	President & Chief Executive Officer (1989)	62
Raymond M. Beebe	Vice President, General Counsel & Secretary (1974)	52
Edwin F. Barker	Vice President, Controller & Chief Financial Officer (1980)	47
Jerome V. Clouse	Vice President, Treasurer & International Development (1980)	51
Sharon L. Hansen	Vice President, Administration (1989)	57
Bruce D. Hertzke	Vice President, Operations (1989)	43
Paul D. Hanson	Vice President, Strategic Planning (1993)	48
James P. Jaskoviak	Vice President, Sales and Marketing (1994)	42

\+ Director

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 and related stockholder matters on page 14 and the inside back cover of the Company's Annual Report to Shareholders for the year ended August 27, 1994, which information is incorporated by reference herein. The Company has not paid any dividends during fiscal years 1994, 1993 or 1992 but in October, 1994, the board declared a $.10 per common share dividend to shareholders of record as of December 5, 1994.

ITEM 6. Selected Financial Data

Reference is made to the information included under the caption "Selected Financial Data" on page 10 of the Company's Annual Report to Shareholders for the year ended August 27, 1994, 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 11 through 13 of the Company's Annual Report to Shareholders for the year ended August 27, 1994, which information is incorporated by reference herein.

ITEM 8. Financial Statements and Supplementary Data

The consolidated financial statements of the Company and the report of the independent accountants which appear on pages 15 through 32, and the supplementary data under "Interim Financial Information (Unaudited)" on page 10 of the Company's Annual Report to Shareholders for the year ended August 27, 1994, 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 information included under the caption "Election of Directors" in the Company's Proxy Statement for the Annual Meeting of Shareholders scheduled to be held December 14, 1994, which information is incorporated by reference herein.

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.

The only executive officers of the Company who are related are John K. Hanson and Paul D. Hanson. Paul D. Hanson is the son of John K. Hanson.

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 December 14, 1994, 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 December 14, 1994, 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 December 14, 1994, which information is incorporated by reference herein.

PART IV

ITEM 14. Exhibits, Consolidated 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

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All schedules, other than those indicated above, 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 19.

(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), 2-73221 (which became effective on or about August 5, 1981), 2-82109 (which became effective on or about March 15, 1983), 33-21757 (which became effective on or about May 31, 1988), and 33-59930 (which became effective on or about March 24, 1993):

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 indemnifi-cation 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/ John K. Hanson
Chairman of the Board

Date: November 16, 1994

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on November 16, 1994, by the following persons on behalf of the Registrant and in the capacities indicated.

SIGNATURE	TITLE
John K. Hanson	Chairman of the Board and Director
Fred G. Dohrmann	President, Chief Executive Officer and Director
Edwin F. Barker	Vice President, Controller and Chief Financial Officer
Gerald E. Boman	Director
Keith D. Elwick	Director
David G. Croonquist	Director
Joseph M. Shuster	Director
Frederick M. Zimmerman	Director
Francis L. Zrostlik	Director

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

* Refers to respective pages in the Company's 1994 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 27, 1994 and August 28, 1993 and for each of the three years in the period ended August 27, 1994 and have issued our report thereon dated October 21, 1994 which report includes an explanatory paragraph as the Company changed its method of accounting due to required new accounting standards for individual deferred compensation contracts during the year ended August 29, 1992, changed its method of accounting for income taxes during the year ended August 28, 1993, and changed its method of accounting for postretirement health care and other benefits during the year ended August 27, 1994; such consolidated financial statements and report are included in your fiscal 1994 Annual Report to Shareholders and are incorporated herein by reference. Our audits also included the consolidated financial statement schedules of Winnebago Industries, Inc. and subsidiaries, listed in Item 14(a) 2. These consolidated financial statement schedules are 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 schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth therein.

/s/ Deloitte & Touche LLP

Minneapolis, Minnesota
October 21, 1994

WINNEBAGO INDUSTRIES, INC. AND SUBSIDIARIES

SCHEDULE V -- PROPERTY AND EQUIPMENT

(Dollars in thousands)

Column A Classifications	Column B Balance at Beginning of Period	Column C Additions at Cost	Column D Retirements	Column E Transfers	Column F Balance at End of Period
Year Ended August 27, 1994:					
Land	$ 2,153	$ - - -	$ 28	$ (586)	$ 1,539
Buildings	38,373	1,922	3	613	40,905
Machinery and equipment	72,505	6,597	3,936	(27)	75,139
Transportation equipment	5,609	3,458	1,082	- - -	7,985
	$ 118,640	$ 11,977	$ 5,049	$ - - -	$ 125,568
Year Ended August 28, 1993:					
Land	$ 1,273	$ 920	$ 40	$ - - -	$ 2,153
Buildings	38,591	522	740	- - -	38,373
Machinery and equipment	70,257	5,943	3,627	(68)	72,505
Transportation equipment	5,525	286	304	102	5,609
	$ 115,646	$ 7,671	$ 4,711	$ 34	$ 118,640
Year Ended August 29, 1992:					
Land	$ 1,278	$ - - -	$ 5	$ - - -	$ 1,273
Buildings	40,164	377	1,950	- - -	38,591
Machinery and equipment	70,305	2,716	2,764	- - -	70,257
Transportation equipment	5,445	414	398	64	5,525
	$ 117,192	$ 3,507	$ 5,117	$ 64	$ 115,646

Depreciation of property and equipment is computed by 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. The estimated service lives used in the above schedule are buildings 10-45 years, machinery and equipment 3-10 years and transportation equipment 3-6 years.

WINNEBAGO INDUSTRIES, INC. AND SUBSIDIARIES

SCHEDULE VI -- ACCUMULATED DEPRECIATION OF PROPERTY AND EQUIPMENT

(Dollars in thousands)

Column A Classifications	Column B Balance at Beginning of Period	Column C Additions Charged to Cost and Expenses	Column D Retirements	Column E Transfers	Column F Balance at End of Period
Year Ended August 27, 1994:					
Buildings	$ 20,174	$ 1,454	$ - - -	$- - -	$ 21,628
Machinery and equipment	56,994	5,834	3,939	- - -	58,889
Transportation equipment	3,844	460	851	- - -	3,453
	$ 81,012	$ 7,748	$ 4,790	$- - -	$ 83,970

Year Ended August 28, 1993:					
Buildings	$ 19,067	$ 1,531	$ 424	$- - -	$ 20,174
Machinery and equipment	54,777	5,882	3,728	63	56,994
Transportation equipment	3,747	354	257	- - -	3,844
	$ 77,591	$ 7,767	$ 4,409	$ 63	$ 81,012
Year Ended August 29, 1992:					
Buildings	$ 19,341	$ 1,677	$ 1,951	$- - -	$ 19,067
Machinery and equipment	51,113	6,105	2,441	- - -	54,777
Transportation equipment	3,773	316	342	- - -	3,747
	$ 74,227	$ 8,098	$ 4,734	$- - -	$ 77,591

WINNEBAGO INDUSTRIES, INC. AND SUBSIDIARIES

SCHEDULE VIII -- VALUATION AND QUALIFYING ACCOUNTS

(Dollars in thousands)

Column A	Column B	Column C Additions		Column D	Column E	Column F
Period and Description	Balance at Beginning of Period	Charged to Cost and Expenses	Bad Debts Re-coveries	Deductions Charge-Offs	Other*	Balance at End of Period
Year Ended August 27, 1994:						
Allowance for doubtful accounts receivable	2,798	(443)	- - -	260	(550)	1,545
Allowance for doubtful dealer receivables	290	(40)	29	- - -	- - -	279
Allowance for excess and obsolete inventory	939	1,051	- - -	620	- - -	1,370
Allowance for doubtful notes receivable	1,362	122	210	220	550	2,024
Year Ended August 28, 1993:						
Allowance for doubtful accounts receivable	$ 1,146	$ 540	$ 1	$ 273	$ 1,384	$ 2,798
Allowance for doubtful dealer receivables	- - -	113	3	143	317	290
Allowance for excess and obsolete inventory	1,562	777	- - -	1,400	- - -	939
Allowance for doubtful notes receivable	1,427	843	- - -	232	(676)	1,362
Year Ended August 29, 1992:						
Allowance for doubtful accounts receivable	998	756	12	120	(500)	1,146
Allowance for excess and obsolete inventory	1,450	1,432	- - -	1,320	- - -	1,562
Allowance for finished goods valuation	268	- - -	- - -	268	- - -	- - -
Allowance for doubtful notes receivable	771	156	- - -	- - -	500	1,427

* Includes transfers of reserves from doubtful dealer receivables to doubtful accounts and from doubtful accounts to long-term notes receivable.

WINNEBAGO INDUSTRIES, INC. AND SUBSIDIARIES

SCHEDULE IX -- SHORT-TERM BORROWINGS

(Dollars in thousands)

Column A	Column B	Column C	Column D	Column E	Column F
Period and Category of Aggregate Short-Term Borrowings	Balance at End of Period	Weighted Average Interest Rate	Maximum Amount Outstanding during the Period	Average Amount Outstanding during the Period (1)	Weighted Average Interest Rate during the Period (2)
Year Ended August 27, 1994:					
NationsCredit	$ - - -	- - -%	$ 7,000	$ 951	6.1%
Firstar Bank	2,300	9.0%	2,300	1,030	8.4%

Year Ended August 28, 1993:					
NationsCredit	- - -	- - -%	10,500	3,937	7.1%
Year Ended August 29, 1992:					
ITT	- - -	- - -%	2,509	96	10.7%
Chrysler First	- - -	- - -%	3,000	173	6.7%

(1) Total of daily outstanding principal balances divided by days in the year.

(2) Actual interest divided by the average amount outstanding.

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, and incorporated by reference herein.

3b. Amended Bylaws of the Registrant.

4a. Amendment to Inventory Floor Plan Financing Agreement between Winnebago Industries, Inc. and NationsCredit Corporation.

4b. Financing and Security Agreement dated March 26, 1992, between Winnebago Industries, Inc. and NationsCredit Corporation (formerly Chrysler First Commercial Corporation) previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 29, 1992 and amended on the Registrant's Quarterly Reports on Form 10-Q for the quarters ended May 29, 1993 and February 26, 1994, and incorporated by reference herein.

4c. Line of Credit Agreement dated February 24, 1994, among Winnebago Industries, Inc., Cycle-Sat and Firstar Bank Cedar Rapids previously filed with the Registrant's quarterly report on Form 10-Q for the quarter ended February 26, 1994, and incorporated by referenced 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, and incorporated by reference herein.

10b. Winnebago Industries, Inc. Deferred Compensation Plan previously filed with the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 2, 1991, and incorporated by reference herein.

10c. Winnebago Industries, Inc. Profit Sharing and Deferred Saving Investment Plan previously filed with the Registrant's Annual Report on Form 10-K for the fiscal year ended August 31, 1985 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, 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, and incorporated by reference herein.

10f. Winnebago Industries, Inc. RV Incentive Compensation Plan.

13. Winnebago Industries, Inc. Annual Report to Shareholders for the year ended August 27, 1994.

21. List of Subsidiaries.

23. Consent of Independent Accountants.

BY-LAWS
OF
WINNEBAGO INDUSTRIES, INC.

AS AMENDED

ARTICLE I. OFFICES

The principal office of the Corporation in the State of Iowa, shall be located in the City of Forest City, County of Winnebago, State of Iowa.

The Corporation may have such other offices, either within or without of the State of Iowa, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

ARTICLE II. SHAREHOLDERS

Section 1. Annual Meeting

The Annual Meeting of the Shareholders shall be held on a date in the month of December of each year, commencing with the December, 1987 meeting, to be annually set by the Board of Directors with written notice thereof to be given not less than ten (10) days prior thereto by the Secretary, to be held in Forest City, Iowa, at such place as may be designated by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

ARTICLE III. BOARD OF DIRECTORS

Section 1. General Powers

The business and affairs of this Corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications

The number of directors constituting the Board of Directors of the Corporation shall be eight (8) until increased or decreased by proper amendment hereto. Each director shall hold office until the next annual meeting of the shareholders and until his successor shall have been elected and qualified. Directors need not be residents of the State of Iowa nor shareholders of the Corporation.

Section 3. Regular Meetings

The regular meeting of the Board of Directors shall be held, without other notice than these by-laws, immediately after, and at the same place as, the Annual Meeting of the Shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Iowa, for the holding of additional regular meetings without other notice than such resolution.

Section 4. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or any one director. The persons or person authorized to call special meetings of the Board of Directors may fix the time for holding any special meetings of the Board of Directors so called, but the place shall be the same as the regular meeting place unless another place is unanimously agreed upon at the time and ratified by appropriate resolution.

Section 5. Notice of Meeting

Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by written notice delivered personally or mailed to each director at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with sufficient postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company; any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the expressed purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 6. Committees

The Board of Directors may, by resolution adopted by a majority of the whole board, designate from among its members an Executive Committee and one or more other committees. Any such committee, to the extent provided in the resolution, shall have and may exercise all the authority of the Board of Directors; provided, however, that no such committee shall have such authority in reference to any matter for which such authority is specifically reserved to the full Board of Directors by the terms of the Iowa Business Corporation Act, as amended. Each such committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

ARTICLE IV. OFFICERS

Section 1. Number

The officers of the Corporation shall be a President, Vice President, a Secretary and a Treasurer. Such other officers, assistant officers and acting officers as may be deemed necessary, may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person if so nominated and elected.

Section 2. Election and Term of Office

The officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. The officers of the Corporation shall hold office until their successors are chosen and qualify or until their death or resignation. Any officer elected by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors in office. Any vacancy occurring in any office in the Corporation shall be filled by the Board of Directors.

ARTICLE V. FISCAL YEAR

The fiscal year of this Corporation shall begin on the 1st day of September and end on the last day of August, in each year.

ARTICLE VI. AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by the Board of Directors at any regular or special meeting of the Board of Directors.

RESTATED INVENTORY FLOOR-PLAN FINANCE AGREEMENT

THIS RESTATED INVENTORY FLOOR-PLAN FINANCE AGREEMENT is made and entered into this 27th day of October , 1994, between WINNEBAGO INDUSTRIES, INC., an Iowa corporation, with its principal place of business at 605 West Crystal Lake Road, Forest City, Iowa 50436 ("Client"), and NATIONSCREDIT COMMERCIAL CORPORATION, a North Carolina corporation, assignee of Chrysler First Commercial Corporation and Winnebago Acceptance Corporation, a North Carolina corporation, with their principal place of business at 1105 Hamilton Street, Allentown, Pennsylvania 18101 (collectively referred to as "NationsCredit").

RECITALS

A. Client manufactures motorized recreational vehicles under various brand names, including but not limited to "Winnebago", "Itasca", "Vectra", "Luxor", and "Rialta" ("Product").

B. Client and Chrysler First Commercial Corporation ("Chrysler First") entered into a Finance Agreement dated March 26, 1992 (the "Finance Agreement"), pursuant to which Chrysler First and/or a wholly-owned subsidiary thereof agreed to provide financing and other credit services to Dealers of Client approved by NationsCredit and advance money to Client for the sale of new recreation vehicles manufactured by Client;

C. As part of the sale of substantially all of the assets of Chrysler First to NationsCredit Corporation on February 1, 1993, NationsCredit succeeded to the rights and assumed the obligations of Chrysler First under the terms of the Finance Agreement;

D. NationsCredit through one or more wholly-owned subsidiaries is agreeable to continue providing such financing and other credit services to Client pursuant to the terms and conditions set forth in the Inventory Floor Plan Finance Agreement as amended and restated herein;

NOW THEREFORE, in consideration of the mutual covenants contained herein and intending to be legally bound, Client and NationsCredit hereby amend and restate the Agreement as follows:

1. DEFINITIONS

(a) "Accounting Month" shall mean the period from the last Friday of a calendar month to and including the last Thursday of the following calendar month. If a calendar month ends on Thursday, then the accounting month for the next successive period shall be from the first Friday of a calendar month to and including the last Thursday of the same calendar month.

(b) "Agreement" shall mean this Restated Inventory Floor-Plan Finance Agreement.

(c) "Dealer" shall mean any Dealer of Client who is recommended to NationsCredit by Client in writing for financing (by NationsCredit) of purchases of Eligible Products and who is approved and accepted by NationsCredit for such financing. To be approved by NationsCredit for financing of used Product, a Dealer must be a (i) seller of Client's Product and (ii) have an approved line of credit for the purchase of new Product, which line has been utilized for such Purchases.

(d) "Eligible Products" shall mean (i) new Product purchased by a Dealer from Client for resale to retail customers and for which Client receives payment from NationsCredit, (ii) new Product purchased by a Dealer from Client for rental to customers and for which Client receives payment from NationsCredit, or (iii) used Product acquired by a Dealer as trades on the purchase of new Product which are to be held in Dealer's inventory for future resale and not for rental or lease.

(e) "Finance Transactions" shall mean the obligations of Dealers to repay NationsCredit (i) for advances of money made by NationsCredit to Client on behalf of Dealers for the financing of sales of Eligible Products by Client to its Dealers, and (ii) advances of money made by NationsCredit to qualified Dealers for the acquisition of used Eligible Product by a Dealer from a retail customer which are acquired as trades upon the purchase by the customer of new Eligible Product. Unless otherwise indicated, the term Finance Transactions shall include Rental Transactions.

(f) "Loan Agreement" means the Financing and Security Agreement dated March 26. 1992. between Client and NationsCredit.

(g) "Loss" or "Losses" shall mean any unpaid principal amounts owing to NationsCredit, plus accrued and unpaid charges, on any Finance Transaction in default because the Eligible Products are not found in the possession of the defaulting Dealer or, in the case of Rental Transactions, because the Finance Transactions are in default in their repayment schedule or are "sold and unpaid".

(h) "Prime Rate" shall be the Prime Rate as announced by NationsBank of North Carolina N.A. on the last day of an Accounting Month effective for outstanding balances in the successive Accounting Month. When a change in the Prime Rate is announced, a change will take effect as of the first day of the successive Accounting Month. The new Prime Rate will apply to new advances as well as to existing balances from the first day of the Accounting Month in which the new Prime Rate is effective.

(i) "Rental Transactions" shall mean those Finance Transactions where the Dealer's obligation to repay NationsCredit is for new Eligible Products intended to be rented to retail customers.

2. COMPENSATION OF NATIONSCREDIT

(a) Finance charges to Client and Dealers, terms of payment by Client and Dealers and all other terms with respect to all Finance Transactions shall be as agreed upon from time to time by NationsCredit and Client.
Beginning rates, terms and fees shall be as follows:

(i) NationsCredit will receive Prime Rate minus 2.00% per annum computed on the average daily outstanding balances due NationsCredit on Finance Transactions for new Eligible Product that are not Rental Transactions.

(ii) A monthly service fee, in an amount equal to 3.5% per annum (calculated on a 30-day period) computed upon the average daily outstanding balances in any month due NationsCredit from Dealers under the Finance Program. The average daily outstanding balances shall be arrived at by computing the daily outstanding balances adding each day's balance for any given accounting month and dividing the sum by the number of days in that accounting month.

(iii) All charges shall be billed monthly to the Client and/or Dealers and payable upon receipt on the basis of a 360 day year for the actual number of days elapsed. Monthly charges shall be calculated by multiplying the corresponding daily rate by the number of days in the Accounting Month, multiplying the resulting product by the average daily balance of all Finance Transactions. The average daily balance shall be computed by adding the ending balance for each day in the Accounting Month and dividing the sum by the number of days in that Accounting Month.

(iv) Notwithstanding changes in the Prime Rate which may fluctuate from time to time, the minimum Prime Rate to be used in calculating charges shall be 6.5% per annum.

(c) Client will pay to NationsCredit a fee of Forty-five Dollars ($45.00) for each Dealer visited by a NationsCredit representative for the purpose of obtaining signed documents pursuant to 3(b) of this Agreement. This fee may be increased from time to time at the sole discretion of NationsCredit.

3. NATIONSCREDIT'S OBLIGATIONS

(a) NationsCredit agrees to finance the purchase of Eligible Products by Dealers .

(b) NationsCredit will supply to Client a security agreement in substantially the form attached hereto as Exhibit A and all other forms required to be signed by Dealers prior to NationsCredit's entering into any Finance Transactions. If used Eligible Product is to be financed for the Dealer, the security agreement will be in substantially the form of Exhibit B attached hereto. Upon the agreement of the parties, NationsCredit will attempt to obtain from Dealers a signed security agreement and all other forms required to be signed by Dealers in consideration of the payment of the fees set forth in paragraph 2(c).

(c) NationsCredit agrees to review the recommendation of Client for approval of any dealer proposed by Client for financing by NationsCredit of Eligible Products. NationsCredit shall have the ultimate right to approve or disapprove any such recommendations, to determine and establish credit lines and limits for any proposed dealer and to terminate or reduce any previously approved credit line for any Dealer without in any way diminishing the liability of Client for Losses or to repurchase Eligible Products.

(d) NationsCredit will promptly advance funds by wire transfer to Client on behalf of any Dealer in an amount equal to the net invoice price of each unit of new Eligible Product(s) shown on copies of invoices submitted to it; provided, however, that NationsCredit may deduct from the proceeds of those advances any amounts owing to it by Client pursuant to this Agreement, the Loan Agreement between NationsCredit and Client, or any other agreement between the parties.

NationsCredit will advance funds to Dealers and/or to any lien holders on the Dealers behalf for the purchase of used Eligible Product upon receipt from the Dealer of a request for an advance in writing with such information and representations as shall be required by NationsCredit.

(e) NationsCredit will provide the following administrative, accounting and information services for Client in connection with all Finance Transactions.

(i) Accounting

Establish accounting records for each Dealer to record all sales made by Client to that Dealer pursuant to the Finance Program, payments made by Dealer on its purchases under the Finance Program, and other appropriate debits and credits; and, generally, keeping those data records necessary to service the Finance Program.

(ii) Billing

Mail or deliver to each Dealer a statement reflecting debits and credits on the Dealer's account promptly following the first business day of each Accounting Month, and such other statements as required from time to time to reflect any payment then due or to become due on that account.

(iii) Reports

Produce reports for each Dealer as it generates in the normal course of conducting its business for service only clients and which are being produced currently by NationsCredit's data processing system ("NationsCredit's System").

(iv) Provide access to its host computer so that Client can have access to all of the information regarding all Dealer accounts at the same time such information is available to NationsCredit provided Client bears all out-of-pocket costs.

(f) NationsCredit will use reasonable efforts to collect outstanding Finance Transactions. Those efforts shall consist of sending notices and making demands for payment upon Dealers as NationsCredit shall determine to be necessary in its discretion. NationsCredit shall not be required, prior to making demand upon Client for payment of Losses, nor as a condition to Client's liability, to commence litigation for the collection of any Finance Transactions outstanding with any Dealer in default or to enforce or attempt to enforce any rights it may have as a secured creditor holding a security interest in Eligible Products, its proceeds or any other collateral.

(g) NationsCredit shall not be required to repossess or attempt to repossess any Eligible Products, proceeds or other collateral constituting security for Finance Transactions, but NationsCredit will, at the request of Client, proceed with the Client to repossess or attempt to repossess by providing personnel or other facilities whenever it is in a position to do so.

(h) NationsCredit will commence in its name proceedings to obtain possession of Eligible Products by replevin or similar litigation upon the request of Client whenever a repossession of Eligible Products is not possible to be made peaceably.

(i) NationsCredit will take all steps necessary in order to perfect its security interest in new Eligible Products, including searching to ascertain whether any Dealer had previously granted a security interest in the Eligible Products to third persons, notifying the holders of any such security interests of NationsCredit's intention to take a purchase money security interest in Eligible Products, filing of financing statements covering the Eligible Products where required and notifying the Client that it may then ship new Eligible Product to its Dealer. In the State of Louisiana, NationsCredit will take all steps necessary to obtain a security interest in or lien upon new Eligible Products provided, however, NationsCredit will not obtain a first purchase more security interest requiring notification to prior filed parties or subordinations by prior filed collateral chattel mortgagees unless it may agree to do so, in writing, separate and apart from this Agreement. NationsCredit makes no warranties or representations that it will prevail in the enforcement of a security interest in Eligible Products which are the subject of the Rental Transactions or used Eligible Product which is the subject of a Finance Transaction. For the purposes of this subsection, NationsCredit shall be entitled to rely on the accuracy and completeness of all information concerning any Dealer submitted by Client to NationsCredit.

Prior to advancing on used Eligible Product, NationsCredit will obtain termination or subordination of any prior filed financing statements with a collateral description which would include used Eligible Product. NationsCredit will attempt to obtain the certificate of title for each unit of used Eligible Product which may show as owner either the Dealer's customers from whom the unit was purchased as a trade, or the Dealer, with all liens released. NationsCredit will not be required to determine whether the Dealer has complied with any state certificate of title laws necessary to have a valid title issued.

(j) NationsCredit will make or cause to be made a physical inspection of Eligible Products constituting inventory of each Dealer with whom it shall have outstanding Finance Transactions including but not limited to, Eligible Product which is the subject of a Rental Transaction and which is on Dealer's premises. Inspections shall be once each thirty (30) days plus a grace period of fifteen (15) days, but in any event not less than ten (10) times per year. NationsCredit's duties shall consist of verifying the physical presence at the location of Dealer of all items of Eligible Products included in any outstanding Finance Transactions, and if any items are not present, demanding payment for them from the Dealer. NationsCredit may, but shall not be required, to inspect the Dealer's business records or to otherwise determine or verify the status of any item of Eligible Product if it is present on the Dealer's premises. NationsCredit will not perform the inventory inspection services for Dealers located in Alaska and Hawaii; however, NationsCredit will arrange for inspection by a third party contractor with all costs of such inspection services reimbursed by Client. Client agrees to waive any claim against NationsCredit arising out of the inspection services performed by the third party contractor.

In the case of new Eligible Product that was acquired by Client's Dealer for rental or was converted into a Rental Transaction, and such item is not present on the Dealer's premises at the time of an inventory inspection, NationsCredit may, but shall not be required to, obtain a copy of the rental agreement entered into between the Dealer and its customer for that Product. NationsCredit shall have no obligation whatsoever to determine the genuineness or validity of any rental agreement.

(k) NationsCredit will monitor the insurance coverage to assure that personal property insurance is being maintained on the Eligible Product by Dealers and that no lapses occur; if lapses occur, NationsCredit may, but shall not be required, to obtain insurance coverage for such premiums to the Dealer as may be required. In the event that these premiums are not paid by the Dealer, NationsCredit will notify Client of the Dealer's default. Client agrees that any accrued and unpaid premiums shall be the responsibility of Client pursuant to Section 5.

(I) NationsCredit agrees to finance Rental Transactions as follows:

(i) The invoices submitted for new Eligible Product intended to be rented to a retail customer must be noted as "rental" and the Rental Transaction is to be repayable in twelve (12) substantially equal and consecutive monthly installments of principal plus interest, after which period any remaining principal balance and accrued and unpaid charges shall be immediately due and payable in full.

(ii) A Rental Transaction will mature and any remaining principal balance, accrued interest, and charges will be immediately due and payable in full upon (1) the sale of the Eligible Product which is the subject of the Rental Transaction; or (2) upon NationsCredit's physical verification that the mileage of the Eligible Product has reached 25,000 miles, or

(iii) At the election of the Dealer and with the prior approval of NationsCredit, a Finance Transaction for new Eligible Product may be converted into a Rental Transaction upon (1) written notification by Dealer to NationsCredit of Dealer's intent to convert new Eligible Product to a Rental Transaction; and (2) delivery of the Certificate of Title showing NationsCredit as the first lienholder on the Eligible Product; and (3) delivery of evidence of liability insurance with respect to rental of the Eligible Product to a customer. NationsCredit will not be required to determine whether the Dealer has complied with any state certificate of title laws necessary to have a valid title issued or state insurance laws necessary to have required insurance coverage. Upon rental the Dealer shall pay for the same in accordance with the terms of Rental Transactions which are contained herein. Once converted, the Rental Transaction may not revert to a Finance Transaction which is not a Rental Transaction. To evidence the conversion of a Finance Transaction to a Rental Transaction, NationsCredit and Client shall require the Dealer promptly to send any rental agreements entered into by them with customers to the NationsCredit service location as designated by NationsCredit. In the event any Dealer fails to do so, and it is discovered by NationsCredit at the time of its next physical inspection of that Dealer's inventory that any unit of Eligible Product is missing and has not been paid for, and for which NationsCredit has not theretofore received a rental agreement covering the same, payment therefor shall be due in full. The only form of rental agreement which shall be considered acceptable by NationsCredit for the purpose of this paragraph shall be agreed upon in writing by Client and NationsCredit and shall be the only form so considered acceptable.

4. OBLIGATIONS OF CLIENT

(a) Client shall submit its recommendation to NationsCredit for credit lines to be approved or disapproved by NationsCredit for proposed Dealers whom Client wishes NationsCredit to finance. As part of those recommendations, Client will submit credit information and history, financial statements, and any other information NationsCredit shall require for its review.

(b) With respect to any shipment of new Eligible Products to any Dealer that Client wishes to become the subject of a Finance Transaction, Client shall send a copy of the invoice(s) representing such shipment(s) to NationsCredit, which invoice(s) shall contain the model, serial number and total purchase price to the Dealer for each unit of new Eligible Products. In addition to the foregoing information, if new Eligible Products are to become the subject of a Rental Transaction, the invoice copy sent to NationsCredit shall be noted "Rental" and shall include a statement of the terms of payment due by Dealers. If used Eligible Product is to be the subject of a Finance Transaction, Client agrees that the terms of the financing including the advance amount and the rates of charges, shall be determined by NationsCredit in its sole discretion.

(c) Client shall submit to NationsCredit a Security Agreement properly signed by the Dealer in the form attached hereto as Exhibit "A" or "B" and such other documents as NationsCredit may require unless NationsCredit agrees to obtain such pursuant to paragraph 3(b).

(d) It shall be Client's obligation to repossess any Eligible Products found in the possession of a defaulting Dealer and be responsible for its resale or disposition, until its repurchase from NationsCredit as provided in Section 5. Client agrees that it acts as NationsCredit's agent or as its bailee in arranging for repossession, storage, repair, shipment, or acting in any way with respect to the Eligible Product.

(e) As to any items of Eligible Product which NationsCredit repossesses or otherwise for any reason acts to protect a security interest in Eligible Product against third parties, Client will pay to NationsCredit any out-of-pocket expenses NationsCredit incurs in repossessing or protecting such claim, including but not limited to handling, moving and storage expenses, reasonable attorney's fees and court costs.

(f) Client agrees to pay all NationsCredit's filing and recording fees, attorney's fees and costs which relate to the perfection of a first purchase money security interest in Louisiana on Eligible Product; and all taxes or stamps for recording purposes wherever required.

(g) Client will communicate to Dealers all rates and terms that have been agreed upon from time to time between NationsCredit and Client and shall be responsible to obtain from Dealers their agreement to pay the same.

(h) Client agrees that as long as there are any Finance Transactions outstanding, it will furnish NationsCredit:

(i) Annual Report. Within one hundred twenty (120) days after the close of each fiscal year end of the Client, a copy of an annual audit report of the Client, prepared on a consolidated basis and in conformity with generally accepted accounting principles applied on a consistent basis, and duly certified by independent certified public accountants of recognized standing.

(ii) Interim Reports. Within forty-five (45) days after each quarter, except the last quarter of each fiscal year of the Client, a copy of an unaudited financial statement of the Client, prepared in the same manner as the audit report referred to above and consisting of at least a balance sheet as of the close of that quarter and statements of earnings and their source and the application of funds for that quarter and for the period from the beginning of that fiscal year to the close of that quarter.

(i) Client agrees to change the name of its subsidiary "Winnebago Acceptance Corporation" so that the name becomes available for use by NationsCredit where required. Client authorizes NationsCredit to use the name "Winnebago" for purposes of executing its obligations under this Agreement, and authorizes its continued use by NationsCredit until all transactions and obligations under the Agreement are satisfied by Client.

5. LIABILITY OF CLIENT

(a) Following the default of any Dealer in the payment of any Finance Transaction, Client will repurchase from NationsCredit any Eligible Products found in the possession of the defaulting Dealer for an amount equal to the unpaid principal balance, plus all accrued and unpaid charges and insurance premiums owing on the related Finance Transactions. There shall be no limit to this repurchase obligation.

(b) All Finance Transactions entered into by NationsCredit shall be with full recourse to Client so that following the default of any Dealer in payment of any amounts required to be paid by the Dealer, and following reasonable efforts by NationsCredit to collect same without having to resort to litigation, Client shall pay to NationsCredit on demand all Losses of NationsCredit.

(c) In the event that NationsCredit files an action against a Dealer or any other party (other than the Client) which may be directly or contingently liable for payment of the Finance Transaction, Client will pay all of NationsCredit's out-of-pocket expenses, fees and costs incurred. If NationsCredit is made a party to any action brought by a third party against the Client, Client will defend NationsCredit and hold it harmless from any judgment, claim or expense which it might suffer as a result of the action (unless such judgment, claim or expense is determined to be due to NationsCredit's failure to perform its duties and responsibilities under this Agreement). Client also agrees to pay any attorney's fees and court costs incurred by NationsCredit in enforcing Client's obligations under this Agreement.

6. NATURE AND SCOPE OF CLIENT'S LIABILITY FOR LOSSES

(a) This Section 6 and Section 5 shall establish, determine and control Client's liability for Losses in respect to all Finance Transactions. Client's liability for Losses and its obligation to repurchase Eligible Products shall not be avoided or limited for any reason, including, without limitation, usury, or any other defenses to payment claimed or alleged by any defaulting Dealer.

(b) Client waives presentment for payment, acceptance, protest and notice of protest and all other notices to which it might be entitled by law, except as provided in this Agreement. NationsCredit may compromise or adjust the amounts due upon any Finance Transactions and upon the Eligible Products to which they relate only with the written approval of Client if Client is not then in breach of its obligations hereunder or under the Loan Agreement. In the event Client is in breach of its obligations hereunder or under the Loan Agreement, NationsCredit may so compromise or adjust without affecting Client's liability for Losses or to repurchase Eligible Products which shall continue unaffected thereby.

7. RESERVE ACCOUNT

An account shall be established by NationsCredit (the "Reserve Account") and credits and charges shall be made in accordance with the following:

(a) NationsCredit will credit the Reserve Account in an amount equal to all charges collected from Dealers in excess of the charges due NationsCredit set forth in Section 2.

(b) Any amounts required to be paid by Client may be charged by NationsCredit against any balance in the Reserve Account. However, the Reserve Account shall in no manner affect the liability of Client to pay Losses of NationsCredit, nor shall NationsCredit debit the account for Losses as may be owing by Client so long as Client is not in default with respect to its obligation to pay NationsCredit's Losses or to perform its obligations under this Finance Agreement or is not in default under the Loan Agreement.

(c) NationsCredit shall provide Client with a monthly report of any credits or charges to the Reserve Account.

8. SUBROGATION

In the event Client is required to pay NationsCredit any amount by reason of any default by a Dealer in meeting obligations to NationsCredit and upon Client's payment in full of all of such obligations, Client shall be subrogated to all rights which NationsCredit may have against such Dealer under any Finance Transaction covering such obligations and NationsCredit shall execute without recourse, any assignment or other documents as may be reasonably required by Client.

9. ASSIGNMENT

This Agreement shall not be assigned by either party without written consent of the other provided, however, that NationsCredit may assign this Agreement in whole or in part to the corporation created pursuant to 3(j) or to any affiliated company or wholly owned subsidiary of NationsCredit without the written consent of the Client.

10. TERM AND TERMINATION

The term of this Agreement shall be three (3) years from March 26, 1992 to March 25, 1995, and shall thereafter continue from year to year, provided, however, that either party may terminate this agreement at any time after the initial three (3) year term by giving the other party one hundred eighty (180) days written notice of such termination. Termination of this Agreement shall not affect obligations existing between the parties at the time of termination.

11. AUTOMATIC TERMINATION AND BUYOUT

This Agreement will terminate immediately and without notice upon the occurrence of any of the following:

(a) Client defaults in the prompt payment of any amounts when due under this Agreement or any other agreement between the parties;

(b) Client defaults or there occurs an event which with the passage of time will constitute a default under the Loan Agreement between NationsCredit and Client.

(c) Client sustains a substantial adverse change in its financial condition as determined by NationsCredit in its sole discretion, or sells, leases, transfers or otherwise disposes of substantially all of its assets, or consolidates with or merges with any other entity, or permits any other entity to consolidate or merge into Client;

(d) Client or NationsCredit commences a case or an order of relief is entered under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency, or other similar law; or the consent by either of them to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of Client or NationsCredit or of any substantial part of their property, or the making by either of them of any assignment for the benefit of creditors, or the failure of Client or NationsCredit generally to pay their debts as such debts become due, or the taking of corporate action by Client or NationsCredit in furtherance of any of the foregoing.

Upon termination due to the occurrence of events set forth above, Client shall purchase from NationsCredit all Finance Transactions for the present balance outstanding plus accrued charges and insurance fees, all as reflected on the Statements of Account of NationsCredit. NationsCredit shall execute such bills of sale and assignment as shall be necessary to complete such sale.

12. REMEDIES AND WAIVERS

Both NationsCredit and Client shall have the right to enforce any remedies available to it under this Agreement partially, successively or concurrently and any such action shall not prevent NationsCredit from pursuing any further remedy it may have hereunder or by law. No delay or failure on the part of NationsCredit to exercise any right or remedy hereunder upon any default or breach by Client of any provision hereof shall be considered to be an abandonment thereof so long as Client's default or breach continues, nor shall any waiver of a single default or breach be deemed a waiver of any subsequent default or breach.

13. NOTICES

Any notice of demand required to be given or made in writing pursuant to this Agreement shall be given by certified mail, postage prepaid, addressed to the parties at their respective addresses shown on page 1 of this Agreement.

14. ENTIRE AGREEMENT

This Agreement is being entered into by the parties at the same time as a Loan Agreement is being entered into by the parties which will relate to some terms and conditions of the relationship between Client and NationsCredit. However, this Agreement and all Addendums attached hereto constitute the entire agreement between the parties with respect to the financing of Client's Dealers and supersedes all prior agreements whether written or oral with respect thereto and shall not be modified orally. This Agreement shall in all respects be governed by the laws of the Commonwealth of Pennsylvania.

15. JURISDICTION

The parties agree that the courts of the Commonwealth of Pennsylvania, including the U. S. District Court for the Eastern District of Pennsylvania, shall have jurisdiction to hear and determine any claim, dispute or demand pertaining to this Agreement and they expressly submit and consent to such jurisdiction.

16. WAIVER OF JURY TRIALS

Trial by jury in any suit, action or proceeding arising on, out of, under, or by reason of or relating in any way to this Agreement or any transaction under it, or concerning the validity, interpretation, or enforcement of this Agreement between the parties, is hereby waived by each of them.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the day and year at the beginning and this Agreement shall be effective as of that date.

NATIONSCREDIT COMMERCIAL CORPORATION	WINNEBAGO INDUSTRIES, INC.
By	By
Print Name C. Thomas Anderson	Print Name Fred G. Dohrmann
Title Senior Vice President	Title President and Chief Executive Officer

WINNEBAGO ACCEPTANCE CORPORATION

By

Print Name C. Thomas Anderson

Title Senior Vice President

CERTIFICATE

I, Raymond M. Beebe, Secretary of Winnebago Industries, Inc., an lowa corporation, DO HEREBY CERTIFY that the following resolutions were duly adopted at a meeting of the Board of Directors of the Corporation on the 20th day of October , 1994, and that said resolutions have not been amended or rescinded and are in full force and effect:

RESOLVED, that Fred G. Dohrmann*, who is President & CEO of this corporation, is hereby authorized, directed and instructed for and on behalf of this corporation to deliver to NationsCredit Commercial Corporation the foregoing agreement under the terms of which certain commitments are being made by the corporation for, inter alia, the repurchase of certain merchandise and the payment of losses of NationsCredit Commercial Corporation.

FURTHER RESOLVED, that the President, or any Vice President, or the Treasurer of this corporation are authorized to execute any and all other instruments and documents necessary to desirable to consummate this transaction and to fulfill its intended purposes. All instruments and documents shall contain such terms, conditions, warranties and waivers as said officers in their discretion deem necessary or desirable in the interest of this corporation; and the execution of any instrument or document by said officers shall be conclusive proof of the approval of all of the terms and conditions thereof for and on behalf of the corporation.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the seal of Winnebago !Industries, Inc., this 27th day of October, 1994.

(Seal)

Secretary

* Fill in name of individual who will sign agreement and his title. (Must be President, Vice President or Treasurer of corporation.)

Secretary of corporation must fill in his/her name in first line, fill in dates (must be dated before agreement is dated), sign this certificate and affix the corporate seal.

October 20, 1994

RV OFFICER INCENTIVE COMPENSATION PLAN

WINNEBAGO INDUSTRIES, INC.
FOREST CITY, IOWA

PURPOSE

The purpose of this plan is to provide greater incentive to employees in officer positions, who contribute to the success of the Company, by enabling them to participate in that success, and to aid in attracting and retaining employees who will contribute to the progress and profitability of the Company.

It is the purpose of this plan to attract, obtain, develop, motivate, and retain capable officer personnel, stimulate constructive and imaginative thinking, and otherwise contribute to the growth and profits of the corporation.

ADMINISTRATION

The plan prior to each new fiscal year must meet the approval of the Human Resource Committee of the Board of Directors. The Human Resource Committee may establish such rules and regulations as it deems necessary for proper administration of this plan and may amend or revoke any rule or regulation so established.

PARTICIPANTS

Recommendation of a participant must be made by the President of Winnebago Industries, Inc.

MINIMUM QUALIFICATIONS REQUIRED OF PARTICIPANTS:

1. Participant must be an officer with specific responsibilities which can impact the corporation

2. Participants must be employed for the entire fiscal year to be eligible for the bonus and in addition, participant must be employed at the time the bonus is paid except as waived by the Human Resource Committee.

NATURE OF THE PLAN

The incentive award is based on the performance of the CORPORATION.

This is a bonus based upon the Company's attainment of a predetermined profit goal for the fiscal quarter. The profit goal is to be recommended by the Human Resource Committee and approved by the Board of Directors each quarter at the beginning of the fiscal quarter.

The profit goal, for purposes of this plan, will be the "Incentive Compensation Profit" which shall mean the combined gross income from the operation of the Company less the combined expenses, deductions and credits of the Company attributable to such operations. In computing the incentive compensation profit, no deduction shall be taken or allowance made for federal or state income taxes, or any expenses associated with retirement plans or incentive compensation plans. Incentive awards are determined in proportion to the actual operating profit generated for the quarter in relation to the profit goal that was set. If the operating profit achieved is less than 80 percent of goal set, no bonus is paid and the maximum bonus paid at 120 percent of the profit goal.

METHOD OF PAYMENT

The quarterly amount of a participant's incentive compensation for the quarter shall be the percentage of the total amount of base salary received by the individual the fiscal quarter when he was a participant in the plan. 60% of the quarterly amount of the earned bonus will be paid within 45 days after the close of the fiscal quarter and the remainder of the bonus due will be paid after the books have been audited at the end of the fiscal year providing the Company has made its objective in each quarter. Bonuses will be paid as follows:

Number of Quarters Objective was made	Amount of the Bonus Holdback to be Paid
1	25%
2	50%
3	75%
4	100%

A participant who leaves the Company for any reason will forfeit all rights to incentive payments that particular fiscal quarter and fiscal year.

October 20, 1994

RV EXECUTIVE MANAGEMENT INCENTIVE COMPENSATION PLAN

WINNEBAGO INDUSTRIES, INC.
FOREST CITY, IOWA

PURPOSE

The purpose of this plan is to provide greater incentive to employees in managerial positions, who contribute to the success of the Company, by enabling them to participate in that success, and to aid in attracting and retaining employees who will contribute to the progress and profitability of the Company.

It is the purpose of this plan to attract, obtain, develop, motivate, and retain capable managerial personnel, stimulate constructive and imaginative thinking, and otherwise contribute to the growth and profits of the corporation.

ADMINISTRATION

The plan prior to each new fiscal year must meet the approval of the Human Resource Committee of the Board of Directors. The Human Resource Committee may establish such rules and regulations as it deems necessary for proper administration of this plan and may amend or revoke any rule or regulation so established.

PARTICIPANTS

Recommendation of a participant must be made by the Vice President that has the responsibility for the specific unit or group which the proposed participant is a member. The Vice President must justify direct dependence of recommended employee's influence, performance and achievements, which could determine the success of that unit or group and employee must be considered a direct link to the success and profitability of the corporation.

MINIMUM QUALIFICATIONS REQUIRED OF PARTICIPANTS:

1. Participant must be in Labor Grade Number 70 or above.

2. Participant must be in the capacity of a staff supervisor or manager of a specific unit or group with specific responsibilities which can impact the corporation.

3. Participants must be employed for the entire fiscal year to be eligible for the bonus and in addition, participant must be employed at the time the bonus is paid except as waived by the Human Resource Committee.

Appointment of participants to the "Executive Management Incentive Compensation Plan" will be recommended by the President to the Human Resource Committee for approval based on meeting the aforementioned qualifications and upon recommendation of the respective Vice President.

NATURE OF THE PLAN

The incentive award is based on the performance of the CORPORATION.

This is a bonus based upon the Company's attainment of a predetermined profit goal for the fiscal quarter. The profit goal is to be recommended by the Human Resource Committee and approved by the Board of Directors each quarter at the beginning of the fiscal quarter.

The profit goal, for purposes of this plan, will be the "Incentive Compensation Profit" which shall mean the combined gross income from the operation of the Company less the combined expenses, deductions and credits of the Company attributable to such operations. In computing the incentive compensation profit, no deduction shall be taken or allowance made for federal or state income taxes, or any expenses associated with retirement plans or incentive compensation plans. Incentive awards are determined in proportion to the actual operating profit generated for the quarter in relation to the profit goal that was set. If the operating profit achieved is less than 80 percent of goal set, no bonus is paid and the maximum bonus paid at 120 percent of the profit goal.

METHOD OF PAYMENT

The quarterly amount of a participant's incentive compensation for the quarter shall be the percentage of the total amount of base salary received by the individual the fiscal quarter when he was a participant in the plan. 60% of the quarterly amount of the earned bonus will be paid within 45 days after the close of the fiscal quarter and the remainder of the bonus due will be paid after the books have been audited at the end of the fiscal year providing the Company has made its objective in each quarter. Bonuses will be paid as follows:

Number of Quarters Objective was made	Amount of the Bonus Holdback to be Paid
1	25%
2	50%
3	75%
4	100%

A participant who leaves the Company for any reason will forfeit all rights to incentive payments that particular fiscal quarter and fiscal year.

October 20, 1994

RV MANAGEMENT INCENTIVE COMPENSATION PLAN

WINNEBAGO INDUSTRIES, INC.
FOREST CITY, IOWA

PURPOSE

The purpose of this plan is to provide greater incentive to employees in managerial positions, who contribute to the success of the Company, by enabling them to participate in that success, and to aid in attracting and retaining employees who will contribute to the progress and profitability of the Company.

It is the purpose of this plan to attract, obtain, develop, motivate, and retain capable managerial personnel, stimulate constructive and imaginative thinking, and otherwise contribute to the growth and profits of the corporation

ADMINISTRATION

The plan prior to each new fiscal year must meet the approval of the Human Resource Committee of the Board of Directors. The Human Resource Committee may establish such rules and regulations as it deems necessary for proper administration of this plan and may amend or revoke any rule or regulation so established.

PARTICIPANTS

Recommendation of a participant must be made by the Vice President member that has the responsibility for the specific unit or group which the proposed participant is a member. The Vice President must justify direct dependence of recommended employee's influence, performance and achievements, which could determine the success of that unit or group and employee must be considered a direct link to the success and profitability of the corporation.

MINIMUM QUALIFICATIONS REQUIRED OF PARTICIPANTS:

1. Participant must be in the capacity of a manager of a specific unit or group with budget responsibilities and specific responsibilities which significantly can impact the corporation.
2. Participants must be employed for the entire fiscal year to be eligible for the bonus and in addition, participant must be employed at the time the bonus is paid except as waived by the Human Resource Committee.

Appointment of participants to the "Management Incentive Compensation Plan" will be recommended by the President to the Human Resource Committee for approval based on meeting the aforementioned qualifications and upon recommendation of the respective Vice President.

NATURE OF THE PLAN

The incentive award is based on the performance of the CORPORATION.

This is a bonus based upon the Company's attainment of a predetermined profit goal for the fiscal quarter. The profit goal is to be recommended by the Human Resource Committee and approved by the Board of Directors each quarter at the beginning of the fiscal quarter.

The profit goal, for purposes of this plan, will be the "Incentive Compensation Profit" which shall mean the combined gross income from the operation of the Company less the combined expenses, deductions and credits of the Company attributable to such operations. In computing the incentive compensation profit, no deduction shall be taken or allowance made for federal or state income taxes, or any expenses associated with retirement plans or incentive compensation plans.

METHOD OF PAYMENT

The quarterly amount of a participant's incentive compensation for the quarter shall be the percentage of the total amount of base salary received by the individual the fiscal quarter when he was a participant in the plan. 60% of the quarterly amount of the earned bonus will be paid within 45 days after the close of the fiscal quarter and the remainder of the bonus due will be paid after the books have been audited at the end of the fiscal year providing the Company has made its objective in each quarter. Bonuses will be paid as follows:

Number of Quarters Objective was made	Amount of the Bonus Holdback to be Paid
1	25%
2	50%
3	75%
4	100%

A participant who leaves the Company for any reason will forfeit all rights to incentive payments that particular fiscal quarter and fiscal year.

Incentive awards are determined in proportion to the actual operating profit generated for the quarter in relation to the profit goal that was set. If the operating profit achieved is less than 80 percent of goal set, no bonus is paid and the maximum bonus paid at 120 percent of the profit goal.

October 20, 1994

RV INCENTIVE COMPENSATION PLAN
QUARTERLY BONUS FORMULA
1995 FISCAL

Percent of Operating Profit	Bonus % Officer & Exc.	Bonus % Management	Percent of Operating Profit	Bonus % Officer & Exc.	Bonus % Management
80.0	7.50	5.0	100.0	30.00	20.0
80.7	8.25	5.5	100.7	30.75	20.5
81.3	9.00	6.0	101.3	31.50	21.0
82.0	9.75	6.5	102.0	32.25	21.5
82.7	10.50	7.0	102.7	33.00	22.0
83.3	11.25	7.5	103.3	33.75	22.5
84.0	12.00	8.0	104.0	34.50	23.0
84.7	12.75	8.5	104.7	35.25	23.5
85.3	13.50	9.0	105.3	36.00	24.0
86.0	14.25	9.5	106.0	36.75	24.5
86.7	15.00	10.0	106.7	37.50	25.0
87.3	15.75	10.5	107.3	38.25	25.5
88.0	16.50	11.0	108.0	39.00	26.0
88.7	17.25	11.5	108.7	39.75	26.0
89.3	18.00	12.0	109.3	40.50	27.0
90.0	18.75	12.5	110.0	41.25	27.5
90.7	19.50	13.0	110.7	42.00	28.0
91.3	20.25	13.5	111.3	42.75	28.5
92.0	21.00	14.0	112.0	43.50	29.0
92.7	21.75	14.5	112.7	44.25	29.5
93.3	22.50	15.0	113.3	45.00	30.0
94.0	23.25	15.5	114.0	45.75	30.5
94.7	24.00	16.0	114.7	46.50	31.0
95.3	24.75	16.5	115.3	47.25	31.5
96.0	25.50	17.0	116.0	48.00	32.0
96.7	26.25	17.5	116.7	48.75	32.5
97.3	27.00	18.0	117.3	49.50	33.0
98.0	27.75	18.5	118.0	50.25	33.5

98.7	28.50	19.0	118.7	51.00	34.0
99.3	29.25	19.5	119.3	51.75	34.5
			120.0	52.50	35.0

WINNEBAGO INDUSTRIES, INC.
1994 ANNUAL REPORT

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. Motor home and van conversion sales represent more than 80 percent of the Company revenues. These vehicles are sold through dealer organizations primarily under the Winnebago(R), Itasca(R), Elante'(R), Vectra(R), Rialta(TM) and Luxor(TM) brand names. The Company markets its recreation vehicles on a wholesale basis to a broadly diversified organization of approximately 325 dealers located throughout the United States, and to a limited extent, in Canada and other foreign countries.

Winnebago Industries also owns an 80 percent interest in Cycle-Sat, Inc., a telecommunications service firm that is a leading distributor of television and radio commercials using satellite, fiber optic and digital technologies. In addition to Cycle-Sat, service revenue includes floor plan financing of dealer inventories of the Company's products provided by the Company's subsidiary, Winnebago Acceptance Corporation. In fiscal years prior to 1994, service revenues also included revenues from the Company's subsidiary, North Iowa Electronics, Inc., which was sold during fiscal 1993.

MOTOR HOME PRODUCT CLASSIFICATION
The principal kinds of recreation vehicles manufactured by the Company in fiscal 1994 include:

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 and driver's compartment are designed and produced by Winnebago Industries, Inc. Class A Motor Homes from Winnebago Industries include: Winnebago Brave(R), Warrior(R), Chieftain(R) and Adventurer(R); Itasca Sunrise(R), Suncruiser(R) and Passage(R); Elante'(R); Vectra(R); and Luxor(TM).

CLASS B VAN CAMPERS
A panel-type truck to which Winnebago Industries adds any two of the following conveniences: sleeping, kitchen and toilet facilities, also 110-volt electrical hook-up, fresh water storage, city water hook-up and a top extension to provide more head room. The Class B Van Camper from Winnebago Industries is the EuroVan Camper manufactured for Volkswagen of America.

CLASS C MOTOR HOMES (MINI)
These are mini motor homes built on 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 300(TM) and Minnie Winnie(R); Itasca Spirit(R) and Sundancer(R); and the new Rialta(TM).

VAN CONVERSIONS
The Company converted conventional vans manufactured by all major U.S. suppliers by adding custom interiors, custom exterior decor and, in some versions, additional windows and vents.

ABOUT THE COVER
Depicted on the cover is the exterior graphics design from the 1994 Winnebago Adventurer motor home. Much time, energy and thought goes into each and every design, so we thought it would be of interest to readers to view this unique artwork.

FINANCIAL HIGHLIGHTS

(dollars in thousands, except per share data)	Fiscal year ended August 27, 1994	August 28, 1993	Percent Change
STATEMENT OF OPERATIONS			
Manufactured products revenues	$432,406	$364,860	18.5%
Service revenues 19,710	19,223		2.5
Income before cumulative effect of accounting change	17,445	9,278	88.0
Cumulative effect of accounting change	(20,420)	--	--
Net income (loss)(2,975) 9,278 Income (loss) per common share:			
Income before cumulative effect of accounting change	.69	.37	86.5
Net income (loss)	(.12)	.37	
Weighted average number of shares and			
equivalents outstanding	25,187,000	25,042,000	
Balance Sheet			
Working capital	$ 58,523	$ 44,669	31.0
Current ratio	2.1 to 1	1.9 to 1	
Total assets	$183,959	$157,050	17.1
Long-term debt	$ 4,140	$ 3,183	30.1
Stockholders' equity	$ 79,710	$ 81,693	(2.4)
Other Statistics			
Motor home unit sales			
Class A	6,820	6,095	11.9
Class B	376	--	--
Class C	1,862	1,998	(6.8)

Total	9,058	8,093	11.9
Van conversion sales	1,020	1,103	(7.5)

[GRAPH] TOTAL NET REVENUES (IN MILLIONS) for the years 1992-$295, 1993-$384 and 1994-$452

[GRAPH] INCOME (LOSS) (IN MILLIONS) for the years 1992*-$(1.8), 1993-$9.3 and 1994*-$17.4

[GRAPH] INCOME (LOSS) PER SHARE for the years 1992*-$(.07), 1993-$.37 and 1994*-$69

*Before cumulative effect of accounting changes and discontinued operations.

LETTER TO SHAREHOLDERS

TO OUR SHAREHOLDERS
Fiscal 1994 was a record year for revenues and the third year of improved operating performance for Winnebago Industries. This achievement reflects our continuing, relentless commitments to quality, value and broadening the Winnebago Industries line of motor homes. We have also built a solid foundation for growth at Cycle-Sat, our telecommunications subsidiary. This rapidly growing business was profitable in 1994, and we feel it is poised for significant growth.

FINANCIAL RESULTS
For the year ended August 27, 1994, revenues increased 18 percent to a record $452.1 million, while income before the cumulative effect of a required accounting change increased 88 percent to $17.4 million, or 69 cents per share. This compares to net income of $9.3 million, or 37 cents per share, for fiscal 1993.

In the first quarter of fiscal 1994, the Company adopted the remaining portions of Financial Accounting Standards Board (FASB) No. 106, which relates to health care and to other benefits provided to retirees. (Certain provisions of FASB No. 106 were adopted in fiscal 1992.) The cumulative effect of this required change was a one-time, non-cash earnings reduction of $20.4 million, or 81 cents per share. In the fourth quarter, the Company recognized a tax credit of $1.3 million, or 5 cents per share, as a result of the Company's improved operating results which increases the likelihood of the Company realizing its tax assets. After the recognition of tax credit and the accounting principle change, the fiscal 1994 net loss was $3.0 million, or 12 cents per share.

[GRAPH] MOTOR HOME REGISTRATIONS TOTAL INDUSTRY (UNITS IN THOUSANDS) for the fiscal years 1992-39.1, 1993-40.3 and 1994-47.0.

OPERATING REVIEW
Sales of manufactured products, primarily motor homes, increased 19 percent to $432.4 million. This strong gain was achieved despite a fourth-quarter shortage of Class C chassis and parts for our new Rialta motor home. According to Statistical Surveys, Inc., Winnebago Industries achieved a 16.8 percent share of the motor home market for calendar 1994 through August 31, 1994, giving us a strong number two market share, more than twice the level of our next closest competitor. In addition, we are pleased to report that Winnebago motor homes are the top selling brand in the world.

Winnebago Industries' strong motor home performance reflects a fundamental commitment to quality and value, and to building strong dealer and consumer relationships. We involve our employees in continuously seeking ways to reduce cost without sacrificing quality. In addition, our emphasis on quality helped significantly reduce warranty expense, as a percent of recreation vehicle revenues, in each of the last five fiscal years.

In the second half of the year, we introduced three motor home models that should add incremental volume in 1995. They are the EuroVan Camper, sold through VW distributors, the upscale Luxor and the all-new fuel efficient front-wheel-drive Rialta.

We also took important steps to expand our presence in Europe, a larger market than the United States. In March, we held a grand opening of a new sales, service and technical facility near Saarbrucken, Germany.

Cycle-Sat achieved a 27 percent increase in sales to $18.9 million, and a $3.0 million improvement in operating profit to $1.1 million. The subsidiary was profitable in each quarter of fiscal 1994 and particularly benefitted from strong movie promotion on television during the summer of 1994. Cycle-Sat completed performance testing of its new Flat Antenna, for which it has exclusive North American marketing and worldwide manufacturing rights. We have received our first order for this product for home and business applications.

GROWTH STRATEGIES

Our fundamental growth strategies are clear and straightforward. We will work to:

* Increase our motor home market share by maintaining an emphasis on quality and value, and by building strong dealer and consumer relationships.

* Involve our employees in identifying and implementing programs that keep Winnebago Industries a low-cost motor home producer without sacrificing quality.

* Develop motor homes that suit a range of lifestyles across a broad spectrum of price points.

*   Increase our presence in promising overseas markets, such as Europe and Japan.

*   Expand the scope of Cycle-Sat's business to increase its sales and profitability.

The objective of these strategies is to increase shareholder value significantly. This is a fundamental goal of Winnebago Industries' management.

MANAGEMENT
We continued to strengthen our management team. The Company's board of directors named Fred Dohrmann chief executive officer. Fred is a long-time Winnebago employee who understands the importance of providing consumers with "best-buy" products. Francis Zrostlik, president/director of Stellar Industries and a member of the board from 1979 to 1986, was re-elected a director, bringing the board to eight members.

OUTLOOK
We enter 1995 with a strong lineup of motor home models that have received excellent dealer and consumer acceptance. In addition to new models, we have incorporated significant new design, interior and engineering features on many current models. While it is too early to predict what 1995 will bring, we are encouraged by long-term motor home trends. Buyers age 50 and older are increasing, and we are seeing more younger buyers, 35 to 49, purchasing motor homes for weekend and vacation travel. We also look forward to a good year at Cycle-Sat. Thank you for your support and interest in Winnebago. Sincerely,

John K. Hanson	Fred G. Dohrmann
Chairman of the Board	President and
	Chief Executive Officer

November 3, 1994

[PHOTO]

[CAPTION: Winnebago Industries' executive management team is shown with a new 1995 wide-body Winnebago Adventurer. Shown from left to right are: Bruce Hertzke, Jim Jaskoviak, Jerry Clouse, Ray Beebe, Ed Barker, President and Chief Executive Officer Fred Dohrmann, Chairman John K. Hanson, Sharon Hansen, and Paul Hanson. (See inside back cover for details on these Company officers.)]

REVIEW OF OPERATIONS
Over the past three years, a strengthening economy and changing demographics of motor home buyers have fueled growth in the recreation vehicle (RV) industry. Sales of Class A and conventional Class C (excluding micro-mini) Winnebago Industries motor homes rose during fiscal 1994. This increase was led by the conventional Class C segment during fiscal 1994 which recorded a gain of 26.5 percent in retail sales volume and 28.5 percent in wholesale sales volume compared to the same period a year ago.

Extensive consumer research revealed that demographics for motor home buyers are changing. Traditionally, buyers are aged 50 and older, with time and money to enjoy leisure travel and outdoor recreation. Today, more "baby boomers," aged 35 to 49, are purchasing vehicles for weekend and vacation travel. Our new 1995 motor homes were developed to delight all customers, including younger and first-time buyers. Models were updated with more modern conveniences and comforts, while price-points were broadened within product lines. The new models have been enthusiastically received, with initial dealer orders in fiscal 1995 significantly ahead of last year.

[PHOTO]
[CAPTION: A leader in innovation, Winnebago Industries has a patent pending on the Itasca Suncruiser's unique new hydraulic room extension design. The slide-out on this Suncruiser 34RQ model provides an open and spacious living area for full-time active enjoyment.]

We have purposefully worked to differentiate models within our 1995 Class A line, beginning with redesigns of our Winnebago and Itasca models. The Winnebago Adventurer was remodeled as a wide-body unit (approximately 102 inches wide), lending itself to increased design flexibility. Available in five models, including a rear engine diesel pusher, the Adventurer ranges from 30 to 34 feet in length.

The 1995 Itasca Suncruiser is the first motor home in the RV industry to offer a new hydraulic room extension system from HWH Corporation, expanding the width of the motor home by nearly three feet. Available on three of the six Suncruiser models, the slider portion is approximately 13 feet long and provides for an open and spacious living area.

Another Class A motor home, the mid-priced, bus-styled Vectra, now has five popular models, ranging from 31 to 37 feet in length.

The Winnebago Brave and the Itasca Sunrise motor homes, our most popular models, were expanded to include new 1995 diesel pusher models, offering the long-term economic advantages of increased fuel mileage and engine longevity, as well as floor plan flexibility and added space for the driver and copilot.

The Winnebago Warrior and Itasca Passage are economical introductions to the RV lifestyle. With three floor plans from 23 to 25 feet in length, the Warrior and Passage contain all the necessities for a comfortable vacation in a compact, efficient layout.

The Luxor, a new premium motor home, was introduced late in fiscal 1994. The opulent vehicle is our top-of-the-line entry into the wide-body, bus-styled market. Strong initial orders indicate the success of this model.

Several changes were made in our 1995 conventional Class C lineup as well. The new fuel-efficient, front-wheel-drive Rialta motor home was introduced in limited quantities late in fiscal 1994. The Rialta utilizes a cab and drivetrain components from Volkswagen AG in Germany, provided under an exclusive contract with Volkswagen United States, Inc. This compact, multi-purpose vehicle has distinctive European styling and uni-body construction.

Other Class C products include Winnebago Minnie 300 and Itasca Spirit lines which feature four models in different configurations ranging from 21 feet to nearly 29 feet in length. The upgraded Winnebago Minnie Winnie and Itasca Sundancer lines are available in three models, including two wide-body designs for 1995. Our Class C market share should benefit as production of the Rialta, classified as a low-profile Class C, continues to expand.

In developing the Rialta project, part of our agreement with Volkswagen involved production of a EuroVan Camper conversion package for Volks-wagen AG. Approximately 120 Volkswagen dealers have signed agreements to sell and service the new pop-top EuroVan Camper for the U.S. market.

CUSTOMER DRIVEN

A "Customer Driven" attitude at Winnebago Industries fosters a strong, lasting relationship with dealers and retail customers. We are committed to developing products that satisfy customers needs and achieve high quality standards.

[PHOTO]

[CAPTION: The Rialta, a revolutionary new front-wheel-drive motor home was introduced by Winnebago Industries offering fuel efficiency, aerodynamic styling and full motor home features. The Rialta is a multi-purpose, compact vehicle just under 21 feet in length.]

Employees have been empowered to take pride in the products they are manufacturing though involvement in action teams, quality circles and cost-saving suggestion programs. This has made a significant impact on the quality of our products. Over the past five years, warranty expenses have been dramatically reduced as a percentage of revenues and Winnebago Industries has won more "Best Buy" awards from Consumers Digest magazine than any other motor home manufacturer.

Our dealers also are encouraged to suggest quality and product improvement ideas. A dealer council was created for Winnebago and Itasca, representing the dealers currently selling and servicing Winnebago Industries products. In fiscal 1994, every dealer was presented with a free membership in the Winnebago-Itasca Travelers (WIT) Club to encourage them to actively participate in WIT activities.

Owners of new or used Winnebago Industries vehicles are eligible for membership in the many chapters of the WIT Club. Members may participate in numerous national, state, local and special motor home rallies, caravans and other events throughout the year. In addition, they are entitled to special discounts and services such as mail forwarding, trip routing and emergency road service. With approximately 12,000 members internationally, the club has proven to be a valuable sales tool, fostering fellowship between its members and the Company. We celebrated the 25th anniversary of the WIT Club during the Grand National Rally in Forest City, Iowa, this past summer.

A separate owner's club also was created especially for race fans. Stock car racing is the largest spectator sport in the United States, attracting thousands of RV travellers each year. Winnebago Industries and the National Association for Stock Car Auto Racing (NASCAR) signed a three-year agreement making Winnebago "The Official Motor Home of NASCAR" and giving us the rights to use NASCAR official status in advertising and promotions. Members of our "Winnebago Motorsports Team" are eligible to park in "Winnebago Pit Road," preferred camping locations at racing events which feature special activities such as celebrity autograph sessions and seminars.

[PHOTO]

[CAPTION: The Luxor is the most luxurious motor home Winnebago Industries has ever produced. From the fine leather upholstery to the solid brass fixtures, the Luxor has the decor and features found in premium high-line motor homes.]

EXPANDING INTERNATIONALLY

The improving international economy helped Winnebago Industries' overseas growth. Each of the Company's major international representatives has moved their operations to better facilitate access to our customers and provide room for further growth.

To strengthen its presence in continental Europe, Winnebago Industries Europe GmbH moved into a 6.5 acre complex near Saarbrucken, Germany. In addition to office and warehousing space, the facility has garages for modification of motor homes to meet the technical requirements of each European country.

Mitsubishi Corporation, our Japanese distributor, moved their RV offices to a prime sales location in Tokyo. In addition, Dudley's American Motorhomes Ltd., our distributor in the United Kingdom and Ireland, purchased a new, much larger facility on 6.5 acres of land near Ducklington.

ADDITIONAL WINNEBAGO PRODUCTS

Law enforcement agencies find that mobile command units are useful in maintaining visibility in neighborhoods. Many service providers ranging from medical clinics to hair salons are going to their customers rather than having their customers come to them. As a result, we expanded production of commercial vehicles, especially customized motor home shells, for a wide variety of applications.

The name "Winnebago" has become a household word and, as such, has a high intrinsic value. To capitalize on the franchise value of the name, we license its use on products such as tents, camping equipment, shoes, clothing and toys. We even developed a collector card series, offering a glimpse into memorable events and products from Winnebago Industries' history.

OTHER MANUFACTURING

Original equipment manufacturer (OEM) sales of component parts, such as aluminum extrusions, metal stampings, rotational moldings, vacuum-formed plastics and fiberglass, to outside manufacturers continued to increase. Growth of 24 percent was realized in fiscal 1994, with sales of $24.0 million versus $19.4 million for the prior year, providing $2.8 million of operating income for fiscal 1994. Over the past four years, OEM sales have more than doubled.

[PHOTO]
[CAPTION: The new EuroVan Camper is based on Volkswagen's extended wheel-base EuroVan and is being converted by Winnebago Industries. It sleeps four and includes a stove, large cabinets, refrigerator, pop-top roof, propane heater and more.]

CYCLE-SAT, INC.

By using the latest innovations in satellite, fiber optic and digital technologies, Cycle-Sat has grown to become a leading high-speed distributor of television and radio commercials. Today, Cycle-Sat serves more than 625 advertising agencies and corporate clients by distributing commercials and airing instructions to approximately 545 television stations in the United States and Canada.

Advertising agencies that need additional time to edit a commercial and corporations that distribute commercials to one or more television stations within several hours of airing particularly appreciate Cycle-Sat's service and speed. On the receiving end, traffic coordinators at television stations appreciate Cycle-Sat's technology. Instead of handling tape boxes or matching spot commercials with broadcast instructions, the coordinators just pull the commercials and traffic instructions from the satellite feed.

Fiscal 1994 was a year of strong growth and profitability for Cycle-Sat. Sales grew 27 percent to $18.9 million. This growth, along with the fixed nature of many of Cycle-Sat's costs, raised its operating profit to $1.1 million, an improvement of $3.0 million.

Fourth quarter sales were particularly strong, benefitting from television commercials previewing a record number of upcoming movies. During the year, 19 television stations joined the Cycle-Sat network.

Since its inception, Cycle-Sat has embraced technologies and business practices to better serve its expanding customer base. The company's patented Cyclecypher equipment allows the direct and automatic distribution of television commercials and traffic instructions to specific television and radio stations. This unique satellite shuttle service operates 24 hours a day, seven days per week and offers point-to-point video information delivery in two hours or less.

[GRAPH] CYCLE-SAT NET REVENUE (IN MILLIONS) for the years 1992-$10.2, 1993-$14.8 and 1994-$18.9

[GRAPH] CYCLE-SAT OPERATING PROFIT (LOSS) (IN MILLIONS) for the years 1992-$(3.6), 1993-$(1.9) and 1994-$1.1

FLAT ANTENNA

This year, independent performance testing was successfully completed on Cycle-Sat's new Flat Antenna. This revolutionary engineering approach allows businesses and individuals to receive satellite signals with performance comparable to the one-meter parabolic industry standard. Cycle-Sat has received its first order for the Flat Antenna, for which it has exclusive North American marketing and worldwide manufacturing rights and is providing units for evaluation to prospective customers.

The Flat Antenna mounts flush along the side or top of a structure, thus reducing the chance of wind damage and eliminating the need for building permits. The antenna can be painted with non-metallic paint to blend into the background. The antenna need not directly face the satellite as with parabolic dishes. And due to its narrow band frequency and frequency selective focusing characteristics, the Flat Antenna is less susceptible to ground-based interference.

[PHOTO]
[CAPTION: The Cycle-Sat Flat Antenna is truly a revolutionary antenna design. Completely flat and extremely thin, it does not need to directly face the transmitting satellite to provide signal reception. Only the Low Noise Block Downconverter and support arms protrude from the roof line or wall surface. This reduces wind effect on the antenna while providing superior aesthetic benefits, particularly where local building codes restrict antenna installations.]

[PHOTO]
[CAPTION: Made of high-quality, exterior-grade molded plastic, the Flat Antenna is very lightweight and its low structural profile often reduces the need for a heavy mounting frame. The antenna can often be configured for simultaneous multi-satellite receptions.]

[PHOTO]
[CAPTION: Cycle-Sat has two technical operations centers, one in Memphis, Tenn., and a second in Forest City, Iowa. In addition to operating a continuous satellite shuttle service, the centers offer closed captioning, as well as post-production services, including editing and tagging television and radio commercials.]

SELECTED FINANCIAL DATA

	Fiscal year ended(1)				
(dollars in thousands, except per share data)	August 27, 1994	August 28, 1993	August 29, 1992	August 31, 1991	August 25, 1990

STATEMENT OF OPERATIONS

Net revenues	$ 452,116	$384,083	$ 294,994	$ 222,648	$ 332,833
Income (loss) from continuing operations	17,445	9,278	(1,769)	(16,271)	(14,566)
Loss from discontinued operations	--	--	(1,026)	(13,110)	(3,269)
Cumulative effect of accounting change	(20,420)	--	(7,774)	--	--
Net income (loss)	(2,975)	9,278	(10,569)	(29,381)	(17,835)
Per share data:					
Income (loss) from continuing operations	.69	.37	(.07)	(.65)	(.59)
Loss from discontinued operations	--	--	(.04)	(.53)	(.13)
Cumulative effect of accounting change	(.81)	--	(.31)	--	--
Net income (loss)	(.12)	.37	(.42)	(1.18)	(.72)
Cash dividends	--	--	--	--	.10
Balance Sheet					
Total assets	$ 183,959	$157,050	$ 139,761	$ 135,132	$ 198,394
Long-term debt	4,140	3,183	3,113	3,938	3,550
Stockholders' equity	79,710	81,693	72,078	82,584	111,162
Working capital	58,523	44,669	37,424	35,442	60,267
Current ratio	2.1 to 1	1.9 to 1	1.8 to 1	1.9 to 1	1.9 to 1

(1) The fiscal year ended August 31, 1991 contains 53 weeks; all other fiscal years in the table contain 52 weeks.

This selected financial data should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the Consolidated Financial Statements and Notes thereto which appear elsewhere in this report.

INTERIM FINANCIAL INFORMATION (UNAUDITED)

(dollars in thousands, except per share data)

	Quarter ended			
FISCAL 1994	November 27, 1993	February 26, 1994	May 28, 1994	August 27, 1994
Net revenues	$ 104,556	$99,001	$129,666	$118,893
Operating income	3,577	1,271	8,093	3,853
Income from continuing operations(2)	3,742	1,281	7,335	5,087
Net (loss) income	(16,678)	1,281	7,335	5,087
Income from continuing operations per share(2)	.15	.05	.29	.20
Net (loss) income per share	(.66)	.05	.29	.20

(2) Before cumulative effect of accounting change.

The Company recognized a tax credit of $1.3 million in the fourth quarter ended August 27, 1994, as a result of the Company's improved operating results which increases the likelihood of the Company realizing its tax assets.

	Quarter ended			
FISCAL 1993	November 28, 1992	February 27, 1993	May 29, 1993	August 28, 1993
Net revenues	$83,416	$ 77,462	$115,915	$107,290
Operating income	939	(717)	4,562	3,503
Net income	1,117	407	4,579	3,175
Net income per share	.04	.02	.18	.13

In the fourth quarter ended August 28, 1993, the Company recorded expense of $1,555,000 as a result of the Spectrum motor home recall.

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

GENERAL

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 has generally manufactured recreation vehicles during the entire year, both for immediate delivery and for inventory to satisfy the peak selling season. During fiscal years when interest rates are high and/or market conditions are uncertain, the Company attempts to maintain a lower level of inventory of recreation vehicles.

RESULTS OF OPERATIONS

FISCAL 1994 COMPARED TO FISCAL 1993

Net revenues for manufactured products for fiscal 1994 increased $67,546,000, or 18.5 percent, from fiscal 1993. Motor home shipments (Class A, B and C) increased by 965 units, or 11.9 percent, during fiscal 1994 when compared to fiscal 1993. The relatively higher growth in dollar sales is due to an increase in volume of higher-priced Class A models. The Company anticipates demand for its RV products will continue to grow in fiscal 1995 due to continued acceptance of the new models in the Company's RV products lineup.

Service revenues for fiscal 1994 increased $487,000, or 2.5 percent, from fiscal 1993. Cycle-Sat, Inc. (Cycle-Sat) recorded revenues of $18,900,000, an increase of $4,042,000, or 27.2 percent, due to increased revenues from established customers as well as revenues generated with new customers. Negatively impacting fiscal 1994 service revenues, was the absence of revenues of NIE (an electronic component assembly business), which was sold during August 1993.

Cost of manufactured products, as a percent of manufactured product revenues, was 86.0 percent for fiscal 1994 compared to 86.7 percent during fiscal 1993. This decrease primarily reflects a shift in shipments to a more favorable product mix and to an increase in motor home production volume.

Cost of services, as a percent of service revenues, decreased during fiscal 1994 to 58.2 percent from 76.1 percent during fiscal 1993. This percentage decrease can be attributed to the increase in Cycle-Sat revenues and to a reduction in lease expense at Cycle-Sat due to a renegotiation of its satellite lease agreement.

Selling and delivery expenses increased $5,007,000 to $26,882,000 and, as a percentage of net revenues, to 5.9 percent from 5.7 percent when comparing fiscal 1994 to fiscal 1993. The increases can be attributed primarily to increased promotional and advertising expenses.

General and administrative expenses increased by $1,148,000 to $24,536,000 when comparing fiscal 1994 to fiscal 1993, but decreased as a percentage of net revenues to 5.4 percent from 6.1 percent. The increase in dollars primarily reflects an increase in the Company's product liability settlements and increased spending by Cycle-Sat.

Other expense was $262,000 in fiscal 1994 compared to $188,000 in fiscal 1993. The primary reasons for the change when comparing the two periods were an expiration of leases which generated lease income for Winnebago Acceptance Corporation (WAC) during fiscal 1993 offset partially by reduced costs incurred by the Company under its repurchase agreements with lending institutions who have provided wholesale floor plan financing to the Company's dealers.

For fiscal 1994, the Company had a net financial expense of $661,000 compared to $96,000 during fiscal 1993. During fiscal 1994, the Company recorded an interest payment to the Internal Revenue Service of $419,000 relating to the resolution of pending income tax return issues and $395,000 of realized and unrealized losses in its marketable securities portfolio. During fiscal 1993, the Company recorded a consolidated foreign exchange loss of $245,000, principally due to Winnebago Industries, Europe (WIE) operations and interest expense of $598,000. Partially offsetting this was income from interest and dividends of $442,000 and realized gains of $355,000 in the Company's marketable securities portfolio.

For fiscal 1994, the Company reported income before the cumulative effect of an accounting change of $17,445,000 which consisted primarily of income from RV operations of $13,800,000 and from Cycle-Sat operations of $695,000. Credit for income taxes of $1,312,000 is the result of the increased likelihood of the Company realizing a portion of the deferred tax assets in the future because of improved earnings. In fiscal 1994, the Company was required to adopt the remaining portion of FASB Statement No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" related to health care and other benefits. This change in accounting principle resulted in a cumulative non-cash charge at the beginning of fiscal 1994 of $20,420,000, or $.81 per share.

For fiscal 1993, the Company reported net income of $9,278,000 which consisted primarily of income from RV operations of $11,922,000 and a loss from Cycle-Sat operations of $2,021,000. Credit for income taxes of $1,087,000 was the result of an IRS settlement. During fiscal year 1993, taxable income was offset by net operating loss carryforwards.

For fiscal 1994, the Company had a net loss of $2,975,000, or $.12 per share, compared to fiscal 1993's net income of $9,278,000, or $.37 per share.

FISCAL 1993 COMPARED TO FISCAL 1992

Net revenue for manufactured products for fiscal 1993 increased $83,736,000, or 29.8 percent, from fiscal 1992. Motor home shipments (Class A and C) increased by 1,507 units, or 22.9 percent, during fiscal 1993 when compared to fiscal 1992. This growth in sales is due to an increase in the market share of Winnebago products and an increase in the overall market for Class A and C motor homes. Additionally, the Company's expansion of product lines led to the most complete motor home lineup in the Company's history and resulted in a more favorable sales mix including a greater proportion of larger units.

Service revenues for fiscal 1993 increased $5,353,000, or 38.6 percent, from fiscal 1992. This increase can be attributed primarily to Cycle-Sat, due to increased revenues from established customers as well as revenues generated with new customers.

Cost of manufactured products, as a percent of manufactured product revenues, was 86.7 percent for fiscal 1993 compared to 88.8 percent during fiscal 1992. This decrease primarily reflects an increase in motor home volume.

Cost of services, as a percent of service revenue, decreased during the 1993 fiscal year to 76.1 percent from 94.9 percent during the 1992 fiscal year. This percentage decrease reflects an increase in revenue at Cycle-Sat in relation to Cycle-Sat's fixed costs.

Selling and delivery expenses increased $3,184,000 to $21,875,000, but decreased as a percentage of net revenues to 5.7 percent from 6.3 percent. The increase in dollars primarily reflects increased promotional and advertising expenses. The decrease in percentage primarily reflects an increase in fiscal 1993 revenues.

General and administrative expenses increased by $6,535,000 to $23,388,000 and, as a percentage of net revenues, to 6.1 percent from 5.7 percent when comparing fiscal 1993 to fiscal 1992. The increases primarily reflect the Company reinstating its matching contribution to its 401(k) program, bad debt provisions recorded by WAC and increased spending by Cycle-Sat.

Other expense (income) resulted in an expense of $188,000 in fiscal 1993 compared to income of $952,000 in fiscal 1992. The primary reasons for the change from income to expense when comparing the two periods were a reduction in lease income in fiscal 1993 and increased costs incurred by the Company under its repurchase agreements with lending institutions who have provided wholesale floor plan financing to the Company's dealers.

For fiscal 1993, the Company had a net financial expense of $96,000 compared to $585,000 during fiscal 1992. During fiscal 1993, the Company recorded a consolidated foreign exchange loss of $245,000, principally due to WIE operations and interest expense of $598,000. Partially offsetting this was income from interest and dividends of $442,000 and realized gains of $355,000 in the Company's marketable securities portfolio. During fiscal 1992, the Company recorded realized losses of $592,000 in its marketable securities portfolio and interest expense of $403,000, offset by income from interest and dividends of $384,000.

For fiscal 1993, the Company reported net income of $9,278,000 which consisted primarily of income from RV operations of $11,922,000 and a loss from Cycle-Sat operations of $2,021,000. Credit for income taxes of $1,087,000 was the result of an IRS settlement. During fiscal year 1993, taxable income was offset by net operating loss carryforwards.

For fiscal 1992, the Company reported a net loss of $1,769,000 from continuing operations, which consisted primarily of income from RVoperations of $1,742,000 and a loss from Cycle-Sat operations of $4,169,000. Also in fiscal 1992, the Company recorded a loss from discontinued operations of $1,026,000. In fiscal 1992, the Company was required to adopt FASB Statement No. 106, "Employers Accounting for Postretirement Benefits Other Than Pensions," with respect to individual deferred compensation contracts. This change in accounting principle resulted in a cumulative non-cash charge as of the beginning of fiscal 1992 of $7,774,000, or $.31 per share, and increasing the fiscal 1992 loss from continuing operations and net loss by $1,360,000, or $.05 per share.

For fiscal 1993, the Company had net income of $9,278,000, or $.37 per share, compared to a fiscal 1992 net loss of $10,569,000, or $.42 per share.

ANALYSIS OF FINANCIAL CONDITION, LIQUIDITY AND RESOURCES

FISCAL 1994 CHANGES IN FINANCIAL CONDITION

The Company meets its working capital and capital equipment requirements and cash requirements of subsidiaries with funds generated internally and funds from agreements with financial institutions.

At August 27, 1994, working capital was $58,523,000, an increase of $13,854,000 from the amount at August 28, 1993. Cash provided by operations during fiscal 1994 was $3,409,000. During fiscal 1994, cash flows used by investing activities was $15,756,000 including investments in dealer receivables, long-term notes receivables and capital expenditures. In fiscal 1994, capital expenditures were $9,532,000 compared to $7,671,000 in fiscal 1993.

The Company's sources of liquidity at August 27, 1994 consisted principally of cash and marketable securities in the amount of $4,148,000. The Company has available a $12,000,000 (or 75 percent of eligible inventory, whichever is less) line of credit through a financing and security agreement with NationsCredit Corporation. Additionally, Cycle-Sat has a $3,000,000 (or the sum of the base of 75 percent of Cycle-Sat eligible accounts receivable and 50 percent of its inventory, whichever is less) line of credit with Firstar Bank Cedar Rapids, NA.

Principal expected demands at August 27, 1994 on the Company's liquid assets for fiscal 1995 include approximately $10,350,000 of capital expenditures (primarily equipment replacements), payments on maturities of long-term debt and the payment of cash dividends.

Based on expected cash generated from operations in fiscal 1995 and the above cash and financing resources available, management believes that the Company has adequate sources of financing to finance its 1995 cash requirements.

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.

NET REVENUES BY MAJOR PRODUCT CLASS

	Fiscal year ended(1)				
(dollars in thousands)	August 27, 1994	August 28, 1993	August 29, 1992	August 31, 1991	August 25, 1990
Motor homes	$385,319	$326,861	$245,908	$180,878	$286,713
	85.2%	85.1%	83.4%	81.2%	86.2%
Other recreation vehicle revenues(2)	21,903	17,655	17,126	15,586	22,039
	4.8%	4.6%	5.8%	7.0%	6.6%
Other manufactured products revenues(3)	25,184	20,344	18,090	13,974	11,423
	5.6%	5.3%	6.1%	6.3%	3.4%
Total manufactured products revenues	432,406	364,860	281,124	210,438	320,175
	95.6%	95.0%	95.3%	94.5%	96.2%
Service revenues(4)	19,710	19,223	13,870	12,210	12,658
	4.4%	5.0%	4.7%	5.5%	3.8%
Total revenues	$452,116	$384,083	$294,994	$222,648	$332,833
	100.0%	100.0%	100.0%	100.0%	100.0%

(1) The fiscal year ended August 31, 1991 contains 53 weeks; all other fiscal years in the table contain 52 weeks.

(2) Primarily recreation vehicle related parts and service and van conversions.

(3) Principally sales of extruded aluminum and component products for other manufacturers.

(4) Principally Cycle-Sat revenues from satellite courier and tape duplication services. Also includes in years prior to August 27, 1994, NIE revenues from contract assembly of a variety of electronic products; and in years ended August 27, 1994, August 28, 1993 and August 25, 1990, WAC revenues from dealer financing.

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 October 17, 1994: 13,072

Shares outstanding at year-end: 25,238,988

Below are the New York Stock Exchange high, low and closing prices of Winnebago Industries, Inc. stock for each quarter of fiscal 1994 and fiscal 1993.

FISCAL 1994	High	Low	Close	FISCAL 1993	High	Low	Close
First Quarter	$ 8.875	$ 6.75	$ 8.25	First Quarter	$8.125	$5.125	$7.875
Second Quarter	13.625	8.25	12.625	Second Quarter	9.50	6.75	7.375
Third Quarter	13.875	10.75	11.875	Third Quarter	8.00	5.625	7.00
Fourth Quarter	11.875	8.375	10.25	Fourth Quarter	9.25	6.50	8.75

CONSOLIDATED STATEMENTS OF OPERATIONS

(dollars in thousands, except per share data)	Year ended August 27, 1994	August 28, 1993	August 29, 1992
Revenues			
Manufactured products	$ 432,406	$ 364,860	$ 281,124
Service	19,710	19,223	13,870
Total net revenues	452,116	384,083	294,994
Costs and expenses			
Cost of manufactured products	371,995	316,230	249,498
Cost of services	11,473	14,620	13,165
Selling and delivery	26,882	21,875	18,691
General and administrative	24,536	23,388	16,853
Other expense (income)	262	188	(952)
Minority interest in net income (loss) of consolidated subsidiary	174	(505)	(1,173)
Total costs and expenses	435,322	375,796	296,082
Operating income (loss)	16,794	8,287	(1,088)
Financial expense	(661)	(96)	(585)
Income (loss) from continuing operations before income taxes	16,133	8,191	(1,673)
(Credit) provision for taxes	(1,312)	(1,087)	96
Income (loss) from continuing operations	17,445	9,278	(1,769)
Loss from discontinued operations	--	--	(1,026)
Cumulative effect of accounting changes (note 1)	(20,420)	--	(7,774)
Net income (loss)	$ (2,975)	$ 9,278	$ (10,569)
Income (loss) per share:			
Continuing operations	$ .69	$ .37	$ (.07)
Discontinued operations	--	--	(.04)
Cumulative effect of accounting change	(.81)	--	(.31)
Net income (loss)	$ (.12)	$ .37	$ (.42)
Weighted average number of shares of stock (in thousands)	25,187	25,042	25,016

See notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

(dollars in thousands)	August 27, 1994	August 28, 1993

ASSETS

CURRENT ASSETS		
Cash and cash equivalents	$ 847	$ 11,238
Marketable securities	3,301	2,309
Receivables, less allowance for doubtful accounts ($1,545 and $2,798, respectively)	36,602	29,239
Dealer financing receivables less allowance for doubtful accounts ($279 and $290, respectively)	8,565	6,742
Inventories	55,450	40,610
Prepaid expenses	3,870	3,636
Deferred income taxes	2,252	511
Total current assets	110,887	94,285
PROPERTY AND EQUIPMENT, at cost		
Land	1,539	2,153
Buildings	40,905	38,373
Machinery and equipment	75,139	72,505
Transportation equipment	7,985	5,609
	125,568	118,640
Less accumulated depreciation	83,970	81,012
Total property and equipment, net	41,598	37,628
LONG-TERM NOTES RECEIVABLE, less allowances ($2,024 and $1,362, respectively)	4,884	4,203
INVESTMENT IN LIFE INSURANCE	15,479	11,853
DEFERRED INCOME TAXES	6,260	2,652
OTHER ASSETS	4,851	6,429
TOTAL ASSETS	$183,959	$157,050
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term debt	$ 2,504	$ 1,719
Notes payable	2,300	--
Accounts payable, trade	24,985	19,462
Accrued expenses:		
Insurance	4,175	6,445
Product warranties	3,557	4,091
Vacation liability	3,241	2,864
Promotional	2,111	4,636
Other	9,491	10,399
Total current liabilities	52,364	49,616
LONG-TERM DEBT AND OBLIGATIONS UNDER CAPITAL LEASES	4,140	3,183
POSTRETIREMENT HEALTH CARE AND DEFERRED COMPENSATION BENEFITS	43,391	18,766
DEFERRED INCOME TAXES	2,211	1,823
MINORITY INTEREST IN CONSOLIDATED SUBSIDIARY	2,143	1,969
CONTINGENT LIABILITIES AND COMMITMENTS		
STOCKHOLDERS' EQUITY		
Capital stock, common, par value $.50; authorized 60,000,000 shares	12,911	12,908
Additional paid-in capital	24,175	24,811
Reinvested earnings	49,270	52,245
	86,356	89,964
Less treasury stock, at cost	6,646	8,271
TOTAL STOCKHOLDERS' EQUITY	79,710	81,693
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$183,959	$157,050

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(dollars in thousands)	Year ended August 27, 1994	August 28, 1993	August 29, 1992
Cash flows from operating activities:			
Net income (loss)	$ (2,975)	$ 9,278	$(10,569)
Adjustments to reconcile net income (loss) to net cash from operating activities:			
Cumulative effect of accounting change	20,420	--	7,774
Provision for disposal of Commercial Vehicle Division	--	--	416
Depreciation and amortization	7,798	7,961	8,195
Deferred income taxes	(4,961)	(1,340)	--
Loss (gain) on disposal of property, leases and other assets	(74)	630	507
(Credit) provision for doubtful receivables	(546)	1,496	916
Postretirement benefits and employee stock bonus plan	4,642	2,609	2,031
Realized and unrealized (gains) and losses on investments, net	395	(305)	625

Minority interest in net income (loss) of consolidated subsidiary	174	(505)	(1,173)
Other	(303)	339	(68)
Change in assets and liabilities:			
Increase in receivables and other assets	(6,858)	(1,186)	(4,853)
Increase in inventories	(14,758)	(5,390)	(3,417)
Decrease in income tax refund receivables	--	--	6,339
Increase in accounts payable and accrued expenses	455	4,333	5,063
Net cash provided by operating activities	3,409	17,920	11,786
Cash flows used by investing activities:			
Investments in marketable securities	(9,869)	(7,922)	(18,639)
Proceeds from sale of marketable securities	8,482	7,133	18,094
Purchases of property and equipment	(9,532)	(7,671)	(3,040)
Proceeds from sale of property and equipment	801	101	252
Investments in dealer receivables	(35,120)	(28,424)	--
Collections of dealer receivables	33,336	21,671	--
Investments in long-term notes receivables and other assets	(4,930)	(5,893)	(3,599)
Proceeds from long-term notes receivables and other assets	1,076	294	229
Net cash used by investing activities	(15,756)	(20,711)	(6,703)
Cash flows from financing activities and capital transactions:			
Proceeds from notes payable	2,300	--	--
Payments of long-term debt	(1,850)	(1,528)	(1,064)
Proceeds from issuance of long-term debt	952	1,934	55
Proceeds from issuance of Cycle-Sat common stock	--	--	2,500
Proceeds from issuance of common and treasury stock	554	337	63
Net cash provided by financing activities and capital transactions	1,956	743	1,554
Net (decrease) increase in cash and cash equivalents	(10,391)	(2,048)	6,637
Cash and cash equivalents at beginning of year	11,238	13,286	6,649
Cash and cash equivalents at end of year	$ 847	$ 11,238	$ 13,286

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(amounts in thousands)	Common Shares Number	Common Shares Amount	Additional Paid-In Capital	Reinvested Earnings	Treasury Stock Number	Treasury Stock Amount
Balance, August 31, 1991	25,794	$12,897	$ 25,141	$ 53,536	788	$ 8,990
Proceeds from the sale of common stock to employees	12	6	16	--	(3)	(41)
Net loss	--	--	--	(10,569)	--	--
Balance, August 29, 1992	25,806	12,903	25,157	42,967	785	8,949
Proceeds from the sale of common stock to employees	9	5	(346)	--	(60)	(678)
Net income	--	--	--	9,278	--	--
Balance, August 28, 1993	25,815	12,908	24,811	52,245	725	8,271
Proceeds from the sale of common stock to employees	7	3	(503)	--	(92)	(1,055)
Contribution of treasury stock to employee stock bonus plan	--	--	(133)	--	(50)	(570)
Net loss	--	--	--	(2,975)	--	--
Balance, August 27, 1994	25,822	$12,911	$ 24,175	$ 49,270	583	$ 6,646

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES
NATURE OF BUSINESS:
In fiscal 1994, the Company operated predominantly in three industry segments; the manufacture and sale of recreation vehicles and other manufactured products, the satellite courier and tape duplication business, and floor plan and rental unit financing for selected Winnebago, Itasca, Elante', Vectra, Rialta and Luxor dealers.

SIGNIFICANT ACCOUNTING POLICIES:
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.

In the Consolidated Statements of Operations, service revenues are generated by the satellite courier and tape duplication business, electronic component assembly business (which was sold August 1993), and dealer floor plan financing.

STATEMENT OF CASH FLOWS. For purposes of these statements, cash equivalents include all liquid debt instruments purchased 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 are all based on a 52 week basis.

MARKETABLE SECURITIES. Marketable debt and equity securities are carried at the aggregate of lower of cost or market. Net realized gains and losses on security transactions are determined on the specific identification cost basis. The net change in the investment valuation allowances used in the determination of net earnings is the result of changes in the difference between aggregate cost and market values of items still held as marketable securities at year-end of the respective periods:

	August 27, 1994		August 28, 1993	
(in thousands)	Cost	Market	Cost	Market
Marketable securities	$4,106	$3,301	$2,461	$2,309

Marketable securities fair values are based on quoted market prices.

REVENUE RECOGNITION. Sales are recorded by the Company when products are shipped to independent dealers. Interest income from dealer floor plan and rental program notes receivable are recorded on the accrual basis in accordance with the terms of the loan agreements. Satellite courier and tape duplication revenue is recognized upon satellite transmission or shipment of information.

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 wherever permitted.

PROVISION FOR WARRANTY CLAIMS. Estimated warranty costs are provided at the time of sale of the warranted products.

INCOME TAXES. The Company adopted the Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes," effective the beginning of fiscal 1993. 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 statements and the tax basis of assets and liabilities using enacted tax rates in effect for the years in which the differences are expected to reverse. Prior to fiscal 1993, the Company accounted for income taxes under the provisions of Accounting Principles Board Opinion No. 11 (APB No. 11). The adoption of SFAS No. 109 resulted in no cumulative effect on operations, and the prior years' consolidated financial statements were not restated. (See note 12).

ALLOWANCE FOR DOUBTFUL ACCOUNTS. Allowance for doubtful accounts are based on previous loss experience. Additional amounts are provided through charges to income as management feels 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.

ACCOUNTING CHANGES. During fiscal 1992, the Company adopted SFAS No. 106, "Employers Accounting for Postretirement Benefits Other Than Pensions" with respect to individual deferred compensation contracts. This change in accounting principle resulted in a cumulative non-cash charge as of September 1, 1991 of $7,774,000, or $.31 per share. In addition, as a result of the adoption of this new standard, the loss from continuing operations and net loss for fiscal 1992 were increased by approximately $1,360,000, or $.05 per share.

In fiscal 1994, the Company was required to adopt SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" related to health care and other benefits. SFAS No. 106 requires the Company to accrue the estimated cost of retiree benefit payments during the years the employee provides services. SFAS No. 106 allows recognition of the cumulative effect of the liability in the year of adoption or the amortization of the obligation over a period of up to 20 years. The Company elected to recognize the cumulative effect of this obligation. The cumulative effect as of the beginning of fiscal 1994 for adopting SFAS No. 106 was an accrual of postretirement health care costs of $20,420,000 and a decrease in net earnings of $20,420,000 ($.81 per share), which has been included in the Company's consolidated statements of operations for fiscal year ended August 27, 1994.

The effect of adopting SFAS No. 106 on income from operations for the fiscal year ended August 27, 1994 was a decrease of $2,943,000 ($.12 per share). See note 10 for further information regarding the Company's postretirement health care costs.

In addition, there are several new accounting pronouncements which have been issued that the Company must adopt within the next two fiscal years; however, the Company does not believe the new accounting pronouncements will significantly affect the Company's financial condition or operating results.

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

NOTE 2: DISCONTINUED OPERATIONs

In September 1991, the Company adopted a formal plan to discontinue the Commercial Vehicle Division which manufactured delivery vans and shuttle buses. As part of such plan, the Company discontinued production during fiscal 1992. The Company's plan to sell the operation during fiscal 1992 was not successful, therefore, the Company decided to liquidate the assets of the Commercial Vehicle Division and recorded a $1,026,000 charge to liquidate such assets. The net assets were liquidated in fiscal 1994. As of August 28, 1993, other assets included $481,000 of net assets, which primarily consisted of inventory and equipment, associated with discontinued operations.

NOTE 3: SALE OF NORTH IOWA ELECTRONICS, INC.
In August 1993, the Company sold certain assets and liabilities of its electronic component assembly business, North Iowa Electronics, Inc. (NIE). Under the terms of the agreement, the net assets of NIE were sold for $100,000 in cash and a $1.6 million promissory note. The note receivable is collateralized by receivables, inventory and fixed assets. The note has an interest rate of 8 percent and requires monthly principal and interest payments through March 1997 at which time the entire unpaid principal balance and interest are due. At August 27, 1994, the promissory note receivable balance was $1,576,000.The gain on the sale of $277,000 has been deferred until the Company is certain the buyer can generate sufficient cash flows from operating activities to retire the note. NIE's operations were not material in relation to the Company's results of operations or financial condition.

NOTE 4: DEALER FINANCING RECEIVABLES
Dealer floor plan receivables are collateralized by recreation vehicles and are due upon the dealers' sale of the vehicle with the entire balance generally due at the end of one year. At August 27, 1994, the Company had certain concentration of credit risks whereby $7,349,000 of dealer financing receivables were from one dealer located on the West Coast.

Rental program receivables are collateralized by recreation vehicles and provide for a 10 percent down payment and a 2 percent monthly reduction of the outstanding balance with the balance due in full at the end of one year.

NOTE 5: INVENTORIES
Inventories consist of the following:

(dollars in thousands)	August 27, 1994	August 28, 1993
Finished goods	$21,675	$16,578
Work in process	13,807	11,051
Raw materials 33,800	26,614	
	69,282	54,243
LIFO reserve	13,832	13,633
	$55,450	$40,610

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

NOTE 6: GUARANTEED OPERATING LEASES
During fiscal years 1988 through 1992, Cycle-Sat entered into various non-cancellable operating leases, of which certain leases have been guaranteed by Winnebago Industries. These leases expire between 1994 and 1999. Rent expense of $2,070,000, $2,218,000 and $2,939,000 was recorded under these leases during the years ended August 27, 1994, August 28, 1993 and August 29, 1992, respectively. Future minimum lease payments under such leases are as follows (dollars in thousands): 1995 - $2,353; 1996 - $2,302; 1997 - $1,081; 1998 - $214; 1999 - $26. Total future minimum lease payments are $5,976,000 of which $1,221,000 is guaranteed by Winnebago Industries.

NOTE 7: LONG-TERM NOTES RECEIVABLE
Long-term notes receivable of $4,884,000 and $4,203,000 at August 27, 1994 and August 28, 1993, respectively, are primarily collateralized by dealer inventories and real estate. The notes had weighted average interest rates of 7.47 percent and 7.91 percent at August 27, 1994 and August 28, 1993, respectively, and have various maturity dates ranging through March 1999.

NOTE 8: NOTES PAYABLE
Short-term lines of credit and related borrowings outstanding at fiscal year-end are as follows:

	Available Credit Lines		Outstanding		Interest Rate	
(dollars in thousands)	Aug. 27, 1994	Aug. 28, 1993	Aug. 27, 1994	Aug. 28, 1993	Aug. 27, 1994	Aug. 28, 1993
Notes payable:						
NationsCredit	$12,000	$12,000	$ --	$ --	--	--
Firstar Bank	3,000	--	2,300	--	9.0%	--
	$15,000	$12,000	$2,300	$ --		

	Maximum Outstanding			Average Outstanding			Weighted Average Interest Rate During Year*		
(dollars in thousands)	Aug. 27, 1994	Aug. 28, 1993	Aug. 29, 1992	Aug. 27, 1994	Aug. 28, 1993	Aug. 29, 1992	Aug. 27, 1994	Aug. 28, 1993	Aug. 29, 1992
Notes payable:									
ITT	$ --	$ --	$2,509	$ --	$ --	$ 96	--	--	10.7%
NationsCredit	7,000	10,500	3,000	951	3,937	173	6.1%	7.1%	6.7%
Firstar Bank	2,300	--	--	$1,030	--	--	8.4%	--	--
Total notes payable				$1,981	$3,937	$269			

* Based on the approximate average aggregate amount outstanding during the year and the cost of borrowing.

The Company and Cycle-Sat entered into a $3,000,000 line of credit with Firstar Bank Cedar Rapids dated February 24, 1994. Terms of the agreement limit the amount advanced to the lesser of $3,000,000 or the sum of the base of 75 percent of Cycle-Sat's eligible accounts receivable and 50 percent of its inventory. The agreement provides for a declining interest rate based on future increases in the tangible net worth of Cycle-Sat and contains a restrictive covenant related to the maintenance of a minimum tangible net worth as defined in the agreement. Cycle-Sat was in compliance with this covenant as of August 27, 1994. Borrowings under the line of credit are secured by Cycle-Sat's accounts receivables and inventories and have been guaranteed by the Company. The line of credit expires January 31, 1995. The outstanding balance under the line of credit at August 27, 1994 was $2,300,000 with an interest rate of 9.0 percent per annum. As of August 27, 1994, Cycle-Sat had $573,000 of unused borrowings available.

Since March 1992, the Company has had a $12,000,000 financing and security agreement with NationsCredit Corporation (NationsCredit) formerly Chrysler First Commercial Corporation. Terms of the agreement limit borrowings to the lesser of $12,000,000 or 75 percent of eligible inventory (fully manufactured recreation vehicles ready for delivery to a dealer). Borrowings are secured by the Company's receivables and inventory. The agreement requires a graduated interest rate based upon the bank's reference rate as defined in the agreement. The line of credit is available for a term of one year and continues during 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 prohibits any advances, loans or additional guarantees of any obligation to any subsidiary or affiliate in excess of $5,000,000 or $7,500,000 in the aggregate for all subsidiaries and affiliates from the date of the agreement. The agreement also includes certain restrictive covenants in the agreement including maintenance of minimum net worth, working capital and debt to equity ratio. As of August 27, 1994, the Company was in compliance with these covenants. There were no outstanding borrowings under the line of credit at August 27, 1994 or August 28, 1993.

NOTE 9: LONG-TERM BORROWINGS AND OBLIGATIONS UNDER CAPITAL LEASES

	Outstanding August 27, 1994			Outstanding August 28, 1993		
(dollars in thousands)	Short Term	Long Term	Interest Rate	Short Term	Long Term	Interest Rate
Long-term borrowings	$ 765	$3,299	5.5-8.75%	$ 117	$1,032	6.25-7.5%
Obligations under capital lease	1,739	841	8.7-14.1%	1,602	2,151	9.8-14.1%
Total debt	$2,504	$4,140		$1,719	$3,183	

During fiscal 1994, the Company and Winnebago RV, Inc. entered into a $2,001,000 financing agreement with 1st Source Bank for the purchase of a 1990 King Air 350 airplane. Terms of the agreement call for 35 monthly installment payments beginning August 28, 1994, and a 36th payment to pay off the remaining principal and interest balance of the agreement. The agreement is secured by the airplane. The outstanding balance under this agreement at August 27, 1994 was $2,001,000 with an interest rate of 7.95 percent per annum.

During fiscal year 1993, the Company and Winnebago Industries Europe GmbH (WIE), a wholly owned subsidiary of the Company, entered into a $1.8 million financing arrangement with Volksbank Saarbrucken-St. Ingebert eG to finance the acquisition and renovation of a new facility in Kirkel, Saarland, Federal Republic of Germany. The financing arrangement includes four loans with interest rates ranging from 5.5 percent to 8.75 percent. All four of the loans have been advanced to WIE in the aggregate amount of $2,039,000 which require various repayment terms through 2008. The loans are secured by real estate and improvements of the new facility. Management believes that carrying value of the long-term debt approximates fair value of these obligations.

During fiscal 1991 and 1990, the Company and Cycle-Sat entered into a sale/leaseback agreements for most of Cycle-Sat's equipment which provided cash of approximately $5,600,000 and a gain of $766,000 which is being deferred and amortized over the terms of the respective leases. These leases have terms of 60 to 72 months, have been recorded as capital leases, and are guaranteed by the Company. Also, during fiscal 1994, 1993 and 1992, Cycle-Sat entered into additional capital lease arrangements for property approximating $444,000, $842,000 and $466,000, respectively.

Assets and accumulated amortization related to capital leases were approximately $7,606,000 and $4,978,000 at August 27, 1994 and $7,243,000 and $3,706,000 at August 28, 1993, respectively.

Maturities of the long-term debt for the next five years are as follows (dollars in thousands): 1995 - $2,504; 1996 - $792; 1997 - $1,869; 1998 - $176; 1999 - $181.

NOTE 10: 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 and common stock valued at market for fiscal years 1994, 1993 and 1992 were $1,444,000, $2,084,000 and $226,000, respectively.

The Company has an Executive Split Dollar Life Insurance Plan. Investments in the plan consist of life insurance policies, with the cash surrender values recorded in the accompanying balance sheets. Upon the termination or death of a participating executive, the Company receives its cash investment in the policy, with any excess investment remitted directly to the policy beneficiary.

The Company also has a nonqualified deferred compensation program which permits key employees and directors to annually elect (via individual contracts) to defer a portion of their compensation until their retirement. The retirement benefit to be provided is fixed 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 age of 55, with five years of service since the first deferral was made. For deferrals prior to December 1992, vesting also occurs after 20 years of service. Deferred compensation expense was $2,056,000, $2,619,000 and $2,762,000 (excluding $7,774,000 of expense for cumulative effect of accounting change) in fiscal 1994, 1993 and 1992, respectively. Total deferred compensation liabilities were $20,322,000 and $18,766,000 at August 27, 1994 and August 28, 1993, respectively.

Also, to assist in funding the retirement benefits of the program, the Company has invested in corporate-owned life insurance policies. The cash surrender value of these policies are presented as assets (net of borrowings of $3,683,000, $3,796,000 and $3,833,000 in fiscal 1994, 1993 and 1992, respectively) of the Company in the accompanying balance sheets.

The Company provides certain health care and other benefits for certain 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 current age. In fiscal 1993 and 1992, the Company recognized on a "pay-as-you-go" basis expense of $501,000 and $364,000, respectively, for postretirement health care benefits, which is not comparable with current year's expenses. As discussed in note 1, the Company implemented SFAS No. 106 as of August 29, 1993 on the immediate recognition basis. The Company's postretirement health care plan currently is not funded. The status of the plans is as follows:

Accumulated postretirement benefit obligation at August 27, 1994:

Retirees	$ 2,336,000
Fully eligible active plan participants	2,777,000
Other active plan participants	9,651,000
	14,764,000
Unrecognized net gain	8,305,000
Accrued postretirement benefit liability recognized in financial statements	$23,069,000

Net postretirement benefit expense for the fiscal year ended August 27, 1994 consisted of the following components:

Service cost-benefits earned during the year	$ 1,624,000
Interest cost on accumulated postretirement obligation	1,319,000
	$2,943,000

The assumed pre-65 and post-65 health care cost trend rates used in measuring the accumulated postretirement benefit obligation as of August 27, 1994 was 11.1 percent and 10.4 percent, respectively for 1994, decreasing each successive year until it reaches 5.5 percent in 2014 after which it remains constant. A one-percentage point increase in the assumed health care cost trend rate for each year would increase the accumulated postretirement benefit obligation as of August 27, 1994 by approximately $3,383,000. The effect of this change on the net postretirement health care cost for fiscal 1995 would be to increase it by approximately $581,000.

The assumed discount rate used in determining the accumulated postretirement benefit obligation upon the initial adoption of this new accounting standard at the beginning of fiscal 1994 was 6.5 percent which was increased to 8.0 percent at August 27, 1994 due to increasing interest rates. The approximately $8,300,000 of unrecognized net gain at August 27, 1994 is a result of the increase in the discount rate (approximately $5,800,000) and various other factors such as increases in the health care premiums the Company charges retirees (approximately $2,500,000). The unrecognized net gain will be amortized over the average remaining service of active participants (18 years).

NOTE 11: 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 financing 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 his 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 reduction based on the time since the date of the original invoice. The Company's contingent liability on all repurchase agreements was approximately $118,954,000 and $101,445,000 at August 27, 1994 and August 28, 1993, respectively. Included in these contingent liabilities are approximately $36,231,000 and $27,758,000, respectively of certain dealer receivables subject to recourse agreements with ITT, NationsCredit, and John Deere Credit, Inc. On March 26, 1992, the Company entered into a three year Inventory Floor-Plan Finance Agreement with NationsCredit, whereby NationsCredit provides financing to certain dealers subject to NationsCredit approval and full recourse to the

Company. In accordance with the agreement during fiscal 1993, the Company was required to maintain deposits with NationsCredit of $4,000,000. The compensating balance earned interest at the reference rate as defined in the agreement. The $4,000,000 compensating balance has been included in cash and cash equivalents at August 28, 1993. As of August 27, 1994, the deposits were no longer required. In addition, ITT and John Deere Credit, Inc. provide financing to the Company's dealers on a partial and full recourse basis. The Company had reserves of $1,204,000 and $993,000 at August 27, 1994 and August 28, 1993, respectively, for losses on repurchases and dealers subject to recourse provisions. Historically, the Company's repurchases under these agreements have been immaterial with losses of approximately $101,000, $295,000 and $160,000 recorded during fiscal years 1994, 1993 and 1992, respectively.

The Company purchases Class A and Class C chassis and engines from General Motors Corporation-Chevrolet Division and Ford Motor Company; Class C chassis and engines from Volkswagen of America, Inc.; and Class A chassis and engines from Oshkosh Truck Corporation and Spartan Motors, Inc.

The Company self-insures for product liability claims. Self-insurance retention liability varies annually based on market conditions and ranges from $3,000,000 to $5,000,000 per occurrence and $9,000,000 to $12,000,000 in aggregate per year. Liabilities in excess of these amounts are the responsibility of the co-insurer.

During fiscal 1993, the Company recalled 1989 Spectrum motor homes (86 units). As of August 27, 1994, the Company has recorded a $2,255,000 reserve for the motor home recall.

The Federal Trade Commission (FTC) has been conducting an investigation of the Company's LeSharo and Phasar motor homes, Centauri vans and utility vans produced between 1983 and 1986. If the FTC should decide to issue a complaint and seek consumer redress and other equitable relief, the Company believes it would have meritorious defenses to the same.

From time to time, the Company is involved in various legal proceedings which are in the ordinary course of its business, some of which are covered in whole or in part by insurance. Counsel for the Company, based on his present knowledge of pending legal proceedings and after consultation with trial counsel, has advised the Company that, while the outcome of litigation is uncertain, he is of the opinion that it is unlikely that these proceedings will result in any recovery which will materially exceed the Company's reserve for estimated losses. On the basis of such advice, management is of the opinion that the pending legal proceedings will not have any material adverse effect on the Company's financial position, results of operations or liquidity.

NOTE 12: INCOME TAXES

The components of the provision (credit) for income taxes for continuing operations are as follows:

	Year ended		
(dollars in thousands)	August 27, 1994	August 28, 1993	August 29, 1992
Current	$ 3,649	$ 253	$96
Deferred	(4,961)	(1,340)	--
	$(1,312)	$(1,087)	$96

The following is a reconciliation of the U.S. statutory tax rate to the effective income tax rates for continuing operations and before the cumulative effect of accounting changes:

	Year ended		
	August 27, 1994	August 28, 1993	August 29, 1992
U.S. federal statutory rate	35.0%	34.0%	(34.0)%
Cash surrender value	(6.6)	(10.6)	--
Life insurance premiums	7.4	10.6	--
Exempt investment income	(1.5)	--	(10.7)
Tax credits	(10.8)	(4.0)	(21.5)
(Recorded) unrecorded tax benefits	(32.5)	(32.7)	80.5
Effect of minority interest	.4	(1.0)	(14.3)
IRS settlement	--	(13.3)	--
Other	.5	3.7	5.7
Total	(8.1)%	(13.3)%	5.7%

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

	August 27, 1994			August 28,1993
(dollars in thousands)	Assets	Liabilities	Total	Total
CURRENT				
Miscellaneous reserves	$ 3,482	$ (201)	$ 3,281	$ 2,487
Non-deductible warranty reserves	1,245	--	1,245	1,391
Bad debt reserves	967	--	967	1,161
Self-insurance reserve	1,088	--	1,088	1,886
Less valuation allowance	(4,329)	--	(4,329)	(6,414)

Subtotal	2,453	(201)	2,252	511
NONCURRENT				
Postretirement health care benefits	8,074	--	8,074	--
Deferred compensation	7,424	--	7,424	6,675
Commercial vehicle reserve	--	--	--	1,092
Property basis differences	319	(2,211)	(1,892)	(1,687)
AMT credit	1,494	--	1,494	1,340
Tax credits	--	--	--	1,630
Less valuation allowance	(11,051)	--	(11,051)	(8,221)
Subtotal	6,260	(2,211)	4,049	829
Total	$ 8,713	$(2,412)	$ 6,301	$ 1,340

As discussed in note 1, in fiscal 1993, the Company adopted SFAS No. 109 which permits the recognition of future tax benefits only to the extent that realization of such benefits are more likely than not. The likelihood of realizing the Company's gross deferred tax asset (and reduction of the valuation allowance) was reviewed at the beginning of fiscal 1993 and is reviewed and updated periodically with any required adjustments recorded in the period in which the developments on which they are based become known.

Upon adoption of SFAS No. 109 at the beginning of fiscal 1993, the Company recorded $16.9 million of deferred tax assets which represented future tax benefits resulting from differences in the tax basis of assets and liabilities versus their financial accounting basis. At the same time, the full amount of the $16.9 million deferred tax asset was offset by recognizing a deferred tax asset valuation allowance due to the uncertainty of realizing these future tax benefits as a result of the Company's losses in the preceding four years. Accordingly, there was no cumulative effect of this change in accounting principle in fiscal 1993.

In fiscal 1994, the Company recorded a $1.3 million tax benefit due to the level of earnings achieved in fiscal 1994 which increased the likelihood of the Company realizing a portion of its gross deferred tax assets in the future.

During the second quarter of fiscal 1993, the Company received notice that the Joint Committee on Taxation approved the IRS audits of the Company's tax returns for fiscal 1986 through 1988. As a result, the Company recorded an income tax benefit of $1,087,000 from the reversal of income tax reserves previously recorded for the pending IRS audits. However, no additional tax benefits were recorded in fiscal 1993 due to the continuing uncertainty of the Company's ability to realize its deferred tax assets.

Note 13: Supplementary Income Statement Information Supplementary information for continuing operations is as follows:

		Year ended	
	August 27,	August 28,	August 29,
(dollars in thousands)	1994	1993	1992
Depreciation	$7,748	$7,767	$8,098
Advertising	7,656	5,287	4,478
Maintenance and repairs	6,277	5,577	4,130
Research and development	1,704	1,077	1,820

NOTE 14: FINANCIAL INCOME AND EXPENSE
The following is a reconciliation of financial expense:

		Year ended	
(dollars in thousands)	August 27,1994	August 28, 1993	August 29, 1992
Net realized gains (losses) on sale of marketable securities	$ 257	$ 355	$(592)
Net unrealized losses on marketable equity securities	(652)	(50)	(33)
Gains (losses) on foreign currency transactions	(88)	(245)	59
Interest income from investments and receivables	1,032	407	216
Dividend income	137	35	168
Interest expense	(1,347)	(598)	(403)
	$ (661)	$ (96)	$(585)

NOTE 15: DIVIDEND DECLARED
On October 20, 1994, the Board of Directors declared a cash dividend of $.10 per common share payable January 6, 1995, to shareholders of record December 5, 1994.

NOTE 16: STOCK OPTION PLANS
Options to purchase common stock have been granted at 100 percent of the market price at time of grant, generally pursuant to plans approved by the shareholders. A summary of stock option activity for the years ended August 27, 1994, August 28, 1993 and August 29, 1992 is as follows:

	1994		1993		1992	
	Shares	Price	Shares	Price	Shares	Price
Outstanding at beginning of year	1,028,000	$4-$18	1,103,100	$4-$18	1,033,934	$4-$18
Options granted	170,000	9	10,000	9	175,000	4-5
Options exercised	(92,500)	4-6	(59,500)	4-6	(3,550)	5
Options cancelled	(205,000)	4-15	(25,600)	6-15	(102,284)	5-15

Outstanding at end of year	900,500	$4-$18	1,028,000	$4-$18	1,103,100	$4-$18

Options for 674,100, 817,000 and 600,100 shares at exercise prices of $4-$18 were exercisable at August 27, 1994, August 28, 1993 and August 29, 1992, respectively

NOTE 17: SUPPLEMENTAL CASH FLOW DISCLOSURE
Cash paid during the year for:

	Year ended		
(dollars in thousands)	August 27,1994	August 28, 1993	August 29, 1992
Interest	$ 927	$467	$576
Income taxes	4,269	242	309

NOTE 18: RELATED PARTY INFORMATION
The Company's chairman of the board and his spouse own 20 percent of the common stock of Cycle-Sat.

During fiscal 1992, the Company and John K. Hanson made additional capital contributions to Cycle-Sat of $10,000,000 (by conversion of previous advances to equity) and $2,500,000, respectively.

The Company is leasing certain facilities, capital equip ment, and other items which were acquired by the Company at an approximate aggregate cost of $1,200,000, as of August 27, 1994, to Cycle-Sat under leases with various expiration dates within the next two fiscal years. In addition, inter-company advances from the Company to Cycle-Sat aggregated $0, $1,096,000 and $0 at August 27, 1994, August 28, 1993 and August 29, 1992, respectively. Interest on advances at August 28, 1993 was charged at prime plus 2 percent. All lease transactions and inter-company advances are eliminated in consolidation.

NOTE 19: BUSINESS SEGMENT INFORMATION

The Company determined it was appropriate, for fiscal 1994, to define its operations into three business segments: Recreation Vehicles and Other Manufactured Products, which includes all data relative to the manufacturing and selling of its recreational and other manufactured products; Satellite Courier, which relates to Cycle-Sat's satellite courier and tape duplication business; and Financing, which relates to the WAC subsidiary operation. Identifiable assets are those assets used in the operations of each industry seg ment. General Corporate assets consist of cash and cash equivalents, marketable securities, deferred income taxes and other corporate assets. General Corporate income and expenses include administrative costs. Inter-segment sales and expenses are not significant.

For the years ended August 27, 1994, August 28, 1993 and August 29, 1992, the Company's segment informa tion for continuing operations is as follows:

(dollars in thousands)	Recreation Vehicles and Other Manufactured Products	Satellite Courier	Electronic Component Assembly(2)	Financing	General Corporate	Total
1994						
Net revenues	$432,406	$ 18,879	$ --	$ 831	$ --	$ 452,116
Operating profit (loss) from continuing operations	16,740(1)	1,139	--	NA*	(1,825)	16,054
Identifiable assets	138,884	9,919	--	11,373	23,783	183,959
Depreciation and amortization	4,903	2,299	--	10	586	7,798
Capital expenditures	7,923	381	--	16	1,212	9,532

Summary information for the Germany subsidiary is as follows: Net revenues - $3,456, Operating loss from operations - $(892), Identifiable assets - $5,939. These amounts are included in the Recreation Vehicles and Other Manufactured Products segment above.

1993						
Net revenues	$364,860	$ 14,837	$ 3,791	$ 595	--	$ 384,083
Operating profit (loss) from continuing operations	12,888	(1,873)	(108)	NA*	(2,296)	8,611
Identifiable assets	110,608	10,361	--(2)	9,936	26,145	157,050
Depreciation and amortization	4,916	2,246	92	4	703	7,961
Capital expenditures	5,979	1,288	33	17	354	7,671

Summary information for the Germany subsidiary is as follows: Net revenues - $3,184, Operating loss from operations - $(562), Identifiable assets - $3,779. These amounts are included in the Recreation Vehicles and Other Manufactured Products segment above.

1992

Net revenues	$281,124	$ 10,210	$ 3,649	$ 11	--	$ 294,994
Operating profit (loss) from continuing operations	2,879(1)	(3,583)	23	NA*	(1,508)	(2,189)
Identifiable assets	98,013	9,412	2,211	3,479	25,881	138,996
Depreciation and amortization	5,551	2,027	79	3	663	8,323
Capital expenditures	2,086	479	239	--	236	3,040

In fiscal 1992, the Company formed a subsidiary in Germany to sell recreation vehicles in Europe. Summary information for the Germany subsidiary is as follows: Net revenues - $1,037, Operating loss from operations - $(155), Identifiable assets - $1,902. These amounts are included in the Recreation Vehicles and Other Manufactured Products segment above.

*Excludes financing operations as they do not report operating profit.

(1)See note 1 regarding the cumulative effect of accounting changes which principally affect this segment.

(2)The Electronic Component Assembly segment, North Iowa Electronics, Inc., was sold by the Company during fiscal 1993.

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 27, 1994 and August 28, 1993 and the related statements of operations, cash flows and changes in stockholders' equity for each of the three years in the period ended August 27, 1994. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 at August 27, 1994 and August 28, 1993, and the results of their operations and their cash flows for each of the three years in the period ended August 27, 1994 in conformity with generally accepted accounting principles.

As discussed in note 1 to the financial statements, the Company changed its method of accounting due to required new accounting standards for individual deferred compensation contracts during the year ended August 29, 1992, changed its method of accounting for income taxes during the year ended August 28, 1993, and changed its method of accounting for postretirement health care and other benefits during the year ended August 27, 1994.

/s/ Deloitte & Touche LLP

Minneapolis, Minnesota

October 21, 1994

DIRECTORS AND OFFICERS

DIRECTORS

John K. Hanson
Chairman of the Board, Winnebago Industries, Inc.

Fred G. Dohrmann
President and Chief Executive Officer, Winnebago Industries, Inc.

Gerald E. Boman
Former Senior Vice President, Winnebago Industries, Inc.

David G. Croonquist
Former Director and member of the Executive Committee,
H.B. Fuller Company

Keith D. Elwick
Former Executive Officer,
Chromalloy Farm and Industrial Equipment Co.

Joseph M. Shuster
Chairman, Teltech

Frederick M. Zimmerman
Department Chair and Director of Graduate Programs in
Manufacturing Engineering, The University of St. Thomas

Francis L. Zrostlik

President/Director, Stellar Industries

Luise V. Hanson
Director Emeritus

OFFICERS

John K. Hanson
Chairman of the Board

Fred G. Dohrmann
President and Chief Executive Officer

Edwin F. Barker
Vice President, Controller and Chief Financial Officer

Raymond M. Beebe
Vice President, General Counsel and Secretary

Jerome V. Clouse
Vice President, Treasurer and International Development

Sharon L. Hansen
Vice President, Administration

Paul D. Hanson
Vice President, Strategic Planning

Bruce D. Hertzke
Vice President, Operations

James P. Jaskoviak
Vice President, Sales and Marketing

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 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.
P.O. Box 152
605 West Crystal Lake Road
Forest City, Iowa 50436
Telephone: (515) 582-3535

SHAREHOLDER ACCOUNT ASSISTANCE
Registration and Transfer Agent to contact for address changes, account certificates and stock holdings:

Norwest Bank Minnesota, N.A.
161 North Concord Exchange, P.O. Box 738
South St. Paul, Minnesota 55075-0738
Telephone: (800) 468-9716 or (612) 450-4064

ANNUAL MEETING
The Annual Meeting for shareholders will be held on Wednesday, December 14, 1994 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

Winnebago Industries, Inc.
P.O. Box 152
Forest City, Iowa 50436

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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 Realty Corporation	Iowa	100%
Winnebago Acceptance Corporation	Iowa	100%
Winnebago R.V., Inc.	Delaware	100%
Winnebago Products, Inc.	Iowa	100%
Winnebago Industries Europe GmbH	Germany	100%
Cycle-Sat, Inc.	Iowa	80%

EXHIBIT 23

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statements No. 2-40316, No. 2-73221, No. 2-82109, No. 33-21757, and No. 33-59930 of Winnebago Industries, Inc. on Form S-8 of our reports dated October 21, 1994 appearing in and incorporated by reference in the Annual Report on Form 10-K of Winnebago Industries, Inc. for the year ended August 27, 1994.

/s/ Deloitte & Touche LLP

Minneapolis, Minnesota
November 14, 1994

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YEAR
AUG-27-1994
AUG-29-1994
847
3,301
46,991
1,824
55,450
110,887
125,568
83,970
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