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

FORM 10-Q

(Mark One)

x Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended May 26, 2007

or

o Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from ____________ to ____________

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

Iowa (State or Other Jurisdiction of Incorporation or Organization)	001-06403 (Commission File Number)	42-0802678 (IRS Employer Identification No.)

P.O. Box 152, Forest City, Iowa (Address of Principal Executive Offices)	50436 (Zip Code)

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

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 **o**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.
Large accelerated filer x Accelerated filer o Non-accelerated filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o No x

The number of shares of common stock, par value $0.50 per share, outstanding on June 22, 2007 was 30,781,591.

WINNEBAGO INDUSTRIES, INC.

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Winnebago Industries, Inc.
Unaudited Consolidated Statements of Income

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements.

(In thousands, except per share data)	Quarter Ended May 26, 2007	Quarter Ended May 27, 2006	Nine Months Ended May 26, 2007	Nine Months Ended May 27, 2006
Net revenues	$ 231,692	$ 220,312	$ 632,471	$ 658,992
Cost of goods sold	205,436	192,236	565,866	579,432
Gross profit	26,256	28,076	66,605	79,560
Operating expenses:				
Selling	5,511	4,536	14,553	13,714
General and administrative	6,086	5,160	17,893	15,493
Total operating expenses	11,597	9,696	32,446	29,207
Operating income	14,659	18,380	34,159	50,353
Financial income	1,799	1,418	4,964	3,654
Income before income taxes	16,458	19,798	39,123	54,007
Provision for taxes	5,205	6,641	12,402	18,580
Net income	$ 11,253	$ 13,157	$ 26,721	$ 35,427
Income per common share:				
Basic	$ 0.36	$ 0.41	$ 0.85	$ 1.09
Diluted	$ 0.35	$ 0.40	$ 0.84	$ 1.08
Weighted average common shares outstanding:				
Basic	31,524	32,195	31,411	32,645
Diluted	31,761	32,496	31,697	32,937
Dividends paid per common share	$ 0.10	$ 0.09	$ 0.30	$ 0.27

See unaudited notes to condensed consolidated financial statements.

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Winnebago Industries, Inc.
Unaudited Consolidated Balance Sheets

(In thousands)	May 26, 2007	August 26, 2006
Assets		
Current assets:		

Cash and cash equivalents	$ 11,911	$ 24,934
Short-term investments	144,950	129,950
Receivables, less allowance for doubtful accounts ($122 and $164, respectively)	22,680	20,859
Inventories	90,862	77,081
Prepaid expenses and other assets	4,756	5,269
Deferred income taxes	14,327	9,067
Total current assets	289,486	267,160
Property and equipment, at cost:		
Land	934	946
Buildings	59,465	59,378
Machinery and equipment	100,231	99,839
Transportation equipment	9,561	9,561
Total property and equipment, at cost	170,191	169,724
Accumulated depreciation	(117,691)	(112,817)
Total property and equipment, net	52,500	56,907
Investment in life insurance	19,754	20,814
Deferred income taxes	25,907	25,002
Other assets	17,162	14,832
Total assets	$ 404,809	$ 384,715
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 33,049	$ 27,923
Income taxes payable	7,341	7,876
Accrued expenses:		
Accrued compensation	14,678	12,498
Product warranties	10,791	9,523
Self-insurance	9,073	7,842
Promotional	3,933	5,253
Accrued dividends	3,160	3,109
Other	6,106	6,098
Total current liabilities	88,131	80,122
Postretirement health care and deferred compensation benefits, net of current portion	87,710	86,271
Contingent liabilities and commitments		
Stockholders' equity:		
Capital stock common, par value $0.50; authorized 60,000 shares, issued 51,776 shares	25,888	25,888
Additional paid-in capital	28,197	22,268
Retained earnings	497,704	480,446
Treasury stock, at cost (20,729 and 20,633 shares, respectively)	(322,821)	(310,280)
Total stockholders' equity	228,968	218,322
Total liabilities and stockholders' equity	$ 404,809	$ 384,715

See unaudited notes to condensed consolidated financial statements.

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Winnebago Industries, Inc.
Unaudited Consolidated Statements of Cash Flows

	Nine Months Ended	
(In thousands)	**May 26, 2007**	**May 27, 2006**
Operating activities:		
Net income	$ 26,721	$ 35,427
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	7,942	7,989
Stock-based compensation	4,374	3,964
Postretirement benefit income and deferred compensation expense	1,154	958
Provision for doubtful accounts	115	116
Deferred income taxes	(6,165)	1,002
Excess tax benefit of stock options	(1,926)	(280)
Increase in cash surrender value of life insurance policies	(585)	(780)
(Gain) loss on disposal of property	(71)	97
Other	10	65
Change in assets and liabilities:		
Inventories	(13,781)	32,456
Receivables and prepaid assets	(1,423)	16,030

Accounts payable and accrued expenses	8,372	(11,696)
Income taxes payable	1,391	5,113
Postretirement and deferred compensation benefits	(980)	(826)
Net cash provided by operating activities	25,148	89,635
Investing activities:		
Purchases of short-term investments	(238,649)	(150,475)
Proceeds from the sale or maturity of short-term investments	223,649	118,575
Purchases of property and equipment	(3,677)	(3,193)
Proceeds from the sale of property	277	173
Other	627	142
Net cash used in investing activities	(17,773)	(34,778)
Financing activities:		
Payments for purchase of common stock	(20,548)	(51,576)
Payments of cash dividends	(9,412)	(8,871)
Proceeds from exercise of stock options	7,636	1,245
Excess tax benefit of stock options	1,926	280
Net cash used in financing activities	(20,398)	(58,922)
Net decrease in cash and cash equivalents	(13,023)	(4,065)
Cash and cash equivalents at beginning of period	24,934	19,484
Cash and cash equivalents at end of period	$ 11,911	$ 15,419
Supplemental cash flow disclosure:		
Income taxes paid	$ 17,176	$ 12,465

See unaudited notes to condensed consolidated financial statements.

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Winnebago Industries, Inc.
Unaudited Notes to Condensed Consolidated
Financial Statements

Forward-Looking Information

This Quarterly Report on Form 10-Q, contains statements which may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which involve risks and uncertainties, including, but not limited to, the effect of global tensions, availability and price of fuel, a significant increase in interest rates, a decline in consumer confidence, a slowdown in the economy, availability of chassis and other key component parts, sales order cancellations, slower than anticipated sales of new or existing products, new product introductions by competitors and other factors which may be disclosed throughout this report. Although we believe that the expectations reflected in the “forward-looking statements” are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Undue reliance should not be placed on these “forward-looking statements,” which speak only as of the date of this report. We undertake no obligation to publicly update or revise any “forward-looking statements” whether as a result of new information, future events or otherwise, except as required by law or the rules of the New York Stock Exchange.

NOTE 1: Basis of Presentation

The “Company,” “we,” “our,” and “us” are used interchangeably to refer to Winnebago Industries, Inc. or Winnebago Industries, Inc. and its subsidiaries, as appropriate to the context.

In our opinion, the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting of normal recurring accruals, necessary to present fairly the consolidated financial position as of May 26, 2007 and the consolidated statements of income for the quarter and nine months ended May 26, 2007 and May 27, 2006, and consolidated cash flows for the nine months ended May 26, 2007 and May 27, 2006. The consolidated statement of income for the nine months ended May 26, 2007 is not necessarily indicative of the results to be expected for the full year. The balance sheet data as of August 26, 2006 was derived from audited financial statements, but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. These interim consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto appearing in our Annual Report to Shareholders for the year ended August 26, 2006. Certain prior period information in the unaudited consolidated statements of cash flows has been reclassified to conform to the current year presentation.

NOTE 2: Stock-Based Compensation Plans

We have a 2004 Incentive Compensation Plan, as amended, in place which allows us to grant stock options and other equity compensation to key employees and to nonemployee directors. In prior years, stock-based compensation consisted only of stock options. In Fiscal 2007, we granted restricted stock awards to key employees and directors instead of stock options. The value of the restricted stock awards is determined using the intrinsic value method which, in this case, is based on the number of shares granted and the closing price of our common stock on the date of grant.

Total stock-based compensation expense included in our statements of income for the quarters ended May 26, 2007 and May 27, 2006 was $765,000 and $997,000, respectively. The total stock-based compensation for the nine months ended May 26, 2007 and May 27, 2006 was $4.4 million and $3.8 million, respectively. Of the $4.4 million, $2.8 million is related to the granting to employees of 105,450 shares and the granting to nonemployee directors of 7,000 shares of restricted stock. The remainder is related to the amortization of previously granted employee and nonemployee directors stock options and nonemployee directors stock units issued in lieu of their fees. We will continue to recognize compensation expense over the three-year vesting periods for awards granted prior to adoption of Statement of Financial Accounting Standards (SFAS) No. 123R, but for all awards granted after August 27, 2005, compensation expense will be recognized over the requisite service period of the award or over a period ending with an employee's eligible retirement date, if earlier.

NOTE 3: New Accounting Pronouncements

SFAS 109 has been amended by Financial Accounting Standards Interpretations (FIN) 48, *Accounting for Uncertainty in Income Taxes*. The amendment establishes a consistent threshold for recognizing current and deferred income taxes and results in increased comparability in how companies report income tax assets and liabilities. The effective date of FIN 48 is for fiscal years beginning after December 15, 2006 (our first quarter of Fiscal 2008). We are currently evaluating the impact of this pronouncement on our future consolidated financial statements.

In September 2006, the Financial Accounting Standards Board (FASB) issued Financing Accounting Standards (FAS) No. 157, *Fair Value Measurements*. This statement provides a definition of fair value and a consistent basis by which to measure fair value. The statement is effective for fiscal years beginning after November 15, 2007 and for interim periods within those fiscal years (our Fiscal Year 2009). We are currently evaluating the impact of this pronouncement on our future consolidated financial statements.

In September 2006, the FASB issued SFAS No. 158, *Employer's Accounting for Defined Benefit Pension and Other Postretirement Plans – an amendment of FASB Statements No. 87, 88, 106, and 132(R)* ("SFAS 158"). SFAS 158 requires that we recognize the overfunded or underfunded status of our defined benefit and retiree medical plans as an asset or liability in our 2007 year-end balance sheet, with changes in the funded status recognized through comprehensive income in the year in which they occur. SFAS 158 is effective for fiscal years ending after December 15, 2006; for us, our fiscal year ending August 25, 2007. We are currently evaluating the impact of adopting SFAS 158 on our future consolidated financial statements.

NOTE 4: Inventories

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

Inventories consist of the following:

(In thousands)	May 26, 2007	August 26, 2006
Finished goods	$ 44,015	$ 33,420
Work-in-process	41,161	35,166
Raw materials	38,674	40,080
	123,850	108,666
LIFO reserve	(32,988)	(31,585)
	$ 90,862	$ 77,081

The Company adopted SFAS No. 151, *Inventory Costs*, at the beginning of Fiscal 2006. We have not recognized any charges related to idle capacity due to the fact that we believe our current production levels to be within the range of normal production levels.

NOTE 5: Warranty

We provide our motor home customers a comprehensive 12-month/15,000-mile warranty on the coach, and a 3-year/36,000-mile warranty on sidewalls and floors. We record a liability based on our estimate of the amounts necessary to settle future and existing claims on products sold as of the balance sheet date. Changes in our product warranty liability reserve are as follows:

	Nine Months Ended	
(In thousands)	May 26, 2007	May 27, 2006
Balance at beginning of period	$ 9,523	$ 12,183
Provision	9,627	8,058
Claims paid	(8,359)	(9,522)
Balance at end of period	$ 10,791	$ 10,719

In addition to the costs associated with the contractual warranty coverage provided on our motor homes, we also occasionally incur costs as a result of additional service actions not covered by our warranties, including product recalls and customer satisfaction actions. We estimate the cost of these service actions using past claim rate experiences and the estimated cost of repairs. Estimated costs are accrued at the time the service action is implemented and included in cost of sales in our consolidated statements of income and as other accrued expenses in our consolidated balance sheets.

Changes in our reserve for customer service actions are as follows:

	Nine Months Ended	
(In thousands)	May 26, 2007	May 27, 2006
Balance at beginning of period	$ 505	$ 624
Provision	406	196
Claims paid	(531)	(326)
Balance at end of period	$ 380	$ 494

NOTE 6: Employee and Retiree Benefits

Reserves for long-term postretirement health care and deferred compensation benefits are as follows:

(In thousands)	May 26, 2007	August 26, 2006
Postretirement health care benefit cost (1)	$ 49,420	$ 50,583
Deferred compensation liability (2)	25,170	25,015
Executive share option plan liability	13,120	10,673
Total postretirement health care and deferred compensation benefits	$ 87,710	$ 86,271

(1) The current portion of accrued postretirement benefit cost of $995,000 and $903,000 as of May 26, 2007 and August 26, 2006, respectively, is included within other accrued expenses.
(2) The current portion of deferred compensation liability of $1.5 million and $1.6 million as of May 26, 2007 and August 26, 2006, respectively, is included within accrued compensation.

Postretirement Health Care Benefits
We provide certain health care and other benefits for retired employees, hired before April 1, 2001, who have fulfilled eligibility requirements of age 55 with 15 years of continuous service. Retirees are required to pay a monthly premium for medical coverage based on years of service at retirement and then current age. Effective September 2004, we amended our postretirement health care benefit by establishing a maximum employer contribution amount which resulted in a $40.4 million reduction of the accumulated postretirement benefit obligation. This reduction was deferred and is being amortized over the approximate remaining service period of active participants. Net periodic postretirement benefit income consisted of the following components:

	Quarter Ended		Nine Months Ended	
(In thousands)	May 26, 2007	May 27, 2006	May 26, 2007	May 27, 2006
Interest cost	$ 472	$ 457	$ 1,416	$ 1,358
Service cost	202	232	606	682
Net amortization and deferral	(797)	(737)	(2,390)	(2,234)
Net periodic postretirement benefit income	$ (123)	$ (48)	$ (368)	$ (194)

For accounting purposes, we recognized income from the plan for all three quarters of both Fiscal 2007 and Fiscal 2006 due to the amortization of the cost savings from the September 2004 amendment. However, we are still obligated to pay the cost of previously accrued and earned retiree benefits and paid approximately $240,000 and $126,000 of such benefits for the quarters ended May 26, 2007 and May 27, 2006, respectively, and $702,000 and $686,000 for the nine months ended May 26, 2007 and May 27, 2006, respectively.

NOTE 7: Contingent Liabilities and Commitments

Repurchase Commitments
Our repurchase agreements provide that, in the event of default by the dealer on the agreement to pay the lending institution, we will repurchase the financed merchandise. The agreements provide that our liability will not exceed 100 percent of the dealer invoice and provide for periodic liability reductions based on the time since the date of the original invoice. Our contingent liability on these repurchase agreements was approximately $294.1 million and $278.6 million at May 26, 2007 and August 26, 2006, respectively. Losses under these repurchase agreements for the nine months ended May 26, 2007 and May 27, 2006 were $4,000 and $0, respectively. Our reserve methodology is used to record an estimated expense and loss reserve in each accounting period based upon our extensive history and experience and known current events with respect to repurchase agreements with the lenders to our dealers. Based on the historical data and known current events, repurchase reserves under our repurchase agreements at May 26, 2007 and August 26, 2006 were not significant. Upon resale of the repurchased units, we do not record the transaction as revenue. The difference between the repurchase price and the net proceeds received from reselling the units is charged against or credited to our reserve for losses or gains on repurchases.

To our knowledge, none of our dealers or their lending institutions use subsidiaries that conduct business solely or primarily with us. Many of our dealers are engaged in other areas of business, including the sale of automobiles, and most of our dealers carry one or more competitive lines of motor home products. We conduct an extensive investigation of all dealers prior to delivering any products to them and we have verified that our dealers are independent businesses with substantive assets to provide security for credit extended to them related to the purchase of our products. To our knowledge, the lending institutions that offer our dealers floorplan financing all are engaged in a broad array of financing activities and they have not created separate subsidiaries to provide this financing. Based on these considerations, we concluded these parties are not variable interest entities.

Guarantees For Suppliers
During the second quarter of Fiscal 2002, we entered into a five-year services agreement (the “Agreement”) with an unaffiliated third-party paint Supplier (the “Supplier”) and the Forest City Economic Development, Inc., (“FCED”) an Iowa nonprofit corporation, requiring the Supplier to provide paint services on our recreation vehicles. The FCED constructed and debt financed a facility which is leased by the Supplier. In the event of termination of the lease agreement by any of the parties involved before September 1, 2007, the rights and obligations of the Supplier under the lease would be transferred to us. As of May 26, 2007, the Supplier is current with its lease payment obligations to the FCED with approximately $2.7 million (principal and interest) remaining to be paid through August 2012. Under the terms of the Agreement in the event of a default by the Supplier, we would be obligated to purchase from the Supplier equipment installed in the paint facility at net book value of $340,000 as of May 26, 2007, and we would be obligated to assume payment obligations for approximately $7,000 in capital equipment leases remaining to be paid at May 26, 2007.

During the second quarter of Fiscal 2004, we entered into a five-year limited guaranty agreement (“Guaranty Agreement”) with a leasing corporation (“Landlord”) and the previously discussed Supplier. The Landlord constructed a paint facility through debt financing on land adjoining our Charles City manufacturing plant for the Supplier. The Landlord and the Supplier have signed a ten-year lease agreement which commenced on August 1, 2004. The Guarantee Agreement states that we will guarantee the first 60 monthly lease payments (totaling approximately $1.6 million of which $598,000 was remaining as of May 26, 2007). In the event of a default under the lease agreement before August 2009 and the Supplier’s failure to correct the default, the Landlord shall give us, the guarantor, written notice of its intent to terminate said lease. At the time of that notification, we will have various options that we must exercise in a timely manner. One option is to purchase the real estate with improvements from the Landlord. The price we would pay would be the outstanding loan owed by the Landlord to construct the paint facility, which was approximately $1.6 million as of May 26, 2007. As of May 26, 2007, the Supplier is current with its lease payment obligations to the Landlord. As of May 26, 2007, the balance of the guarantee was approximately $135,000 and presented as other accrued liabilities in the accompanying consolidated balance sheets.

The Supplier has a long history of providing the same service (painting motor homes) to similar manufacturers and we pay the Supplier an amount that is commensurate with the level of effort to provide these services. The owners of the Supplier have personally guaranteed the entire indebtedness related to both painting facilities. The service contracts with the Supplier are subject to cancellation provisions that are customary for such contracts. Based on these considerations, we determined that the Supplier was a variable interest entity; however, we determined due to our limited financial exposure we are not the primary beneficiary.

Litigation

We are regularly involved in legal proceedings in the ordinary course of business, some of which are covered in part by insurance. We prepare cost estimates of pending litigation based on historical experience, the professional judgment of our legal counsel, and other assumptions that we believe to be reasonable. Due to the uncertainties related to the outcome of the litigation and range of loss on certain cases, we occasionally are unable to make a reasonable estimate of the liability that could result from an unfavorable outcome. As additional information becomes available, we reassess the potential liability related to pending litigation and revise the related estimates. Such revisions and any actual liability that greatly exceed our estimates could materially adversely impact our results of operations and financial condition.

NOTE 8: Dividends Declared

On March 22, 2007, the Board of Directors declared a quarterly cash dividend of $0.10 per common share, payable July 9, 2007 to shareholders of record on June 8, 2007, which has been recorded as an accrued liability in the accompanying balance sheet as of May 26, 2007.

On June 20, 2007, the Board of Directors declared a quarterly cash dividend of $0.12 per common share, payable October 8, 2007 to shareholders of record on September 7, 2007.

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NOTE 9: Repurchase of Outstanding Stock

On April 12, 2006, the Board of Directors authorized the repurchase of outstanding shares of our common stock, depending on market conditions, for an aggregate consideration of up to $50 million. There is no time restriction on this authorization. Repurchases for the nine months ended May 26, 2007 were approximately 628,000 shares for an aggregate consideration of approximately $20.5 million. Repurchases of up to $1.7 million of our common stock remain available under this authorization.

On June 20, 2007, the Board of Directors authorized the repurchase of outstanding shares of our common stock, depending on market conditions, for an aggregate consideration of up to $60 million. There is no time restriction on this authorization.

NOTE 10: Income Per Share

The following table reflects the calculation of basic and diluted income per share for the quarters and nine months ended May 26, 2007 and May 27, 2006.

	Quarter Ended		Nine Months Ended	
(In thousands, except per share data)	**May 26, 2007**	**May 27, 2006**	**May 26, 2007**	**May 27, 2006**
Income per share - basic				
Net income	$ 11,253	$ 13,157	$ 26,721	$ 35,427
Weighted average shares outstanding	31,524	32,195	31,411	32,645
Net income per share - basic	$ 0.36	$ 0.41	$ 0.85	$ 1.09
Income per share - assuming dilution				
Net income	$ 11,253	$ 13,157	$ 26,721	$ 35,427
Weighted average shares outstanding	31,524	32,195	31,411	32,645
Dilutive impact of options and awards outstanding	237	301	286	292
Weighted average shares and potential dilutive shares outstanding	31,761	32,496	31,697	32,937
Net income per share - assuming dilution	$ 0.35	$ 0.40	$ 0.84	$ 1.08

For the quarters ended May 26, 2007 and May 27, 2006, there were options outstanding to purchase 285,061 shares and 585,646 shares, respectively, of common stock at an average price of $32.59 and $31.32, respectively, which were not included in the computation of diluted income per share because they are considered anti-dilutive under the treasury stock method per SFAS No. 128, *Earnings Per Share* (as amended).

For the nine months ended May 26, 2007 and May 27, 2006, there were options outstanding to purchase 274,389 shares and 672,281 shares, respectively, of common stock at an average price of $32.81 and $30.76, respectively, which were not included in the computation of diluted income per share because they are considered anti-dilutive under the treasury stock method per SFAS No. 128, *Earnings Per Share* (as amended).

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

It is suggested that this Management's Discussion be read in conjunction with the Management's Discussion and Analysis included in our Annual Report to Shareholders for the year ended August 26, 2006.

Executive Overview

Winnebago Industries, Inc. is a leading motor home manufacturer with a proud history of manufacturing recreation vehicles for the last 49 years. We continue to lead the industry in retail unit combined market share of Class A and Class C motor homes, with 18.3 percent, for the calendar year-to-date ended April 30, 2007 per Statistical Surveys, Inc. Our strategy is to manufacture quality motor homes in a profitable manner. We measure profitability by using five guidelines: return on assets, return on equity, return on invested capital, operating income as a percent of net revenues and net income as a percent of net revenues. Our primary goal is to be a leader in profitability in the recreation vehicle industry. As a result of our performance, we have returned significant profits back to our shareholders through stock repurchases and dividends. During the nine months ended May 26, 2007, we repurchased approximately 628,000 shares of stock for $20.5 million and we paid out dividends of $9.4 million to our shareholders.

Company Outlook

The RV industry is cyclical and susceptible to slowdowns in the general economy. RV industry sales have been characterized by cycles of growth and contraction in consumer demand, reflecting prevailing economic, demographic and political conditions that affect disposable income for leisure-time activities. Some of the factors that contribute to this cyclicality include fuel availability and cost, interest rate levels, the level of discretionary spending, availability of credit and consumer confidence. The motorized portion of the recreation vehicle industry has experienced a volume decline for over two years. An extended continuation of higher fuel costs, higher interest rates, lower discretionary spending and lower consumer confidence would adversely affect our business, results of operations and financial condition. We will continue to adjust our factory schedule as necessary to reflect the demand for our products.

According to Statistical Surveys, Inc., Class A and Class C motor home retail industry unit sales have decreased 9.5 percent calendar year-to-date through April 2007, continuing the downward trend experienced in 2006. Winnebago Industries' motor home unit wholesale deliveries for the nine months ended May 26, 2007 decreased 6.1 percent. However, revenues in the third quarter of Fiscal 2007 grew over prior year's third quarter for the first time since the first quarter of Fiscal 2005. Unit volumes were essentially flat, but included a higher mix of Class A motor home deliveries, thus increasing our average selling price by 6.4 percent for the quarter. However, our gross profit was negatively impacted in the third quarter by an increase in the mix of lower margin motor homes in both Class A and Class C categories, as well as increasing materials and labor costs. The Company considered these cost pressures in the development and pricing of our Model Year 2008 products, which were introduced to our dealers at our annual Dealer Days event in May. Approximately 49 percent of our 2008 product lineup is either new or redesigned, which we hope will help improve our market share going forward, regardless of industry market conditions.

As evidenced in the table below, as of May 26, 2007, our sales order backlog showed an increase of 122.3 percent in the Class A gas segment and 176.4 percent in the Class A diesel segment, while the Class C segment remained fairly flat compared to the sales order backlog reported as of May 27, 2006. The increase in Class A backlog is due primarily to the timing of our Dealer Days event and acceptance of our new 2008 product at that event and is not a reflection of the current market. Our Dealer Days were held at the end of the third quarter in Fiscal 2007 and at the beginning of the fourth quarter in Fiscal 2006.

Order backlog for our motor homes by units was as follows:

	As Of					
	May 26, 2007	Product Mix %	May 27, 2006	Product Mix %	Increase (Decrease)	% Change
Class A gas	907	38.2	408	24.9	499	122.3
Class A diesel	409	17.2	148	9.0	261	176.4
Total Class A	1,316	55.4	556	33.9	760	136.7
Class C	1,059	44.6	1,086	66.1	(27)	(2.5)
Total backlog	2,375	100.0	1,642	100.0	733	44.6
Total approximate revenue dollars (in millions)	$ 207.6		$ 121.0		$ 86.6	71.5
Dealer inventory (units)	4,604		4,881		(277)	(5.7)

We include in our backlog all accepted purchase orders from dealers to be shipped within the next six months. Orders in backlog can be canceled or postponed at the option of the purchaser at any time without penalty and, therefore, backlog may not necessarily be an accurate measure of future sales.

Long-term demographics are favorable for our industry as our target market of consumers age 50 and older is expected to substantially increase over the next 30 years due to the aging of the baby boom market. Also, according to a 2005 study conducted by the University of Michigan, the age at which the motor home consumer is purchasing motor homes has broadened. Motor home buyers are entering the market earlier than in the past, as young as 35, and living active and healthier lives with more buyers remaining in the RV lifestyle over the age of 75. The study also indicates that owners are using their motor homes for more than just traditional camping, having a positive impact on long-term motor home market growth. The study shows that motor homes are used to pursue consumers' many lifestyle passions which may include going to motor sports events or tailgating at sporting events.

Critical Accounting Policies

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). In connection with the preparation of our financial statements, we are required to make assumptions and estimates about future events and apply judgments that affect the reported amounts of assets, liabilities, revenue, expenses and the related disclosures. We base our assumptions, estimates and judgments on historical experience, current trends and other factors that we believe to be relevant at the time our consolidated financial statements are prepared. On a regular basis, we review the accounting policies, assumptions, estimates and judgments to ensure that our financial statements are presented fairly and in accordance with GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates and such differences could be material.

We believe that the following accounting estimates and policies are the most critical to aid in fully understanding and evaluating our reported financial results and they require our most difficult, subjective or complex judgments resulting from the need to make estimates about the effect of matters that are inherently uncertain. We have reviewed these critical accounting estimates and related disclosures with the Audit Committee of our Board of Directors.

Revenue Recognition. Generally, revenues for motor homes are recorded when all of the following conditions are met: an order for a product has been received from a dealer; written or verbal approval for payment has been received from the dealer's floorplan financing institution; and the product is delivered to the dealer who placed the order. Most sales are financed under floorplan financing arrangements with banks or finance companies.

Revenues from the sales of our original equipment manufacturing components and motor home-related parts are recorded as the products are shipped from our location. The title of ownership transfers on these products as they leave our location due to the freight terms of F.O.B. - Forest City, Iowa.

Postretirement Benefits Obligations and Costs. We provide certain health care and other benefits for retired employees, hired before April 1, 2001, who have fulfilled eligibility requirements at age 55 with 15 years of continuous service. Postretirement benefit liabilities are determined by actuaries using assumptions about the discount rate and health care cost-trend rates. A significant increase or decrease in interest rates could have a significant impact on our operating results. Further discussion of our postretirement benefit plan and related assumptions is included in Note 6.

Warranty. A comprehensive 12-month/15,000-mile warranty and a 3-year/36,000-mile warranty on sidewalls and floors are provided by us with the retail purchase of any new motor home in the United States or Canada. Estimated costs related to product warranty are accrued at the time of sale and are based upon past warranty claims and unit sales history and adjusted as required to reflect actual costs incurred, as information becomes available. A significant increase in dealership labor rates, the cost of parts or the frequency of claims could have a material adverse impact on our operating results for the period or periods in which such claims or additional costs materialize. We also incur costs as a result of additional service actions not covered by our warranties, including product recalls and customer satisfaction actions. Estimated costs are accrued at the time the service action is implemented and are based upon past claim rate experiences and the estimated cost of the repairs. Further discussion of our warranty costs and associated accruals is included in Note 5.

Repurchase Commitments. Generally, companies in the RV industry enter into repurchase agreements with lending institutions which have provided wholesale floorplan financing to dealers. Our repurchase agreements provide that, in the event of default by the dealer on the agreement to pay the lending institution, we will repurchase the financed motor homes. The agreements also provide that our liability will not exceed 100 percent of the dealer invoice and provide for periodic liability reductions based on the time since the date of the original invoice. These repurchase obligations generally expire upon the earlier to occur of (i) the dealer's sale of the financed unit or (ii) one year from the date of the original invoice. Our obligations under these repurchase agreements are reduced by the proceeds received upon the resale of any repurchased unit. The gross repurchase obligation will vary depending on the season and the level of dealer inventories. Past losses under these agreements have not been significant. Further discussion of our repurchase obligations is included in Note 7.

Stock-Based Compensation. Historically, we have granted stock options to our key employees and nonemployee directors as part of their compensation. In Fiscal 2007, we granted restricted stock awards to key employees and nonemployee directors instead of stock options.

The amount of compensation expense incurred related to stock awards and to be incurred in future periods is dependent upon a number of factors, such as the number of awards, both options and shares granted, the timing of stock option exercises and actual forfeiture rates. We estimate the fair value of all stock option awards as of the date of grant by applying the Black-Scholes option-pricing model. The application of this valuation model involves assumptions, some of which are judgmental and highly sensitive. These assumptions include, among others, our expected stock price volatility and the expected life of our stock options, which are based primarily on our historical experience.

The value of the restricted stock is based on the closing price of our common stock on the date of grant.

The fair value of each award is amortized on a straight-line basis over the requisite service period or to an employee's eligible retirement date, if earlier. This is because our awards typically vest over three years or upon retirement if earlier; thus, options and restricted stock awards are expensed immediately upon grant for retirement-eligible employees. This feature accelerates expense in the period of grant (typically our first fiscal quarter) and creates an uneven pattern of stock-based compensation that results in relatively higher expense in our first fiscal quarter and relatively lower expense in our second through fourth quarters. The impact of this feature is significant since a majority of our awards are made to retirement-eligible employees. Further discussion of our stock-based compensation is included in Note 2.

Other. We have reserves for other loss exposures, such as litigation, taxes, product liability, worker's compensation, employee medical claims, inventory and accounts receivable. We also have loss exposure on loan guarantees. Establishing loss reserves for these matters requires the use of estimates and judgment in regards to risk exposure and ultimate liability. We estimate losses under the programs using consistent and appropriate methods; however, changes in assumptions could materially affect our recorded liabilities for loss.

Results of Operations

Third Quarter Compared to the Third Quarter Last Year

The following is an analysis of changes in key items included in the consolidated statements of income for the quarter ended May 26, 2007 compared to the quarter ended May 27, 2006.

(In thousands, except percent and per share data)	Quarter Ended May 26, 2007	% of Revenues	May 27, 2006	% of Revenues	Increase (Decrease)	% Change
Net revenues	$ 231,692	100.0	$ 220,312	100.0	$ 11,380	5.2
Cost of goods sold	205,436	88.7	192,236	87.3	13,200	6.9
Gross profit	26,256	11.3	28,076	12.7	(1,820)	(6.5)
Selling	5,511	2.4	4,536	2.1	975	21.5
General and administrative	6,086	2.6	5,160	2.3	926	17.9
Total operating expenses	11,597	5.0	9,696	4.4	1,901	19.6
Operating income	14,659	6.3	18,380	8.3	(3,721)	(20.2)
Financial income	1,799	0.8	1,418	0.7	381	26.9
Income before income taxes	16,458	7.1	19,798	9.0	(3,340)	(16.9)
Provision for taxes	5,205	2.2	6,641	3.0	(1,436)	(21.6)
Net income	$ 11,253	4.9	$ 13,157	6.0	$ (1,904)	(14.5)
Diluted income per share	$ 0.35		$ 0.40		$ (0.05)	(12.5)
Fully diluted average shares outstanding	31,761		32,496		(735)	(2.3)

Unit deliveries consisted of the following:

Motor home unit deliveries:	Quarter Ended May 26, 2007	Product Mix %	May 27, 2006	Product Mix %	Increase (Decrease)	% Change
Class A gas	904	35.2	782	30.5	122	15.6
Class A diesel	397	15.4	341	13.3	56	16.4
Total Class A	1,301	50.6	1,123	43.8	178	15.9
Class C	1,268	49.4	1,443	56.2	(175)	(12.1)
Total deliveries	2,569	100.0	2,566	100.0	3	0.1

Net revenues for the quarter ended May 26, 2007 increased $11.4 million, or 5.2 percent, as a result of a shift in mix from Class C to Class A motor homes. This increase can be further quantified by the 6.4 percent increase in our average selling price for all motor homes delivered when comparing the quarter ended May 26, 2007 to the quarter ended May 27, 2006.

Motor homes delivered during the quarter were essentially equally mixed between our Class A and Class C products. However, with the introduction of the new low-priced Class A gas motor homes, the mix of Class A gas was more heavily weighted to lower-priced units. This was evidenced by a 3.5 percent decrease in our average selling price for Class A gas units when comparing the quarter ended May 26, 2007 to the quarter ended May 27, 2006.

Gross profit margin decreased $1.8 million, from 12.7 percent for the quarter ended May 27, 2006 to 11.3 percent for the quarter ended May 26, 2007. Gross profit was negatively impacted by an increase in the mix of lower-margin motor homes, in both Class A and Class C categories, as well as increased materials and labor costs related to Model Year 2007 products.

Selling expenses increased $975,000, or 21.5 percent, for the quarter ended May 26, 2007. As a percent of net revenues, selling expenses were 2.4 percent and 2.1 percent for the quarters ended May 26, 2007 and May 27, 2006, respectively. The increases were due primarily to the acceleration of our Dealer Days event from the fourth quarter to the third quarter.

General and administrative expenses increased $926,000, or 17.9 percent, for the quarter ended May 26, 2007 primarily as a result of increased bonus expense due to the Company achieving a portion of its compensation objectives. As a percent of net revenues, general and administrative expenses were 2.6 percent and 2.3 percent for the quarters ended May 26, 2007 and May 27, 2006, respectively.

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Financial income increased $381,000, or 26.9 percent, for the quarter ended May 26, 2007. The increase in financial income was due to a higher average interest rate earned on investments and a higher average investment balance.

The overall effective income tax rate decreased to 31.6 percent for the quarter ended May 26, 2007 from 33.5 percent for the quarter ended May 27, 2006. The decrease was a result of an increase in tax-free and dividend income and stock option tax benefits due to a larger deduction for tax purposes than book purposes related to the exercise of stock options.

Net income decreased by 14.5 percent and income per diluted share decreased by 12.5 percent when comparing the quarter ended May 26, 2007 to the quarter ended May 27, 2006. The reason for the difference in the decrease in net income compared to the decrease in income per diluted share was due primarily to a lower number of shares of common stock outstanding during the quarter ended May 26, 2007, as a result of more shares of common stock repurchased by the Company during Fiscal 2006.

Nine Months Ended May 26, 2007 Compared to the Nine Months Ended May 27, 2006

The following is an analysis of changes in key items included in the consolidated statements of income for the nine months ended May 26, 2007 compared to the nine months ended May 27, 2006.

	Nine Months Ended					
(In thousands, except percent and per share data)	May 26, 2007	% of Revenues	May 27, 2006	% of Revenues	(Decrease) Increase	% Change
Net revenues	$ 632,471	100.0	$ 658,992	100.0	$ (26,521)	(4.0)
Cost of goods sold	565,866	89.5	579,432	87.9	(13,566)	(2.3)
Gross profit	66,605	10.5	79,560	12.1	(12,955)	(16.3)
Selling	14,553	2.3	13,714	2.1	839	6.1
General and administrative	17,893	2.8	15,493	2.4	2,400	15.5
Total operating expenses	32,446	5.1	29,207	4.5	3,239	11.1
Operating income	34,159	5.4	50,353	7.6	(16,194)	(32.2)
Financial income	4,964	0.8	3,654	0.6	1,310	35.9
Income before income taxes	39,123	6.2	54,007	8.2	(14,884)	(27.6)
Provision for taxes	12,402	2.0	18,580	2.8	(6,178)	(33.3)
Net income	$ 26,721	4.2	$ 35,427	5.4	$ (8,706)	(24.6)
Diluted income per share	$ 0.84		$ 1.08		$ (0.24)	(22.2)
Fully diluted average shares outstanding	31,697		32,937		(1,240)	(3.8)

Unit deliveries consisted of the following:

	Nine Months Ended					
Motor home unit deliveries:	May 26, 2007	Product Mix %	May 27, 2006	Product Mix %	Increase (Decrease)	% Change
Class A gas	2,562	37.2	2,341	32.0	221	9.4
Class A diesel	1,168	17.0	1,234	16.8	(66)	(5.3)
Total Class A	3,730	54.2	3,575	48.8	155	4.3
Class C	3,151	45.8	3,753	51.2	(602)	(16.0)
Total deliveries	6,881	100.0	7,328	100.0	(447)	(6.1)

Net revenues for the nine months ended May 26, 2007 decreased $26.5 million, or 4.0 percent, primarily as a result of a 6.1 percent decrease in unit deliveries. Average selling prices of our units increased 2.3 percent when comparing the two nine-month periods. The selling price increase was due primarily to a shift in mix from Class C to Class A motor homes.

Gross profit margin decreased $13.0 million, from 12.1 percent for the nine months ended May 27, 2006 to 10.5 percent for the nine months ended May 26, 2007. The deterioration of margin was primarily due to lower volume resulting in increased fixed costs per unit of production. Also contributing to the reduced margins were an increase in the mix of lower-margin motor homes in the Class A and Class C categories, higher health care costs and higher material costs.

Selling expenses increased $839,000, or 6.1 percent, for the nine months ended May 26, 2007. As a percent of net revenues, selling expenses were 2.3 percent and 2.1 percent for the nine months ended May 26, 2007 and May 27, 2006, respectively. The increases were due primarily to the acceleration of our Dealer Days event from the fourth quarter to the third quarter.

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General and administrative expenses increased $2.4 million, or 15.5 percent, for the nine months ended May 26, 2007. As a percent of net revenues, general and administrative expenses were 2.8 percent and 2.4 percent for the nine months ended May 26, 2007 and May 27, 2006, respectively. The increase in dollars was due primarily to increased bonus expense of $1.0 million due to the Company achieving a portion of its compensation objectives and to stock-based compensation expense of $636,000 as a result of accelerated vesting due to an increase in retirement eligible employees.

Financial income increased $1.3 million, or 35.9 percent, for the nine months ended May 26, 2007. The increase in financial income was due to a higher average interest rate earned on investments.

The overall effective income tax rate decreased to 31.7 percent for the nine months ended May 26, 2007 from 34.4 percent for the nine months ended May 27, 2006. The decrease was a result of an increase in tax-free and dividend income and stock option tax benefits due to a larger deduction for tax purposes than book purposes related to the exercise of stock options.

Net income decreased by 24.6 percent and income per diluted share decreased by 22.2 percent when comparing the nine months ended May 26, 2007 to the nine months ended May 27, 2006. The smaller percentage decrease in income per diluted share was due primarily to a lower number of shares of common stock outstanding during the nine months ended May 26, 2007, as a result of more shares of common stock repurchased by the Company during Fiscal 2006.

Analysis of Financial Condition, Liquidity and Resources

In recent fiscal periods, we have generated substantial cash from operations, which has enabled us to meet our working capital needs and make appropriate investments in manufacturing equipment and facilities, as well as pay increased cash dividends and repurchase stock. Cash and cash equivalents totaled $11.9 million and $24.9 million as of May 26, 2007 and August 26, 2006, respectively. Short-term investments, consisting primarily of highly liquid investments, were $145.0 million and $130.0 million as of May 26, 2007 and August 26, 2006, respectively. Working capital at May 26, 2007 and August 26, 2006 was $201.4 million and $187.0 million, respectively, an increase of $14.4 million. We have no long-term debt. We currently expect our cash on hand and funds generated from operations to be sufficient to cover both short- and long-term operating requirements.

Operating Activities

Cash provided by operating activities was $25.1 million and $89.6 million for the nine months ended May 26, 2007 and May 27, 2006, respectively. Significant reductions in inventory and receivables of $48.5 million for the nine months ended May 27, 2006 were the primary reasons for the $89.6 million of cash provided by operating activities. Conversely, for the nine months ended May 26, 2007, inventory and accounts receivables levels increased $15.2 million. This was partially offset by an increase in accounts payable and accrued expenses of $8.4 million in the nine months ended May 26, 2007 versus a decrease of $11.7 million during the comparable period of Fiscal 2006.

Investing Activities

The primary uses of cash for investing activities were for manufacturing equipment and facilities purchases of $3.7 million during the nine months ended May 26, 2007 compared to $3.2 million for the nine months ended May 27, 2006. We purchased $238.6 million of short-term investments and received proceeds of $223.6 million from the sale or maturity of short-term investments during the nine months ended May 26, 2007. During the nine months ended May 27, 2006, we purchased $150.5 million of short-term investments and received proceeds of $118.6 million from the sale or maturity of short-term investments.

Financing Activities

Cash used in financing activities for the nine months ended May 26, 2007 was $20.4 million compared to $58.9 million for the nine months ended May 27, 2006. The Company used cash of $20.5 million during the nine months ended May 26, 2007 and $51.6 million during the nine months ended May 27, 2006 for the repurchase of our common stock. Payments of cash dividends of $9.4 million for the nine months ended May 26, 2007 and $8.9 million for the nine months ended May 27, 2006 were made. We received proceeds from the exercise of stock options of $7.6 million and $1.2 million for the nine months ended May 26, 2007 and May 27, 2006, respectively. (See Unaudited Condensed Consolidated Statements of Cash Flows.)

Anticipated Use of Funds

On April 12, 2006, the Board of Directors authorized the repurchase of outstanding shares of the Company's common stock, depending on market conditions, for an aggregate consideration of up to $50 million. During the third quarter of Fiscal 2007, approximately 628,000 shares were repurchased under this authorization for $20.5 million. (See Part II, Item 2 on page 17.) Repurchases of up to $1.7 million of our outstanding shares of common stock remain available under this authorization.

During the third quarter and first nine months of Fiscal 2006, we repurchased approximately 1.5 million and approximately 1.8 million shares, respectively, of our common stock for $43.3 million and $51.6 million, respectively.

Estimated uses, at May 26, 2007, of our liquid assets for the remainder of Fiscal 2007 include $3.2 million for payments of cash dividends and approximately $1 to $2 million for capital expenditures.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As of May 26, 2007, we have cash and cash equivalents of $11.9 million and an investment portfolio of available-for-sale securities of $145.0 million. Taking into account the credit risk criteria of our investment policy, the primary market risk associated with these investments is interest rate risk and a decline in value if market interest rates increase. However, we have the ability to hold our fixed income investments until maturity or for the typical Dutch auction period (an average of 64 days) and based upon historical experience, we do not believe there are significant risks of a failed Dutch auction. Therefore, we do not expect to recognize a material adverse impact on income or cash flows in the event of a decline in value due to an increase in market interest rates.

Item 4. Controls and Procedures.

As of the end of the period covered by this report, we, with the participation of our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as required by Securities Exchange Act of 1934, as amended (the "Exchange Act") Rule 13a-15(f). Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission's (SEC) rules and forms.

We, including the Chief Executive Officer and the Chief Financial Officer, do not expect that our disclosure controls and procedures will prevent all errors or all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

We are responsible for establishing and maintaining adequate internal control over financial reporting as defined in Exchange Act Rule 13a-15(f). We conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework and criteria established in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of May 26, 2007. During our assessment, we did not identify any material weaknesses in our internal control over financial reporting.

There have been no significant changes in our internal controls or in other factors which could significantly affect internal controls over financial reporting subsequent to the date we carried out its evaluation.

In connection with the evaluation of internal control over financial reporting described above, no changes in our internal control over financing reporting were identified that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Winnebago Industries, Inc.
Forest City, Iowa

We have reviewed the accompanying condensed consolidated balance sheet of Winnebago Industries, Inc. and subsidiaries (the "Corporation") as of May 26, 2007, and the related condensed consolidated statements of income for the three months ended and nine months ended May 26, 2007 and May 27, 2006, and of cash flows for the nine-month periods ended May 26, 2007, and May 27, 2006. These interim financial statements are the responsibility of the Corporation's management.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to such condensed consolidated interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of Winnebago Industries, Inc. and subsidiaries as of August 26, 2006, and the related consolidated statements of income, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated November 9, 2006, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of August 26, 2006, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Deloitte & Touche LLP
Deloitte & Touche LLP
Minneapolis, Minnesota
June 29, 2007

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PART II OTHER INFORMATION

Item 1. Legal Proceedings.

We are regularly involved in legal proceedings in the ordinary course of business, some of which are covered in part by insurance. We prepare cost estimates of pending litigation based on historical experience, the professional judgment of our legal counsel, and other assumptions that we believe to be reasonable. Due to the uncertainties related to the outcome of the litigation and range of loss on certain cases, we occasionally are unable to make a reasonable estimate of the liability that could result from an unfavorable outcome. As additional information becomes available, we reassess the potential liability related to pending litigation and revise the related estimates. Such revisions and any actual liability that greatly exceed our estimates could materially adversely impact our results of operations and financial condition.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On April 12, 2006, the Board of Directors authorized the repurchase of outstanding shares of our common stock, depending on market conditions, for an aggregate consideration of up to $50 million. There is no time restriction on this authorization. As of May 26, 2007, 1.6 million shares had been repurchased for an aggregate consideration of approximately $48.3 million. On June 20, 2007, the Board of Directors authorized the repurchase of outstanding shares of our common stock, depending on market conditions, for an aggregate consideration of up to $60 million. There is no time restriction on this authorization.

This table provides information with respect to purchases by us of shares of our common stock during each fiscal month of the third quarter of Fiscal 2007:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares That May Yet Be Purchased Under the Plans or Programs
02/25/07 – 03/31/07	— — —	— — —	— — —	$ 22,197,500
04/01/07 – 04/28/07	— — —	— — —	— — —	$ 22,197,500
04/29/07 – 05/26/07	627,900	$ 32.71	627,900	$ 1,657,300

Total	627,900	$ 32.71	627,900	$ 1,657,300

Item 6. Exhibits.

(a) Exhibits - See Exhibit Index on page 19.

SIGNATURES

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

WINNEBAGO INDUSTRIES, INC.
(Registrant)

Date June 29, 2007

/s/ Bruce D. Hertzke
Bruce D. Hertzke
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Date June 29, 2007

/s/ Sarah N. Nielsen
Sarah N. Nielsen
Chief Financial Officer (Principal Financial Officer)

Exhibit Index

10z. Executive Change of Control Agreement dated March 21, 2007 between Winnebago Industries, Inc. and Randy J. Potts.

15. Letter regarding Unaudited Interim Financial Information.

31.1 Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 dated June 29, 2007.

31.2 Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 dated June 29, 2007.

32.1 Certification by the Chief Executive Officer pursuant to Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 dated June 29, 2007.

32.2. Certification by the Chief Financial Officer pursuant to Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 dated June 29, 2007.

EXHIBIT 10z.

EXECUTIVE CHANGE OF CONTROL AGREEMENT

This EXECUTIVE CHANGE OF CONTROL AGREEMENT is made as of March 21, 2007, by and between **WINNEBAGO INDUSTRIES, INC.**, an Iowa corporation (the "Company"), and Randy J. Potts (the "Executive").

R E C I T A L S :

WHEREAS, the Executive is a senior executive and officer of the Company and has made and is expected to continue to make major contributions to the profitability, growth and financial strength of the Company;

WHEREAS, the Company recognizes that, as is the case for most publicly held companies, the possibility of a Change of Control (as hereafter defined) exists;

WHEREAS, it is in the best interests of the Company, considering the past and future services of the Executive, to improve the security and climate for objective decision making by providing for the personal security of the Executive upon a Change of Control.

NOW, THEREFORE, in consideration of the foregoing premises and the past and future services rendered and to be rendered by the Executive to the Company and of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

A G R E E M E N T :

1. **Continued Service by Executive.** In the event a person or entity, in order to effect a Change of Control, commences a tender or exchange offer, circulates a proxy to shareholders or takes other steps, the Executive agrees that the Executive will not voluntarily leave the employ of the Company, and will render faithful services to the Company consistent with Executive's position and responsibilities, until the person or entity has abandoned or terminated its efforts to effect such Change of Control or until such Change of Control has occurred.

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

For the purpose of the foregoing definition of "Change of Control", the capitalized terms shall have the following meanings:

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

(b) "Acquiring Person" means any Person or any individual or group of Affiliates or Associates of such Person who acquires beneficial ownership, directly or indirectly, of 20% or more of the outstanding stock of the Company if such acquisition occurs in whole or in part following January 17, 2001, except that the term "Acquiring Person" shall not include a Hanson Family Member or an Affiliate or Associate of a Hanson Family Member.

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

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

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

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

3. **Special Benefits Effective Immediately Upon a Change of Control**. If a Change of Control shall have occurred while the Executive is still an employee of the Company, then the Executive shall immediately be entitled to the following benefits:

(a) *Immediate Vesting of All Stock Options and Rights*. All options and rights granted to the Executive by the Company pursuant to the Company's Stock Option Plan effective as of August 14, 1997, or any successor or supplemental stock plan shall become immediately exercisable upon a Change of Control.

(b) *Executive Split Dollar Life Insurance Program*. If the Executive is a participant under the Company's Executive Split Dollar Life Insurance Program at the time of a Change of Control and the Company has paid any portion of the premium on the policy or policies issued in connection therewith during the twelve months preceding the occurrence of the Change of Control, then the Company shall continue to pay all premiums on such policies so long as the Executive remains in the employ of the Company.

(c) *Retiree Health Insurance*. Any plans or policies of the Company providing for medical, dental, vision or similar benefits for retired employees existing as of the time of a Change of Control shall, as to the Executive, not be rescinded or modified in any manner which is adverse to the Executive following a Change of Control.

(d) *Restricted Stock*. All non-registered stock of the Company owned by the Executive, which is subject to restrictions on sale or other transfer, shall, at the option of the Executive (exercisable at any time by the delivery of written notice to the Company) be purchased by the Company at its fair market value. The purchase shall be completed by the Company within thirty (30) days after the Company receives the written notice of exercise from the Executive. So long as the Company's stock is traded on the New York Stock Exchange (the "NYSE"), the "fair market value" shall be the mean between the highest and lowest reported selling prices as reported by the NYSE on the business day immediately preceding the day of sale.

4. **Other Benefits Effective Immediately Upon a Change of Control Pursuant to Plan Documents**. It is acknowledged that there presently exist other plans and agreements of the Company which may provide benefits to the Executive and which contain specific provisions dealing with the occurrence of a change of control of the Company (as defined in such plan or agreement). Following a Change of Control, no such plan or agreement shall be rescinded or modified in any manner which is adverse to the Executive. Such other plans and agreements of the Company shall mean: (a) the Executive Share Option Program; (b) the Officers Long-Term Incentive Plan; (c) the Deferred Compensation and Deferred Bonus Plans; and (d) the Officers Incentive Compensation Plan. Nothing herein shall be construed to affect the Company's right and ability to terminate or amend any such plan or agreement (subject to the terms thereof) prior to a Change of Control.

5. **Termination Following a Change of Control.** If a Change of Control shall have occurred while the Executive is still an employee of the Company, and if the Executive's employment with the Company is terminated, within three years following such Change of Control, then the Executive shall be entitled to the compensation and benefits provided in Sections 6 and 7, unless such termination is a result of: (a) the Executive's death; (b) the Executive's Disability (as defined in Section 5(a) below); (c) the Executive's Retirement (as defined in Section 5(b) below); (d) the Executive's termination by the

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Company for Cause (as defined in Section 5(c) below); or (e) the Executive's decision to terminate employment other than for Good Reason (as defined in Section 5(d) below).

(a) *Disability.* If, as a result of the Executive's incapacity due to physical or mental illness, the Executive shall have been absent from his duties with the Company on a full-time basis for six months and within 30 days after written notice of termination is thereafter given by the Company the Executive shall not have returned to the full-time performance of the Executive's duties, the Company may terminate the Executive for "Disability".

(b) *Retirement.* The term "Retirement" as used in this Agreement shall mean termination by the Company or the Executive of the Executive's employment based on the Executive having attained the age of 65 or such other age as shall have been fixed in any arrangement established with the Executive's consent with respect to the Executive.

(c) *Cause.* The Company may terminate the Executive's employment for Cause. For purposes of this Agreement only, the Company shall have "Cause" to terminate the Executive's employment hereunder only on the basis of (i) fraud, misappropriation or embezzlement on the part of the Executive; or (ii) intentional misconduct or gross negligence on the part of the Executive which has resulted in material harm to the Company. Notwithstanding the foregoing, the Executive shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Company's Board of Directors at a meeting of the Board called and held for the purpose (after reasonable notice to the Executive and an opportunity for the Executive, together with the Executive's counsel, to be heard before the Board), finding that in the good faith opinion of the Board the Executive was guilty of conduct set forth in the second sentence of this Section 5(c) and specifying the particulars thereof in detail. Nothing herein shall limit the right of the Executive or his beneficiaries to contest the validity or propriety of any such determination.

(d) *Good Reason.* The Executive may terminate the Executive's employment for Good Reason at any time during the term of this Agreement. For purposes of this Agreement "Good Reason" shall mean any of the following (without the Executive's express written consent):

(i) the assignment to the Executive by the Company of duties inconsistent with the Executive's position, duties, responsibilities and status with the Company immediately prior to a Change in Control of the Company, or a change in the Executive's titles or offices as in effect immediately prior to a Change in Control of the Company, or any removal of the Executive from or any failure to reelect the Executive to any of such positions, except in connection with the termination of his employment for Disability, Retirement or Cause or as a result of the Executive's death or by the Executive other than for Good Reason;

(ii) a reduction by the Company in the Executive's base salary as in effect on the date hereof or as the same may be increased from time to time during the term of this Agreement or the Company's failure to increase (within 12 months of the Executive's last increase in base salary) the Executive's base salary after a Change in Control of the Company in an amount which at least equals, on a percentage basis, the average percentage increase in base salary for all officers of the Company effected in the preceding 12 months;

(iii) any failure by the Company to continue in effect any benefit plan or arrangement (including, without limitation, the Company's 401(K) plan, nonqualified deferred compensation plan, profit sharing plan, group life insurance plan, and medical, dental, accident and disability plans) in which the Executive is participating at the time of a Change of Control (or any other plans providing the Executive with substantially similar benefits) (hereinafter referred to as "Benefit Plans"), or the taking of any action by the Company which would adversely affect the Executive's participation in or materially reduce the Executive's benefits under any such Benefit Plan or deprive the Executive of any material fringe benefit enjoyed by the Executive at the time of a Change in Control of the Company;

(iv) any failure by the Company to continue in effect any incentive plan or arrangement (including, without limitation, the Company's Officers Incentive Compensation Plan, Officers Long-Term Incentive Plan, bonus and contingent bonus arrangements and credits and the right to receive performance awards and similar incentive compensation benefits) in which the Executive is participating at the time of a Change of Control (or any other plans or arrangements providing him with substantially similar benefits) (hereinafter referred to as "Incentive Plans") or the taking of any action by the Company which would adversely affect the Executive's participation in any such Incentive Plan or reduce the Executive's benefits under any such Incentive Plan, expressed as a percentage of his base salary, by more than 10 percentage points in any fiscal year as compared to the immediately preceding fiscal year;

(v) any failure by the Company to continue in effect any plan or arrangement to receive securities of the Company in which the Executive is participating at the time of a Change of Control (or plans or arrangements providing him with substantially similar benefits) (hereinafter referred to as "Securities Plans") or the taking of any action by the Company which would adversely affect the Executive's participation in or materially reduce the Executive's benefits under any such Securities Plan;

(vi) a relocation of the Company's principal executive offices to a location outside of Forest City, Iowa, or the Executive's relocation to any place other than the location at which the Executive performed the Executive's duties prior to a Change in Control of the Company, except for required travel by the Executive on the Company's business to an extent substantially consistent with the Executive's business travel obligations at the time of a Change in Control of the Company;

(vii) any failure by the Company to provide the Executive with the number of paid vacation days to which the Executive is entitled at the time of a Change in Control of the Company;

(viii) any material breach by the Company of any provision of this Agreement;

(ix) any failure by the Company to obtain the assumption of this Agreement by any successor or assign of the Company; or

(x) any purported termination of the Executive's employment which is not effected pursuant to a Notice of Termination satisfying the requirements of Section 3(f), and for purposes of this Agreement, no such purported termination shall be effective.

(e) *Notice of Termination.* Any termination by the Company pursuant to Section 5(a), (b) or (c) shall be communicated by a Notice of Termination. For purposes of this Agreement, a "Notice of Termination" shall mean a written notice which shall indicate those specific termination provisions in this Agreement relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provisions so indicated. For purposes of this Agreement, no such purported termination by the Company shall be effective without such Notice of Termination.

(f) *Date of Termination.* "Date of Termination" shall mean (a) if this Agreement is terminated by the Company for Disability, 30 days after Notice of Termination is given to the Executive (provided that the Executive shall not have returned to the performance of the Executive's duties on a full-time basis during such 30-day period) or (b) if the Executive's employment is terminated by the Company for any other reason, the date on which a Notice of Termination is given; *provided* that if within 30 days after any Notice of Termination is given to the Executive by the Company the Executive notifies the Company that a dispute exists concerning the termination, the Date of Termination shall be the date the dispute is finally determined, whether by mutual agreement by the parties or upon final judgment, order or decree of a court of competent jurisdiction (the time for appeal therefrom having expired and no appeal having been perfected).

6. **Severance Compensation upon Termination of Employment.** If the Company shall terminate the Executive's employment other than pursuant to Section 5(a), (b) or (c) or if the Executive shall terminate his employment for Good Reason, then the Company shall pay to the Executive as severance pay in a lump sum, in cash, on the fifth day following the Date of Termination, an amount equal to three (3) times the average of the aggregate annual compensation paid to the Executive during the three (3) fiscal years of the Company immediately preceding the Change of Control by the Company subject to United States income taxes (or, such fewer number of fiscal years if the Executive has not been employed by the Company during each of the preceding three (3) fiscal years).

7. **Additional Benefits Upon Termination.** If within three years following a Change of Control, the Company shall terminate the Executive's employment other than pursuant to Section 5(a), 5(b) or 5(c) or if the Executive shall terminate his employment for Good Reason, then the Company shall further provide to the Executive the following benefits:

(a) *Life, Dental, Vision, Health and Long Term Disability Coverage*. The Executive's participation in, and entitlement to, benefits under: (i) all life insurance plans of the Company; (ii) all health insurance plans of the Company, including but not limited to those providing major medical and hospitalization benefits, dental benefits and vision benefits; and (iii) the Company's long-term disability plan or plans; as all such plans existed immediately prior to the Change of Control shall continue as though the Executive remained employed by the Corporation for an additional period of three (3) years or until the obtainment of such coverages by the Executive through another employer, whichever is earlier; provided,

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however, that in the case of all health insurance plans of the Company (including but not limited to those providing major medical and hospitalization benefits, dental benefits and vision benefits), such three (3) year period shall be extended to the time that the Executive's attains age 65 (and provided further that the Executive may then be entitled to certain retiree health insurance under Section 3(c) hereof). To the extent such participation or entitlement is not possible for any reason whatsoever, equivalent benefits shall be provided by the Company to the Executive.

(b) *Automobile Benefit*. If the Executive is entitled to the use of a Company-owned automobile at the time of a Change of Control, then title to such automobile shall be transferred to the Executive (upon termination of employment as described in Section 7 above) free and clear of all liens and encumbrances (or, if the Company does not own such automobile at the time of termination, then the Company shall arrange for the purchase, for the benefit of the Executive, of a similar make, model and year of automobile).

(c) *Executive Split Dollar Life Insurance Program*. Provided that the Company is obligated, pursuant to Section 3(b) hereof, to pay premiums on a policy or policies issued in favor of the Executive following a Change of Control, then the Company shall, in the same manner, continue making such premium payments until the later of (i) the Executive attains the age of 55; or (ii) three (3) years following the Executive's termination of employment (provided, however, that the Company shall not be obligated to make any such payments after the Executive attains age 65).

(d) *Deferred Compensation Plans.* Any vesting requirement imposed under the provisions of, or rules relating to, the Company's Deferred Compensation and Deferred Bonus Plans, (including, but not limited to, vesting conditions requiring that the Executive attain the age of 55 and/or complete five years of service following a deferral) shall be waived and the Executive shall be fully vested in all deferrals made under such plans.

8. **Excise Tax-Additional Payment**.

(a) Notwithstanding anything in this Agreement or any written or unwritten policy of the Company to the contrary, (i) if it shall be determined that any payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement, any other agreement between the Company and the Executive or otherwise (a "Payment"), would be subject to the excise tax imposed by section 4999 of the Internal Revenue Code of 1986, as amended, (the "Code") or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), or (ii) if the Executive shall otherwise become obligated to pay the Excise Tax in respect of a Payment, then the Company shall pay to the Executive an additional payment (a "Gross-Up Payment") in an amount such that after payment by the Executive of all taxes (including any interest or penalties imposed with respect to such taxes), including any Excise Tax, imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon such Payment.

(b) All determinations and computations required to be made under this Section 8, including whether a Gross-Up Payment is required under clause (ii) of paragraph 8(a) above, and the amount of any Gross-Up Payment, shall be made by the Company's regularly engaged independent certified public accountants (the "Accounting Firm"). The Company shall cause the Accounting Firm to provide detailed supporting calculations both to the Company and the Executive within 15 business days after such determination or computation is requested by the Executive. Any initial Gross-Up Payment determined pursuant to this Section 8 shall be paid by the Company to the Executive within 5 days of the receipt of the Accounting Firm's determination. A determination that no Excise Tax is payable by the Executive shall not be valid or binding unless accompanied by a written opinion of the Accounting Firm to the Executive that the Executive has substantial authority not to report any Excise Tax on his federal income tax return. Any determination by the Accounting Firm shall be binding upon the Company and the Executive, except to the extent the Executive becomes obligated to pay an Excise Tax in respect of a Payment. In the event that the Company or the subsidiary exhausts or waives its remedies pursuant to paragraph 8(c) and the Executive thereafter shall become obligated to make a payment of any Excise Tax, and if the amount thereof shall exceed the amount, if any, of any Excise Tax computed by the Accounting Firm pursuant to this paragraph 8(b) in respect to which an initial Gross-Up Payment was made to the Executive, the Accounting Firm shall within 15 days after Notice thereof determine the amount of such excess Excise Tax and the amount of the additional Gross-Up Payment to the Executive. All expenses and fees of the Accounting Firm incurred by reason of this Section 8 shall be paid by the Company.

(c) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of a Gross-Up Payment. Such notification shall be given as soon as practicable but no later than ten business days after the Executive knows of such claim and shall apprise the Company of the

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nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the thirty-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) give the Company any information reasonably requested relating to such claim,

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim, and

(iv) permit the Company to participate in any proceedings relating to such claim;

provided, *however*, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax, including interest and penalties with respect thereto, imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this paragraph 8(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company or the subsidiary shall determine; *provided*, *however*, that if the Company or the subsidiary directs the Executive to pay such claim and sue for a refund, the Company or the subsidiary shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax, including interest or penalties with respect thereto, imposed with respect to such advance or with respect to any imputed income with respect to such advance; and *further provided*, that any extension of the statue of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, control of the contest by the Company shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by the Executive of an amount advanced by the Company or the subsidiary pursuant to paragraph 8(c), the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to compliance with the requirements of Section 8 by the Company or the subsidiary) promptly pay to the Company or the subsidiary the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company or the subsidiary pursuant to paragraph 8(c), a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of thirty days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall off-set, to the extent thereof, the amount of Gross-Up Payment required to be paid.

9. **No Obligation To Mitigate Damages; No Effect on Other Contractual Rights**.

(a) The Executive shall not be required to mitigate damages or the amount of any payment provided for under this Agreement by seeking other employment or otherwise, nor shall the amount of any payment provided for under this Agreement be reduced by any compensation earned by the Executive as the result of employment by another employer after the Date of Termination, or otherwise.

(b) The provisions of this Agreement, and any payment provided for hereunder, shall not reduce any amounts otherwise payable, or in any way diminish the Executive's existing rights, or rights which would accrue solely as a result of the passage of time, under any Benefit Plan, Incentive Plan or Securities Plan, employment agreements or other contract, plan or arrangement.

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10. **Successor to the Company**.

(a) The Company will require any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) of all or substantially all of the business and/or assets of the Company, by agreement in form and substance satisfactory to the Executive, expressly, absolutely and unconditionally to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place. Any failure of the Company to obtain such agreement prior to the effectiveness of any such succession or assignment shall be a material breach of this Agreement and shall entitle the Executive to terminate the Executive's employment for Good Reason. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor or assign to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this Section 10 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

(b) This Agreement shall inure to the benefit of and be enforceable by the Executive's personal and legal representatives, executors, administrators, successors, heirs, distributes, devisees and legatees. If the Executive should die while any amounts are still payable to him hereunder, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's devisee, legatee, or other designee or, if there be no such designee, to the Executive's estate.

11. **No Guaranty of Employment**. Nothing in this Agreement shall be deemed to entitle the Executive to continued employment with the Company prior to a Change of Control, and the rights of the Company to terminate the employment of the Executive, prior to a Change of Control, shall continue as fully as if this Agreement were not in effect.

12. **Notice**. For purposes of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered mail, return receipt registered, postage prepaid, as follows:

If to the Company:

Winnebago Industries, Inc.
Attn: General Counsel
605 W. Crystal Lake Road
P.O. Box 152
Forest City, Iowa 50436

If to the Executive:

Raymond M. Beebe
17121 – 350th Street
Forest City, IA 50436

or such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

13. **Miscellaneous**. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Iowa.

14. **Validity**. The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

15. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

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16. **<u>Legal Fees and Expenses</u>**. The Company shall pay all legal fees and expenses which the Executive may incur as a result of the Company's contesting the validity, enforceability or the Executive's interpretation of, or determinations under, this Agreement.

17. **<u>Confidentiality</u>**. The Executive shall retain in confidence any and all confidential information known to the Executive concerning the Company and its business so long as such information is not otherwise publicly disclosed.

IN WITNESS WHEREOF, the parties have executed this agreement on the date set out above.

COMPANY:

WINNEBAGO INDUSTRIES, INC.

By: ______________________________
Bruce D. Hertzke
Chairman of the Board, Chief Executive Officer
And President

EXECUTIVE:

____
Randy J. Potts

EXHIBIT 15

June 29, 2007

Winnebago Industries, Inc.
Forest City, Iowa

We have reviewed, in accordance with the standards of the Public Company Accounting Oversight Board (United States), of the unaudited interim financial information of Winnebago Industries, Inc. and subsidiaries for the quarters and nine months ended May 26, 2007, and May 27, 2006, as indicated in our report dated June 29, 2007; because we did not perform an audit, we expressed no opinion on that information.

We are aware that our reports referred to above, which are included in your Quarterly Report on Form 10-Q for the quarter ended May 26, 2007, is incorporated by reference in Registration Statements No. 2-40316, No. 2-82109, No. 33-21757, No. 33-59930, No. 333-31595, No. 333-47123, and No. 333-113246 on Form S-8.

We also are aware that the aforementioned reports, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP
Minneapolis, Minnesota
June 29, 2007

EXHIBIT 31.1

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Bruce D. Hertzke, Chief Executive Officer of Winnebago Industries, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Winnebago Industries, Inc. (the “Registrant”);

2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Quarterly Report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the Registrant’s disclosure controls and procedures and, based on such evaluation, presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this Quarterly Report; and

   d) disclosed in this Quarterly Report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of Registrant’s Board of Directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date:	June 29, 2007	By:	/s Bruce D. Hertzke
			Bruce D. Hertzke
			Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Sarah N. Nielsen, Chief Financial Officer of Winnebago Industries, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Winnebago Industries, Inc. ("the Registrant");

2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations, and cash flows of the Registrant as of, and for, the periods presented in this Quarterly Report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and, based on such evaluation, presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this Quarterly Report; and

   d) disclosed in this Quarterly Report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's Board of Directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: June 29, 2007

By: /s/ Sarah N. Nielsen
Sarah N. Nielsen
Chief Financial Officer

EXHIBIT 32.1

**CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

I, Bruce D. Hertzke, Chairman of the Board and Chief Executive Officer of Winnebago Industries, Inc., certifies that pursuant to 18 U.S.C. §1350 as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(a) This Quarterly Report on Form 10-Q (“periodic report”) of Winnebago Industries, Inc. (the “issuer”), for the quarter ended May 26, 2007 as filed with the Securities and Exchange Commission on the date of this certificate, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

(b) the information contained in this periodic report fairly represents, in all material respects, the financial condition and results of operations of the issuer.

Date:	June 29, 2007	By:	/s/ Bruce D. Hertzke
			Bruce D. Hertzke
			Chief Executive Officer

EXHIBIT 32.2

**CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

I, Sarah N. Nielsen, Chief Financial Officer of Winnebago Industries, Inc., certifies that pursuant to 18 U.S.C. §1350 as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(a) This Quarterly Report on Form 10-Q ("periodic report") of Winnebago Industries, Inc. (the "issuer"), for the quarter ended May 26, 2007 as filed with the Securities and Exchange Commission on the date of this certificate, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

(b) the information contained in this periodic report fairly represents, in all material respects, the financial condition and results of operations of the issuer.

Date: June 29, 2007

By: /s/ Sarah N. Nielsen
Sarah N. Nielsen
Chief Financial Officer