2004 Annual Report

WINNEBAGO INDUSTRIES

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Corporate Profile

Winnebago Industries, Inc., headquartered in Forest City, Iowa, is the leading United States (U.S.) manufacturer of motor homes, self-contained recreation vehicles (RV) used primarily in leisure travel and outdoor recreation activities. The Company builds quality motor homes with state-of-the-art computer-aided design and manufacturing systems on automotive-styled assembly lines. The Company's products are subjected to what the Company believes is the most rigorous testing in the RV industry. These vehicles are sold through dealers under the Winnebago®, Itasca® and Rialta® brand names. The Company markets its recreation vehicles on a wholesale basis to a diversified dealer organization located throughout the U.S., and to a limited extent, in Canada. As of August 28, 2004, the motor home dealer organization in the U.S. and Canada included approximately 310 dealer locations. Motor home sales by Winnebago Industries represented at least 92 percent of its revenues in each of the past five fiscal years. Other products manufactured by the Company consist principally of a variety of component parts for other manufacturers.

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

Recent Financial Performance

(In thousands, except per share data)
(Adjusted for 2-for-1 stock split - March 5, 2004)

	Fiscal 2004	Fiscal 2003	2004 to 2003 % Change
Net Revenues	$ 1,114,154	$ 845,210	32%
Gross Profit	$ 162,169	$ 113,378	43%
Operating Income	$ 110,798	$ 77,294	43%
Net Income	$ 70,641	$ 49,884	42%
Diluted Income Per Share	$ 2.03	$ 1.33	53%
Diluted Weighted Average Outstanding Shares	34,789	37,636	(8)%

Winnebago Industries, Inc.

Mission Statement

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

Values

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

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

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

Plant -- We believe our facilities to be the most technologically advanced in the RV industry. We continue to review facility improvements that will increase the utilization of our plant capacity and enable us to build the best quality product for the investment.

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

Guiding Principles

Quality comes first -- To achieve customer satisfaction, the quality of our products and services must be our number one priority.

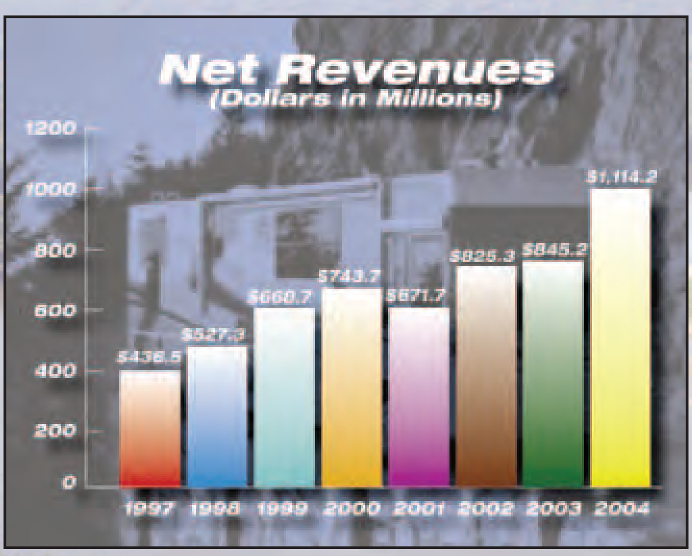
Customers are central to our existence -- Our work must be done with our customers in mind, providing products and services that meet or exceed the expectations of our customers. We must not only satisfy our customers, we must also surprise and delight them.

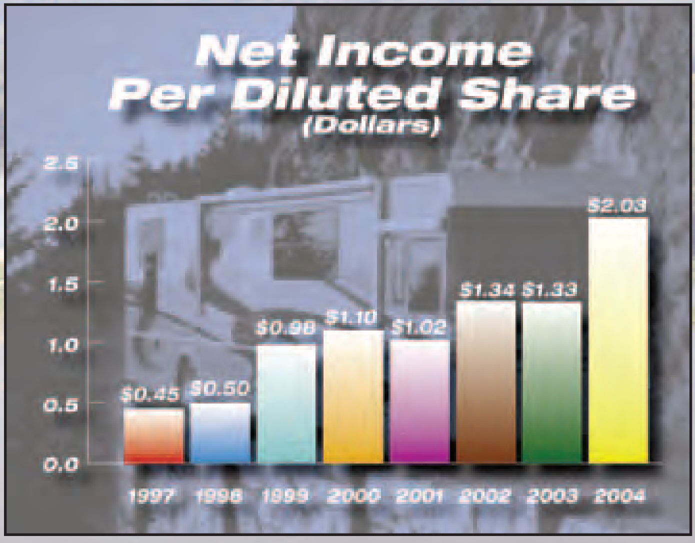
Continuous improvement is essential to our success -- We must strive for excellence in everything we do: in our products, in their safety and value, as well as in our services, our human relations, our competitiveness and our profitability.

Employee involvement is our way of life -- We are a team. We must treat each other with trust and respect.

Dealers and suppliers are our partners -- The Company must maintain mutually beneficial relationships with dealers, suppliers and our other business associates.

Integrity is never compromised -- The Company must pursue conduct in a manner that is socially responsible and that commands respect for its integrity and for its positive contributions to society.





To Our Fellow Shareholders:

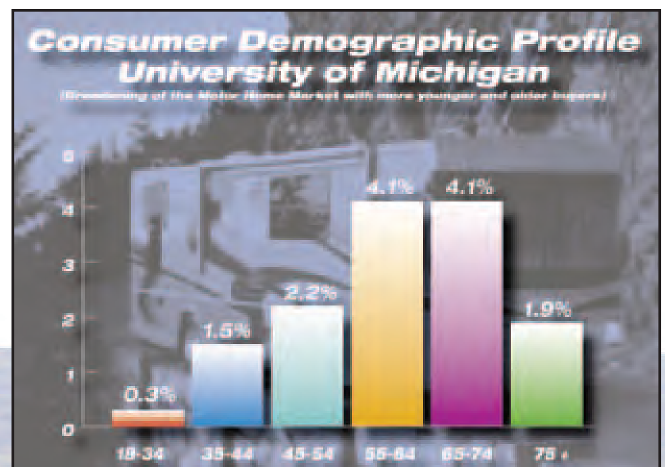
By all measures, fiscal 2004 was a year in which we surpassed all of Winnebago Industries' previous financial records.

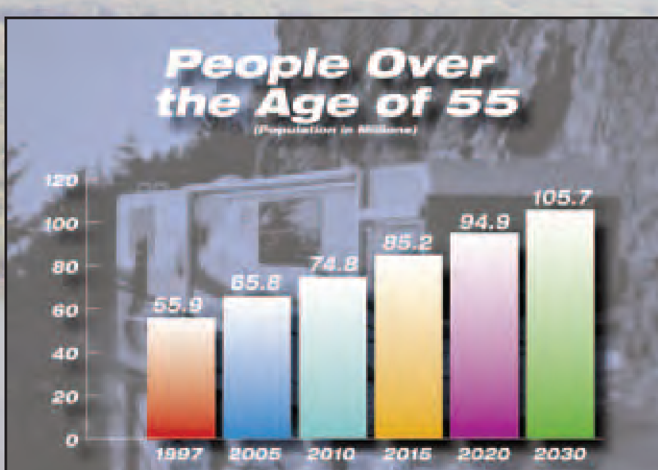
Revenues for fiscal 2004 were a record $1.1 billion, a 32 percent increase compared to $845.2 million for the previous fiscal year. This was the first time in the Company's history that revenues surpassed the significant billion dollar mark.

Net income for fiscal 2004 was a record $70.6 million, a 42 percent increase compared to $49.9 million for fiscal 2003. On a diluted per share basis, the Company earned a record $2.03 a share, a 53 percent increase compared to $1.33 a share for fiscal 2003. Included in fiscal 2003 net income was $1.2 million from discontinued operations, or three cents a share.

Long-Term Growth Trends

Even while surpassing these records, we believe the best is yet to come. The long-term outlook for motor home sales continues to be favorable. The current demographic trends should drive growth going forward, due primarily to the graying of America. While we have discussed this trend many times, it certainly bears repeating. Over 80 percent of our retail customers are over age 50. And according to 2004 information from the U.S. Census Bureau, over 350,000 people turn age 50 in the United States each month. That's an additional four million potential customers each year. This trend should drive growth of the RV industry for the next three decades.





According to the 2001 University of Michigan "RV Consumer Demographic Profile," a study of the RV consumer, the age at which the motor home consumer is purchasing motor homes is also broadening. For instance, the study shows that motor home buyers are entering the market earlier than in the past, younger than 35 years old. At the same time, there is also growth in the market of people over the age of 65.

Market Share Growth

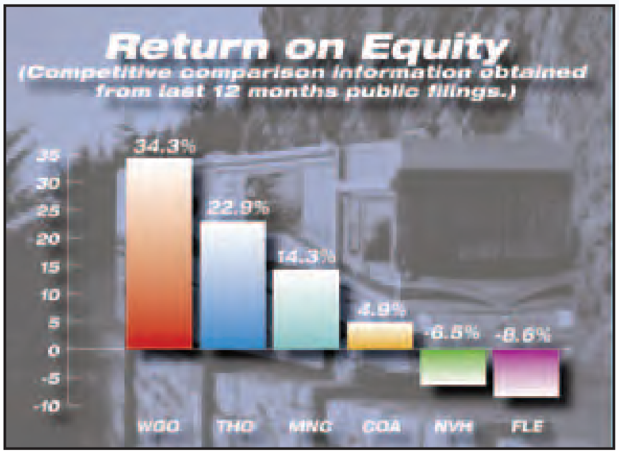
In addition to these growth trends for the RV industry, Winnebago Industries has grown its share of the motor home market, particularly in the Class A diesel segment of the industry. The successful launch of the 2004 Winnebago Vectra®, Itasca Horizon® and Meridian™, and the redesigned Winnebago Journey® in the fall of 2003, provided significant momentum for our growth in the Class A diesel market throughout the year. According to Statistical Surveys, Inc., an independent retail reporting service, Winnebago Industries' Class A diesel retail market share grew to 14.3 percent calendar year to date through August 2004 compared to 8.9 percent for the same period in calendar 2003.

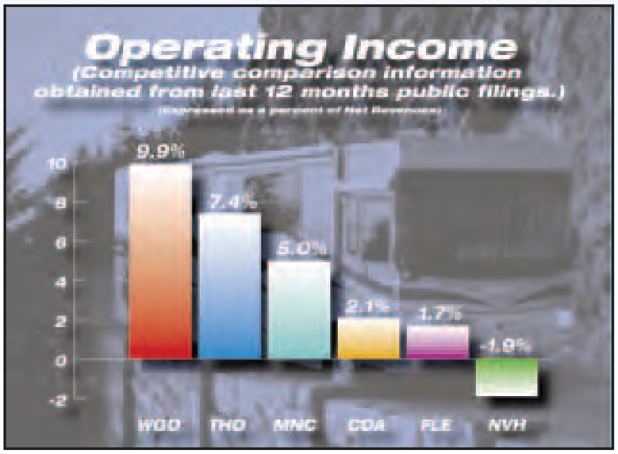
According to Statistical Surveys, Inc., Winnebago Industries' retail market share of the total Class A and C motor home market combined leads the industry at 19.2 percent for calendar year to date through August 2004, compared to 19.1 percent for the same period in calendar 2003.

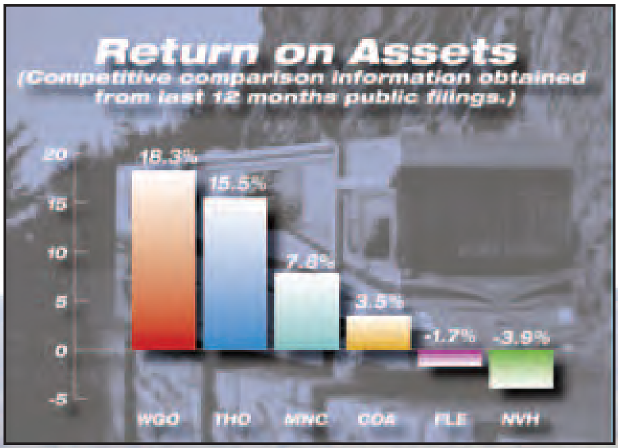
Also, in a survey of our dealers this spring, 41 percent indicated that they were in the planning phases or have recently completed major expansion projects. We consider that great news for continued growth for Winnebago Industries.

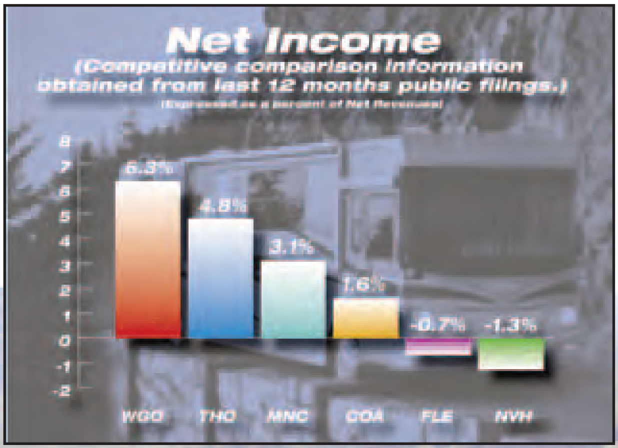
Profitability

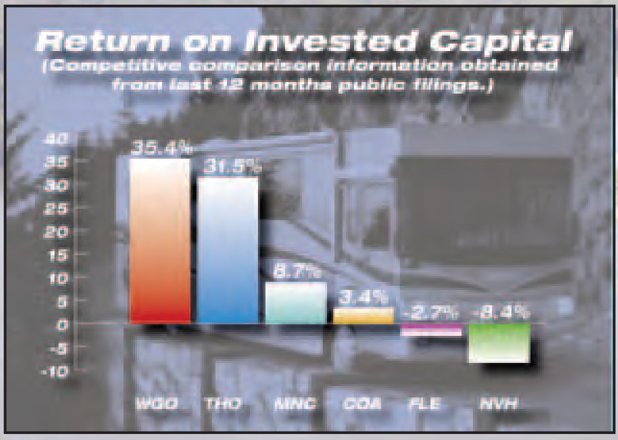
But while market share is certainly important, we have made a point of stating for each of the last four years that our primary goal is to be the most profitable public company in the RV industry. We measure our profitability by using five guidelines: Return on Assets (ROA), Return on











	Winnebago Industries, Inc.
	Thor Industries, Inc.
	Monaco Coach Corporation
	Coachmen Industries, Inc.
	Fleetwood Enterprises, Inc.
	National RV Holdings, Inc.

Equity (ROE), Return on Invested Capital (ROIC), Operating Margin as a percent of sales and Net Profit Margin as a percent of sales; because of their importance as a means to measure our performance compared to our major competitors. Winnebago Industries and the other five public motor home manufacturers used in this analysis accounted for over 70 percent of all Class A and C motor home sales during the 12 months ended August 2004. The graphs on page 3 demonstrate that we continue to lead the RV industry in profitability in all of these measurements.

Return Profits to Shareholders

We believe it is important to use our profits first for future product development and the expansion of our business. Beyond that, we believe cash dividends and repurchasing our common stock are both extremely effective ways to return profits to our shareholders.

On October 20, 2003, Winnebago Industries repurchased 2,900,000 shares of stock for $22.06 per share (adjusted for the 2-for-1 stock split on March 5, 2004) from Hanson Capital Partners, LLC, which is owned and controlled by the family of Company founder John K. Hanson and his wife, Luise. In June 2004, the Board of Directors also announced the Company's ninth stock repurchase program, authorizing the purchase of Winnebago Industries' common stock for an aggregate price of up to $30 million. The Company had repurchased 116,800 shares as of August 28, 2004 under that authorization for an aggregate price of approximately $3.4 million.

These nine stock repurchase programs, beginning in December 1997 through August 28, 2004, have resulted in the repurchase of 20.9 million shares (adjusted for the 2-for-1 stock split) of common stock for an aggregate price of $251.7 million during that time.

During fiscal 2004, Winnebago Industries repurchased approximately 3.4 million shares of common stock (adjusted for the 2-for-1 stock split) for an aggregate price of approximately $77.7 million. As of August 28, 2004, there were approximately 33.6 million shares outstanding.

In addition to the repurchase of the Company's stock, Winnebago Industries doubled the annual cash dividend in fiscal 2004 by paying five cents a share (adjusted for the 2-for-1 stock split) to our shareholders on a quarterly basis, rather than semi-annually. In fiscal 2004, we paid a total of 20 cents a share annually, compared to the previous annual dividend of 10 cents a share (adjusted for the 2-for-1 stock split). In August 2004, the Board of Directors increased the dividend by an additional 40 percent by increasing the quarterly dividend to seven cents a share, which annualized would amount to a total of 28 cents a share during fiscal 2005.

Economic Growth

In 2004, RV sales continued to benefit from the low interest rate environment. Interest rates, while rising, remain at relatively low historic levels. Retail customers financing their motor home purchase recently have been financing at rates ranging from 5.25 to 6.5 percent, near 40-year lows. Given that fact, we believe that the slow measured interest rate increases as indicated by the Federal Reserve Bank will not have an impact on RV sales for quite some time. We also believe that the recent increase in interest rates is an indication of a growing economy. Approximately two thirds of our customers currently finance their motor home purchase. Motor homes also qualify as a second home for tax purposes if the owner meets the specified criteria.

Another positive economic factor was the rise in con-

Winnebago Industries' personnel at the ground breaking ceremony for the Company's new Shipout facility.

sumer confidence levels, which according to "The Conference Board" were higher at 92.8 percent in October 2004, compared to 81.7 percent in October 2003.

Facility Growth

In order to continue to grow with the expanding motor home market, we completed a state-of-the-art manufacturing facility in Charles City, Iowa in 2003 to build Class C motor homes. Just one year later, this facility operated at over 80 percent of capacity. This Class C production facility enabled us to produce additional Class A models in our Forest City facility, which essentially increased our production capacity for both Class A and Class C motor homes. This manufacturing facility expansion also contributed to our successful results in fiscal 2004, which enabled us to provide motor homes to our dealers in a timely manner.

A recently completed $4.5 million expansion at our Charles City Hardwoods operation doubled the size of that facility and significantly increased our hardwood cabinetry capacity. This will allow us to keep up with the increased demand for solid wood cabinetry in high-end products.

We also broke ground for a new $2.3 million Shipout facility in October 2004. The 49,000 square foot, state-of-the-art facility will include 25 workstations for pre-delivery inspections, as well as a water test booth, an undercoating bay and an alignment and road test station. Efficiencies will be accomplished through the consolidation of these operations within the new facility. The new Shipout facility also provides material flow efficiencies as it is located near the corridor used for shipping motor homes to our full-body paint supplier and our drive-away company for final delivery to our dealers.

Promising Future

I'd like to thank our entire Winnebago Industries team for their hard work in making 2004 a record-breaking year. We have a tremendous team of hard-working individuals who have helped Winnebago Industries achieve these outstanding results. As a team, we will continue to focus on profitability and the development of innovative, high quality products.

The future indeed looks promising. We have tremendous growth opportunities through the graying of America, the broadening of the ages of our motor home buyers and the growth in uses for our motor homes for active outdoor and leisure lifestyles. All of these factors promise to create abundant opportunities for our employees, dealers, suppliers, and for you, our shareholders.

Bruce Hertzke

Bruce D. Hertzke
Chairman of the Board,
Chief Executive Officer and
President

November 10, 2004

Operations Review

RV industry revenues were $9.6 billion in calendar 2003 from the sale of new RVs. Sixty percent (or $5.8 billion) of these revenues were from motorized RVs (motor homes) versus other RV products such as towables. Winnebago Industries has chosen to focus on the motor home segment because of the fact that motor homes account for the majority of all RV revenues in the United States and because we believe through product development, there are further growth opportunities available in this segment.

Winnebago Industries leads the industry in the retail sale of Class A and C motor homes combined with 19.2 percent market share calendar year to date through August 2004. The Company has a broad motor home lineup of Winnebago, Itasca, and Rialta brand motor homes for 2005. Total motor home offerings from Winnebago Industries increased to 91 innovative models, approximately 35 percent of which are new for 2005.

2005 Winnebago Aspect

And speaking of aerodynamic, the Rialta is a unique Class C motor home built on the fuel-efficient, front-wheel-drive Volkswagen® chassis. The Rialta is available in three floorplans and provides fuel economy and maneuverability unparalleled within the RV industry.

The affordable Winnebago Minnie® and Itasca Spirit®, Winnebago Industries' most popular Class C motor homes, both offer a new 26A floorplan with a front slideout and unique rear trunk, as well as a new dual-slide 27L floorplan. The Minnie and Spirit lines have expanded to 10 floorplans each for 2005, ranging from 22- to 32-feet in length.

2005 Winnebago Minnie 26A

Class C Offerings

Since 1998, Winnebago Industries has held the largest market share of any Class C motor home manufacturer. Winnebago Industries continues to have the best selling Class C models in the industry with market share of 20.3 percent calendar year to date through August 2004. The lower-profile Winnebago Aspect™ and Itasca Cambria™ are brand new entries for 2005. They are easy to maneuver with a sleek 95-inch width and make towing a breeze with a 5,000-lb. towing capacity. The Aspect and Cambria feature an aerodynamic front-end design that complements the clean lines of the Ford® cab and stylized rear cap. Both are offered in two innovative floorplans, the 23D and 26A. The 26A features a unique U-shaped dinette that readily converts to a large, comfortable bed.

Winnebago Industries' top-of-the-line Class C motor homes, the Winnebago Minnie Winnie® and Itasca Sundancer® each feature three models in 27-, 30- and 31-foot lengths. The Minnie Winnie and Sundancer feature numerous upgrades for 2005 including stylish exterior designs incorporating more paint and standard wheel liners.

2005 Itasca Sunova®

Class A Gas

Winnebago Industries also leads the industry in the retail sale of Class A gas-powered motor homes with 22.6 percent market share year to date through August 2004. The affordable Winnebago Sightseer® and Itasca Sunova® lines each feature a new 29R dual-slide and a 34A triple-slide floorplan for 2005, now offering six floorplans ranging in length from 27- to 35-feet. The Sightseer and Sunova feature new front-end styling with composite headlights for 2005 and also have additional high-end features available, such as roof air conditioning with a heat pump for cold weather, a front 24-inch TV, home theater sound system with recessed speakers, 300-watt inverter and day/night pleated shades.

The all-new Voyage™ joins the Winnebago lineup for 2005. Offered in six floorplans, the Voyage includes two triple slides, the 35A and 38J. The 38J includes two opposing flat-floor StoreMore® sliderooms. The Itasca Sunrise® also has new 35A and 38J triple slide floorplans. Both the Voyage and Sunrise offer six floorplans, ranging from 31- to 38-feet in length.

Entertainment center

The Winnebago Adventurer® is the top selling Class A motor home in America. The Winnebago Adventurer and Itasca Suncruiser®, each offer full-body paint for 2005, moving this high-line diesel feature into the gas-powered motor home lineup. The Adventurer and Suncruiser each feature seven floorplans ranging from 33- to 38-feet in length. Two floorplans are new for 2005, the 35A and 38J triple-slide floorplans, while the 37B dual-slide floorplan has been redesigned.

2005 Winnebago Adventurer

Class A Diesel

The diesel market is the fastest growing segment of the RV industry and accounted for 44.4 percent of all Class A motor homes sold calendar year to date through August. During the 2004 model year, Winnebago Industries aggressively pursued the diesel market through the introduction of the Winnebago Vectra and Itasca Horizon, as well as the redesigned Winnebago Journey and Itasca Meridian. The new products were tremendously successful, moving the Company from fourth place in retail sales with 9.4 percent market share during calendar 2003 to third place with 14.3 percent market share through August 2004. In addition, the Winnebago Journey was the best-selling diesel Class A motor home in the industry calendar year to date through August 2004.

Great values in the marketplace, the Winnebago Journey and the Itasca Meridian are value-priced diesel-pusher products that each offer five floorplans ranging from 32- to 39-feet in length. The Journey and Meridian both feature a new 39F triple-slide floorplan with two opposing flat-floor StoreMore slides in the front living room.

2005 Itasca Horizon

The Winnebago Vectra and Itasca Horizon were extremely well accepted when introduced in 2004. These models are built on the Evolution™ Chassis, a Winnebago Industries exclusive, developed in conjunction with Freightliner® Custom Chassis Corp. This chassis creates a strong, durable platform for the Vectra and Horizon with more usable storage than in a conventional raised rail chassis, cross-coach storage on most models, as well as excellent driving performance and comfort. The Vectra and Horizon are offered in five double, triple and quad-slide floorplans ranging from 36- to 40-feet in length. New floorplans for 2005 include the new 36RD and 40FD quad-slide floorplans with two opposing StoreMore sliderooms that feature a flat-floor design in the front living area.

The Vectra and Horizon 40AD and 40KD models feature new side-hinged valance doors for easier access to gear stored under non-StoreMore sliderooms. Other new features for 2005 include: optional automatic leveling jacks, rear bedroom deluxe sound system (standard on the Horizon and optional on the Vectra), totally enclosed slide-out room awnings and new drawers with dovetail joint construction available on the Horizon in exchange for the washer/dryer option. The 2005 Vectra and Itasca Horizon feature a unique exterior entertainment center on certain models that offer a flat-screen TV that swivels for optimum viewing.

New Winnebago Industries Motor Home Features

Winnebago Industries not only offers a host of new models for 2005, there's also a long list of new product features:

- TrueLevel™ Holding Tank Monitoring System – incorporates minus detector cell technology to ensure accurate fresh and wastewater tank level readings. Minus detector cells are located on the outside of the tank and produce a microelectrical field that detects liquid levels. Since liquid does not come in contact with the sensors, there is no chance of corrosion that may occur with conventional sensor systems. The TrueLevel system is standard on all 2005 Winnebago and Itasca motor homes.
- Upgrades to the RV Radio® – A steering wheel remote allows you to easily adjust the radio while driving. A separate handheld remote provides added convenience when parked.

- New flush-mount dual-pane windows are available on most models.
- Child seat tether anchor offered for 2005.
- Additional seat belt locations in many models for 2005 offer improved seating flexibility when traveling.
- SleepNumber® Bed by Select Comfort® is now offered with wall-mounted controllers. A king size with pillowtop mattress is optional on the Winnebago Vectra and Itasca Horizon 40KD model.
- Full-Body Paint Has Expanded – Now optional on the Winnebago Adventurer and Itasca Suncruiser and is available on all Winnebago and Itasca Class A diesel motor homes. Lower valance paint is also now offered on the Winnebago Minnie and Itasca Spirit.

2005 Winnebago Adventurer

- Stainless steel appliances and nickel hardware packages are now available on the Winnebago Adventurer, Journey and Vectra and standard on the Itasca Suncruiser, Meridian and Horizon. A stainless steel package is also available on the Itasca Sunrise.
- Expanded wood choices available: Honey Cherry and Sierra Maple added to select product series.
- New legless table design used for all dinettes and optional dining/computer modules on the Winnebago Vectra and Itasca Horizon.
- Unique pullout island design has been enhanced with an adjustable shelf, pullout silverware tray and new latch.

2005 Winnebago Adventurer 35A

- Winnebago Industries' exclusive Trimline™ center console is standard on all Winnebago and Itasca Class C products in 2005. It features dual cup holders, a storage tray with coin holders and a large tip-out storage compartment. Best of all, its sleek design permits easier access to the living area from the cab and you won't find it on any other manufacturers' coach.
- Dual fuel fills on all Winnebago and Itasca diesel motor homes.
- Entertainment – Some units have as many as three TVs inside. (For example, the Adventurer/Suncruiser 37B has three flat-screen TVs available for optimum viewing throughout the coach.) Remote extenders allow consumers to control the combination DVD/VCR unit located in the front living area from the bedroom for added viewing convenience on most Class A models.

Quality and Technology Go Hand in Hand

Beyond product development, Winnebago Industries' quality and service are extremely important. Consumers today are expecting an ever higher level of quality in their products and services. Fortunately, Winnebago Industries had that figured out long ago. Not only is Winnebago Industries the top-selling motor home manufacturer in the industry, we believe we are also the leader in quality.

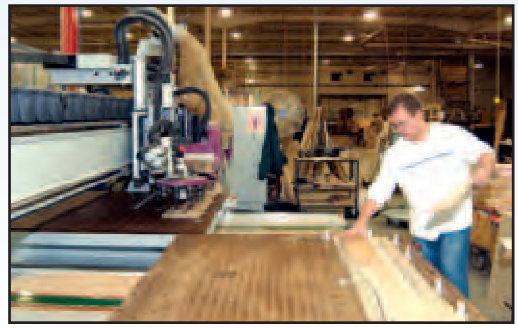
Winnebago Industries considers the annual Dealer Satisfaction Index (DSI) survey by the Recreation Vehicle Dealers Association (RVDA) to be a great measurement tool for not only product quality, but also the quality of our sales, management, service, warranty and support processes. The DSI survey results are very important to us because they provide an annual benchmark that shows how our dealer partners perceive the Company and our products. The Company received the Quality Circle Award from RVDA as a result of our high scores in this DSI survey. We have received this award for all eight years of the award's existence, the only manufacturer to have achieved this distinction.

Winnebago Industries was also pleased to be named the "Most Admired" RV manufacturer in America according to a poll conducted by RVBUSINESS.com. According to RVBUSINESS.com, nearly 300 industry professionals, including dealers, suppliers and other manufacturers, par-

Charles City Motor Home Manufacturing Facility

Expansion of the Charles City Hardwood Facility provides for a bright, clean, efficient work area. The machine in the foreground automatically determines the most parts possible from a particular piece of wood, cuts those parts and sorts the cut pieces.

Hardwood raised panel inserts are created.



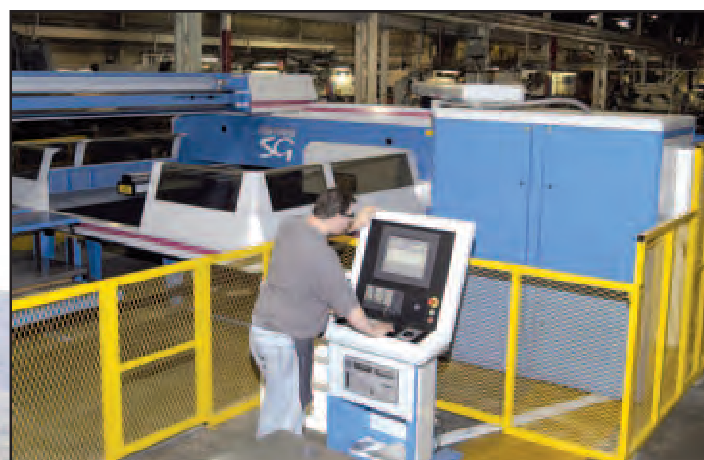
With this machine an operator can set up one job while the automated router is working on another project.

ticipated in the mid-August online survey. Winnebago Industries was ranked the "most admired" by nearly a third of the survey respondents with the next highest ranked company receiving 15 percent of the vote. Winnebago Industries won the highest marks according to RVBUSINESS.COM not only for the quality of its units, but also for the caliber of its aftermarket service and dealer support.

Winnebago Industries is able to deliver high quality motor homes because of our dedicated work force, as well as our technologically advanced manufacturing systems. Winnebago Industries has a long history of employing capital for technological equipment in order to make our manufacturing operations more efficient and productive, while increasing the quality of the Company's products.

On March 13, 2003, the first motor home (Winnebago Minnie 24V) rolled off the assembly in our new Charles City Manufacturing Facility. Recently the plant was running at over 80 percent of production capacity. With the exception of the Rialta and some Winnebago Aspect and Itasca Cambria products, this plant now produces all of the Company's Class C motor homes. This new facility effectively increased Winnebago Industries' production capacity by approximately 30 percent, enabling the Company to better respond to changes in demand by its dealers.

During fiscal 2004, Winnebago Industries completed a $4.3 million Hardwoods Facility expansion in Charles City, Iowa, doubling the size of the facility to 100,000 square feet. The facility was expanded to meet increased demand for hardwood components in the Company's motor homes. A cabinet frame finish system was added to the facility, allowing for more efficient staining and finishing of larger cabinet frame components. In addition to hardwood cabinetry and components, a panel lamination area also has been added to the Charles City Hardwoods Facility, which supplies cabinetry components for both Class C and Class A manufacturing in Charles City, as well as panels for some units manufactured in Forest City.



Finn Power® Automated Metal Shear

Also during Fiscal 2004, the Company installed a new Finn Power automated metal shear that performs both metal shearing and punching operations simultaneously. It automatically loads material, punches, shears, sorts scrap and conveys completed parts to the operator.

Other new equipment includes a new robotic welder, which allows the operator to position parts to be welded into one fixture while the robot is welding parts in the second fixture. The net result is higher quality welded aluminum components that are produced more efficiently. In October 2004, Winnebago Industries also broke ground for a new $2.3 million Shipout facility. As mentioned in the Letter to Shareholders earlier in this report, this 49,000-square-foot facility will replace the current Shipout facility and will feature state-of-the-art equipment. It is also geographically located within the plant facilities to maximize work flow efficiency.

In addition to Winnebago Industries' recent expansions, the Company's paint contractor has also greatly expanded to accommodate Winnebago Industries' increased needs for graphic paint treatments and full-body paint. Since starting operations in Forest City in 2002, the Company's paint contractor has continued to expand their Forest City operations, having more than doubled their original facilities. They also built a new paint facility in Charles City to accommodate Winnebago Industries' motor homes that require paint treatments there. Their new 50,000-square foot facility in Charles City has been in operation since early August, while a new "finish" facility is scheduled to be completed in Forest City before the end of calendar 2004.

In addition to productivity growth through technology, Winnebago Industries has also experienced an increase in productivity from the implementation of Lean Manufacturing, a systematic approach of identifying and eliminating waste (non-value added activities) through continuous organization and processes improvement. An example of the value of implementing Lean Manufacturing philosophies, is a value-stream mapping project conducted by our Purchasing Department for the procurement of exterior graphics that cut lead-time nearly in half.

Above: Steve Brackey, Senior Product Trainer, makes a point to sales professionals during sales training session.

At the right: Product Training Manager Dick Miltenberger discusses the Smart Storage design used on this Winnebago Industries Class C motor home.

Sales and Marketing

Winnebago Industries sells its motor homes on a wholesale basis to a diversified dealer organization located primarily throughout the United States and Canada. We believe that we can continue to grow our business by providing what the Company believes to be the most extensive sales support and service support throughout the RV industry to its dealers and retail customers. This support is provided through a variety of methods, including hands-on training and support materials.

Winnebago Industries promotes its products through a vast array of sales and marketing programs, including advertising and public relations promotions. Advertising opportunities include a variety of informative ads placed in RV publications, as well as co-op advertising support for the Company's dealers, brochures, décor books, television footage, Website support and direct marketing campaigns that are extremely effective at reaching existing RV enthusiasts.

Other marketing opportunities include test drives for automotive, outdoor and travel writers, as well as for television programs and movies. A 2005 Winnebago Journey is now a featured "star" in a new syndicated daily television program, titled *Pat Croce – Moving In*. Winnebago Industries also continues to utilize promotional opportunities for the Company's products with TV shows such as *The Wheel of Fortune, Jeopardy, The Price is Right, the Late Show with David Letterman* and *HGTV's RV 2004*. In addition, Winnebago Industries participates in RVIA

Brad and Amy Herzog family.

sponsored tours to promote the RV lifestyle such as the "RV History Tour" with David Woodworth, a well-known RV historian who used an Itasca Horizon in calendar 2004 and Brad and Amy Herzog and their two young sons who recently promoted family RVing while traveling in a Winnebago Adventurer. These promotional opportunities provide great exposure for Winnebago Industries' products to a variety of large consumer audiences.

The Winnebago-Itasca Travelers' (WIT) Club also continues to be a great marketing tool for the Company. Caravans, rallies and tours are held frequently throughout the year to provide WIT Club members with a way to use their motor homes, remain active and keep in touch with their club-member friends. Active involvement in the WIT Club has also resulted in increased owner loyalty.

David Woodworth

2004 WIT Grand National Rally.

Motor Home Product Classification

Class A Motor Homes

These are conventional motor homes constructed directly on medium and heavy-duty truck chassis which include the engine and drivetrain components. The living area and the driver's compartment are designed and produced by the motor home manufacturer. Class A motor homes from Winnebago Industries include: Winnebago Sightseer, Voyage, Adventurer, Journey and Vectra; Itasca Sunova, Sunrise, Suncruiser, Meridian and Horizon. The Company manufactures Class A motor homes with gas, diesel and diesel pusher offerings. A diesel pusher is a motor home with a diesel engine in the rear of the unit.

Class C Motor Homes

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

WINNEBAGO INDUSTRIES

Winnebago Industries Motor Home Family Tree

Winnebago Industries manufactures two brands of Class A and three brands of Class C motor homes. Listed below are the brand names and model designations of the Company's 2005 product line.

WINNEBAGO	ITASCA	Rialta
- Aspect	- Cambria	- Rialta
- Minnie	- Spirit	
- Minnie Winnie	- Sundancer	
- Sightseer	- Sunova	
- Voyage	- Sunrise	
- Adventurer	- Suncruiser	
- Journey*	- Meridian*	
- Vectra*	- Horizon*	

*Diesel

Minnie

Spirit

Management's Discussion and Analysis of Financial Condition and Results of Operations

FORWARD LOOKING INFORMATION

Certain of the matters discussed in this Annual Report are "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, reactions to actual or threatened terrorist attacks, availability and price of fuel, a significant increase in interest rates, a slowdown in the economy, availability of chassis and other key component parts, sales order cancellations, slower than anticipated sales of new or existing products, new product introductions by competitors, and other factors which may be disclosed throughout this Annual Report. Any forecasts and projections in this report are "forward looking statements," and are based on management's current expectations of the Company's near-term results, based on current information available pertaining to the Company, including the aforementioned risk factors; actual results could differ materially. The Company undertakes 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.

CRITICAL ACCOUNTING POLICIES

In preparing the consolidated financial statements, we follow accounting principles generally accepted in the United States of America, which in many cases requires us to make assumptions, estimates and judgments that affect the amounts reported. Many of these policies are straightforward. There are, however, some policies that are critical because they are important in determining the financial condition and results of operations. These policies are described below and involve additional management judgment due to the sensitivity of the methods, assumptions and estimates necessary in determining the related income statement, asset and/or liability amounts.

Revenue. 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. Sales are generally made to dealers who finance their purchases under floorplan financing arrangements with banks or finance companies.

Revenues for the Company's original equipment manufacturing (OEM) components and recreation vehicle related parts are recorded as the products are shipped from the Company's location. The title of ownership transfers on these products as they leave the Company's location due to the freight terms of F.O.B. - Forest City, Iowa.

Warranty. The Company offers with the purchase of any new Winnebago or Itasca motor home, a comprehensive 12-month/15,000-mile warranty and a 3-year/36,000-mile warranty on sidewalls, floors, and slideout room assemblies. The Rialta has a 2-year/24,000-mile warranty. Estimated costs related to product warranty are accrued at the time of sale and included in cost of sales. Estimates of future warranty costs are based upon past warranty claims and unit sales history and adjusted as required to reflect actual costs incurred, as information becomes available. An increase in dealership labor rates, the cost of parts or the frequency of claims could have an adverse impact on our operating results for the period or periods in which such claims or additional costs materialize. In addition to the costs associated with the contractual warranty coverage provided on our motor homes, we also incur costs as a result of additional service actions not covered by our warranties, including product recalls and customer satisfaction actions. Additional service actions include costs related to product recalls and other service actions outside the contractual warranty coverage. The Company estimates the cost of these service actions using past claim rate experiences and the estimated cost of the repairs. Estimated costs will be accrued at the time the service action is implemented and included in cost of sales in the Company's statements of income and as other accrued expenses in the Company's balance sheet. (See Note 4 to the Company's 2004 Consolidated Financial Statements.)

Aspect

Cambria

Repurchase Commitments. Companies in the recreation vehicle industry enter into repurchase agreements with lending institutions which have provided wholesale floor-plan financing to dealers. These agreements provide that, in the event of default by the dealer on the agreement to pay the lending institution, the Company will repurchase the financed merchandise. The agreements also provide that the Company's liability will not exceed 100 percent of the dealer invoice and provide for periodic liability reductions based on the time since the date of the original invoice. 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. The Company's ultimate contingent obligation 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 and lender repurchase obligations have been funded out of working capital. (See Note 6 to the Company's 2004 Consolidated Financial Statements.)

Other. The Company has reserves for other loss exposures, such as litigation, taxes, product liability, worker's compensation, employee medical claims, inventory and accounts receivable. The Company also has 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. The Company estimates losses under the programs using consistent and appropriate methods; however, changes in assumptions could materially affect the Company's recorded liabilities for loss.

OVERVIEW

Motorized RV revenues represented 60 percent of the RV industry in calendar 2003. For this reason and because we believe there are further growth opportunities in this segment, Winnebago Industries has continued to focus on the motorized segment of the RV industry. The continuation of an improved RV market and positive acceptance of our new motor home products have been reflected in increased market share and higher production rates resulting in record earnings in fiscal 2004.

Winnebago Industries manufactures and sells a variety of motor homes throughout the United States and Canada, as well as retail parts and accessories. Recreation vehicle classifications are based upon standards established by the Recreation Vehicle Industry Association or RVIA. The only types of recreation vehicles that we produce are Class A and Class C motor homes.

Winnebago Industries leads the RV industry in the combined retail sale of Class A and Class C motor homes with a retail market share of 19.2 percent for calendar year-to-date through August 2004.

While market share is important, the Company has made a point of stating that its primary goal is to be the most profitable public company in the RV industry. The Company measures profitability by using five guidelines: Return on Average Total Assets (ROA), Return on Average Net Equity (ROE), Return on Average Invested Capital (ROIC), operating margin as a percent of sales and net profit margin as a percent of sales. Because of their importance, the Company continues to use these guidelines as a measure to compare to our major competitors (see page 3 of the Letter to the Shareholders). The graphs demonstrate that the Company leads the RV industry in profitability in all of these measurements.

Minnie Winnie
Sundancer

Results of Operations

Fiscal 2004 Compared to Fiscal 2003

The following is an analysis of changes in key items included in the consolidated statements of income for the 52-week period ended August 28, 2004 compared to the 52-week period ended August 30, 2003.

(dollars in thousands, except per share data) (adjusted for the 2-for-1 stock split on March 5, 2004)	Comparison of Fifty-Two Weeks Ended August 28, 2004 to August 30, 2003 Increase (Decrease)	% Change	Fifty-Two Weeks Ended August 28, 2004	Fifty-Two Weeks Ended August 30, 2003
			% of Net Revenues	
Net revenues	$ 268,944	31.8%	100.0%	100.0%
Cost of goods sold	220,153	30.1	85.4	86.6
Gross profit	48,791	43.0	14.6	13.4
Selling	1,011	5.1	1.9	2.4
General and administrative	14,276	87.4	2.7	1.9
Operating income	33,504	43.3	10.0	9.1
Financial income	37	2.6	0.1	0.2
Provision for taxes	11,632	38.8	3.8	3.5
Net income before discontinued operations	21,909	45.0	6.3	5.8
Discontinued operations	(1,152)	(100.0)	- - -	0.1
Net income	$ 20,757	41.6	6.3	5.9
Diluted earnings per share	$ .70	52.6%		
Fully diluted average shares outstanding	(2,847)	(7.6%)		

Net revenues for the 52 weeks ended August 28, 2004 increased 31.8 percent to $1.1 billion compared to $845.2 million for the fiscal year ended August 30, 2003. Unit deliveries consisted of the following:

	Fifty-Two Weeks Ended August 28, 2004	Fifty-Two Weeks Ended August 30, 2003	Increase	% Change
Class A motor homes (gas)	5,277	5,152	125	2.4%
Class A motor homes (diesel)	2,831	1,553	1,278	82.3%
Class C motor homes	4,408	4,021	387	9.6%
Total deliveries	12,516	10,726	1,790	16.7%

Revenues increased 31.8 percent during the fiscal year ended August 28, 2004, while unit deliveries increased 16.7 percent. The 82.3 percent increase in diesel deliveries, traditionally a higher priced unit, as well as the overall increase in total motor home volume, were the primary reasons for the differences in the percentage increase in revenues and unit deliveries.

Gross profit as a percentage of net revenues was higher during the 52 weeks ended August 28, 2004 (14.6 percent) when compared to the comparable period ended August 30, 2003 (13.4 percent). Favorably impacting gross profit in the period ended August 28, 2004, was a 20.4 percent increase in production volume which resulted in improved manufacturing efficiencies and lower fixed costs per unit of production.

Selling expenses increased 5.1 percent when comparing fiscal 2004 ($20.8 million) to fiscal 2003 ($19.8 million). The increase in dollars can be attributed primarily to higher incentive payments to the Company's field sales force. As a percentage of net revenues, selling expenses decreased to 1.9 percent during fiscal 2004 from 2.4 percent during fiscal 2003, caused primarily by advertising costs.

General and administrative expenses increased 87.4 percent during the 52 weeks ended August 28, 2004, to $30.6

Sightseer

Sunova

million, constituting 2.7 percent of net revenues, compared to $16.3 million, constituting 1.9 percent of net revenues, for the 52 weeks ended August 30, 2003. The increases in percentage and dollars were due primarily to a $7.3 million deferred compensation settlement (See Note 6 to the Company's 2004 Consolidated Financial Statements), an increase of approximately $4.4 million in management incentive programs and an increase of approximately $1.8 million in product liability costs.

The overall effective income tax rate decreased to 37.1 percent for fiscal 2004 from 38.1 percent for fiscal 2003. The decrease was primarily due to a decrease in non-deductible losses in the Winnebago Health Care Management Company.

Net income and earnings per diluted share increased by 41.6 percent and 52.6 percent, respectively, when comparing the 52 weeks ended August 28, 2004 to the 52 weeks ended August 30, 2003. The difference in percentages was primarily due to a lower number of outstanding shares of the Company's common stock during the 52 weeks ended August 28, 2004, as a result of common stock repurchased by the Company. (See Consolidated Statements of Changes in Stockholder's Equity on page 26 of the Company's 2004 Consolidated Financial Statements.)

Fiscal 2003 Compared to Fiscal 2002

The following is an analysis of changes in key items included in the consolidated statements of income for the 52-week period ended August 30, 2003 compared to the 53-week period ended August 31, 2002.

(dollars in thousands, except per share data) (adjusted for the 2-for-1 stock split on March 5, 2004)	Comparison of Fifty-Two Weeks Ended August 30, 2003 to Fifty-Three Weeks Ended August 31, 2002 Increase (Decrease)	% Change	Fifty-Two Weeks Ended August 30, 2003	Fifty-Three Weeks Ended August 31, 2002
			% of Net Revenues	
Net revenues	$ 19,941	2.4%	100.0%	100.0%
Cost of goods sold	22,967	3.2	86.6	85.9
Gross profit	(3,026)	(2.6)	13.4	14.1
Selling	147	0.7	2.4	2.4
General and administrative	(2,396)	(12.8)	1.9	2.2
Operating income	(777)	(1.0)	9.1	9.5
Financial income	(1,854)	(57.0)	0.2	0.4
Provision for taxes	1,530	5.4	3.5	3.5
Net income before discontinued operations	(4,161)	(7.9)	5.8	6.4
Discontinued operations	(626)	(35.2)	0.1	0.2
Net income	$ (4,787)	(8.8)	5.9	6.6
Diluted earnings per share	$ (.01)	(0.7%)		
Fully diluted average shares outstanding	(3,132)	(7.7%)		

Net revenues for the 52 weeks ended August 30, 2003 increased 2.4 percent to $845.2 million compared to $825.3 million for the 53 weeks ended August 31, 2002. Unit deliveries consisted of the following:

	Fifty-Two Weeks Ended August 30, 2003	Fifty-Three Weeks Ended August 31, 2002	Increase (Decrease)	% Change
Class A motor homes (gas)	5,152	5,058	94	1.9%
Class A motor homes (diesel)	1,553	1,667	(114)	(6.8%)
Class C motor homes	4,021	4,329	(308)	(7.1%)
Total deliveries	10,726	11,054	(328)	(3.0%)

Voyage

Sunrise

Revenues increased 2.4 percent during the fiscal year ended August 30, 2003, but unit deliveries decreased by 3.0 percent. Revenues increased in fiscal 2003, despite a decrease in unit deliveries from fiscal 2002 as a result of a higher average selling price per unit in fiscal 2003.

Gross profit as a percentage of net revenues was lower during the 52 weeks ended August 30, 2003 (13.4%) when compared to the 53 weeks ended August 31, 2002 (14.1%). The primary reasons for the lower gross profit during fiscal 2003 were lower production unit volume in relation to fixed manufacturing costs and start-up costs of the new production facility in Charles City, Iowa.

Selling expenses increased 0.7 percent when comparing the 52 weeks ended August 30, 2003 ($19.8 million) to the 53 weeks ended August 31, 2002 ($19.6 million). The increase can be attributed primarily to higher advertising costs.

General and administrative expenses decreased 12.8 percent during the 52 weeks ended August 30, 2003 to $16.3 million from $18.7 million for the 53 weeks ended August 31, 2002. The dollar decrease when comparing the two periods was primarily due to decreases of approximately $3.3 million in management bonus programs offset partially by an increase in legal reserves of approximately $800,000.

Financial income decreased 57.0 percent during the 52 weeks ended August 30, 2003 to $1.4 million from $3.3 million for the 53 weeks ended August 31, 2002. The decrease in financial income during fiscal 2003 was due to the average available cash for investing being lower than the average available cash during fiscal 2002. Also, the average rate the Company earned on investments during fiscal 2003 was significantly lower than the average rate earned during fiscal 2002 due to a lower interest rate environment.

The overall effective income tax rate increased to 38.1 percent for fiscal 2003 from 35.0 percent for fiscal 2002. The increase in the effective tax rate was caused primarily by losses in the Winnebago Health Care Management Company, which were not deductible for tax purposes due to a change in the Company’s tax planning, increased state taxes and a reduction of tax-exempt financial income during fiscal 2003.

During fiscal 2003, the Company sold its dealer financing receivables in Winnebago Acceptance Corporation (WAC) to GE Commercial Distribution Finance Corporation. With the sale of its WAC receivables, the Company discontinued dealer financing operations of the WAC subsidiary. Therefore, WAC’s operations were accounted for as discontinued operations in the accompanying consolidated financial statements. Income from discontinued operations (net of taxes) for the 52 weeks ended August 30, 2003 was $1.2 million or $.03 per diluted share, compared to income of $1.8 million or $.04 per diluted share, for the 53 weeks ended August 31, 2002.

Net income and earnings per diluted share decreased by 8.8 percent and 0.7 percent, respectively, when comparing the 52 weeks ended August 30, 2003 to the 53 weeks ended August 31, 2002. The difference in percentages when comparing net income to net earnings per diluted share was primarily due to a lower number of outstanding shares of the Company's common stock during the 52-week period ended August 30, 2003 due to the Company’s repurchase of shares during fiscal 2003 and 2002.

ANALYSIS OF FINANCIAL CONDITION, LIQUIDITY AND RESOURCES

The Company meets its working capital, capital equipment and other cash requirements with funds generated from operations.

At August 28, 2004, working capital was $164,791,000, a decrease of $100,000 from August 30, 2003's amount of $164,891,000.

Net cash provided by operating activities for the 52 weeks ended August 28, 2004 was $66.7 million compared to $63.0 million for the 52 weeks ended August 30, 2003. The major items affecting cash from operations were as follows:

(In thousands)	August 28, 2004	August 30, 2003
Cash provided by:		
Net income	$70,641	$48,732
Decrease in raw material and work in process inventory	6,322	- - -
Increase in post-retirement benefits	12,061	4,884
Decrease in finished goods inventory	- - -	11,897
Cash used by:		
Increase in finished goods inventory	(22,773)	- --
Increase in receivables and other assets	(16,764)	(1,825)
Increase in raw material and work in process inventory	- - -	(12,525)
Discontinued operations	- - -	234
Other	17,197	11,619
Total	$66,684	$63,016

Changes in cash flows from operating activities for the year ended August 28, 2004 were due primarily to:

Decreases in raw material and work in process as the Company brought back in line its chassis inventory.

Increases in postretirement benefits due to the deferred compensation settlement (see Note 6 to the Company's 2004 Consolidated Financial Statements) and increases in the 2004 accrued postretirement benefit.

Increased finished goods inventory primarily due to more diesel units in the Company's closing period inventory count.

Increases in receivables and other assets due to a larger number than usual of unit deliveries being processed at the end of the last month of fiscal 2004.

Changes in cash flows from operating activities for the year ended August 30, 2003 were due primarily to:

Decreases in finished goods inventory due to more deliveries than production during the fourth quarter of fiscal 2003.

Increases in raw material and work in process inventory due to the start-up of the Company's Charles City, Iowa production facility.

The primary uses of cash for investing activities were for capital equipment requirements of $10.6 million for the 52-week period ended August 28, 2004, $12.9 million less than the usage of $23.5 million during the 52-week period ended August 30, 2003. Fiscal 2003 included the completion of the production assembly facility in Charles City, Iowa.

Primary uses of cash in financing activities for the period ended August 28, 2004 were $77.7 million for the repurchases of the Company's common stock and payments of $6.9 million in dividends. Primary uses of cash in financing activities for the period ended August 30, 2003 were $20.2 million for the Company's common stock repurchases and the $3.7 million payment of dividends. (See Consolidated Statements of Cash Flows).

On August 28, 2004 the Company's cash and cash equivalents balance was $75.5 million. Estimated demands at August 28, 2004 on the Company's liquid assets for fiscal 2005 include $11.4 million for capital expenditures, primarily for production equipment, and $9.4 million for payments of cash dividends. On June 16, 2004, the Board of Directors authorized the repurchase of outstanding shares of the Company's common stock, depending on market conditions, for an aggregate of up to $30 million. As of August 28, 2004, 116,800 shares had been repurchased for an aggregate consideration of approximately $3.4 million under this authorization.

Management currently expects its cash on hand and funds from operations to be sufficient to cover both short-term and long-term operation requirements.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The Company's principal contractual obligations and commitments as of August 28, 2004 were as follows:

(in thousands)	Payments Due By Period				
Contractual Obligations	Total	Fiscal 2005	Fiscal 2006-2007	Fiscal 2008-2009	More Than 5 Years
Operating leases [2]	$ 1,224	$ 441	$ 675	$ 86	$ 22
Postretirement obligations [1]	13,742	698	1,800	2,333	8,911
Total contractual cash obligations	$ 14,966	$ 1,139	$ 2,475	$ 2,419	$ 8,933

(in thousands)	Amount Of Commitment Expiration By Period				
Contractual Commitments	Total	Fiscal 2005	Fiscal 2006-2007	Fiscal 2008-2009	More Than 5 Years
Guarantees [2]	$ 695	$ 369	$ 203	$ 123	$ - - -
Repurchase obligations [2]	289	289	- - -	- - -	- - -
Total commitments	$ 984	$ 658	$ 203	$ 123	$ - - -

(1) See Note 5 to the Company's 2004 Consolidated Financial Statements.

(2) Amounts represent management's best estimate of the fair value of guarantees and loss on repurchase obligations. Total for repurchase obligations were $357,168,000 and financial guarantee obligations were $1,939,000 at August 28, 2004. See Note 6 to the Company's 2004 Consolidated Financial Statements.

NEW ACCOUNTING PRONOUNCEMENTS

In January 2003, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 46 ("FIN 46") "Consolidation of Variable Interest Entities," which addresses the reporting and consolidation of variable interest entities as they relate to a business enterprise. This interpretation incorporates and supersedes the guidance set forth in Accounting Research Bulletin (ARB) No. 51, "Consolidated Financial Statements." It requires the consolidation of variable interest entities into the financial statements of a business enterprise if that enterprise holds a controlling interest in other means than the traditional voting majority. The FASB has amended FIN 46, now known as FIN 46 Revised December 2003 (FIN 46R). The adoption of FIN 46R had no impact on the Company's financial condition or operating results.

In January 2004, the FASB issued FASB Staff Position (FSP) FAS 106-1, Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (Act). The Act introduced a prescription drug benefit and federal subsidy to sponsors of retiree health care benefit plans. The Act permits a sponsor of a postretirement health care plan that provides a prescription drug benefit to make a one-time election to defer recognition of the effects of the Act in accounting for its retiree healthcare benefit plans until authoritative guidance on accounting for subsidies provided by the Act is issued. Statements of Accounting Standards (SFAS) No. 106, "Employers Accounting for Postretirement Benefits Other Than Pension," requires enacted changes in relevant laws to be considered in current period measurements of postretirement benefit costs and accumulated postretirement benefit obligation. The Company provides prescription drug benefits to certain eligible retirees and elected the one-time deferral of accounting for the effects of the Act in the second quarter of 2004.

In May 2004, the FASB issued FSP FAS 106-2 to provide guidance on accounting for the effects of the Act and supersedes FSP FAS 106-1. This FSP is effective for the first interim or annual period beginning after June 15, 2004. In addition, this FSP requires employers to provide certain future disclosures in their financial statements regarding the effect of the Act and the related subsidy on postretirement health obligations and net periodic postretirement benefit cost. The Company's accrued costs and liabilities for these benefits do not reflect any amount associated with the subsidy because the Company has concluded the plan is not likely eligible to receive the subsidy due to a plan amendment made in September 2004.

Vectra

Horizon

IMPACT OF INFLATION

Historically, the impact of inflation on the Company's operations has not been significantly detrimental, as the Company has usually been able to adjust its prices to reflect the inflationary impact on the cost of manufacturing its product. In recent months, the costs of a number of raw materials and component parts utilized in manufacturing the Company's motor homes have increased. While the Company has been able to pass on these increases, in the event the Company is unable to continue to do so, these increases or future increases in manufacturing costs could have a material adverse effect on the Company's results of operations.

COMPANY OUTLOOK

Long-term growth demographics are favorable for the Company as its target market of consumers age 50 and older is expected to increase for the next 30 years. In addition to growth in the target market due to the aging of the baby boom generation, a study conducted in 2001 by the University of Michigan for the RV industry shows that the age of people interested in purchasing RVs is also expanding to include younger buyers under 35 years of age as well as older buyers over age 75 who are staying healthy and active much later in life. This study also shows an increased interest in owning RVs by a larger percentage of all U.S. households.

Order backlog for the Company's motor homes was as follows:

Units	August 28, 2004	August 30, 2003	Increase (Decrease)	% Change
Class A motor homes (gas)	1,187	1,172	15	1.3%
Class A motor homes (diesel)	614	612	2	0.3%
Class C motor homes	740	848	(108)	(12.7%)
Total backlog	2,541	2,632	(91)	(3.5%)
Total approximate revenue dollars (in thousands)	$220,000	$200,000	$20,000	10.0%

The Company includes in its backlog all accepted purchase orders from dealers shippable 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.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of August 28, 2004, the Company had an investment portfolio of short-term investments, which are classified as cash and cash equivalents of $75.6 million, of which $68.4 million are fixed income investments that are subject to interest rate risk and a decline in value if market interest rates increase. However, the Company has the ability to hold its fixed income investments until maturity (which approximates 45 days) and, therefore, the Company would not expect to recognize an adverse impact in income or cash flows in such an event.

CONTROLS AND PROCEDURES

The Company has established disclosure controls and procedures, which are designed to ensure that information required to be disclosed in reports filed or submitted under the Securities Exchange Act of 1934 are recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

The Company's Chief Executive Officer and its Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls, and procedures as of the end of the period covered by this Annual Report. Based on their evaluation, they concluded that its disclosure controls and procedures were effective in achieving the objectives for which they were designed.

Furthermore, there have been no changes in the Company's internal controls over financial reporting during the fiscal year covered by this Annual Report that have materially affected, or are reasonably likely to material affect, its internal control over financial reporting.

Consolidated Balance Sheets

(dollars in thousands)	August 28, 2004	August 30, 2003
Assets		
Current assets		
Cash and cash equivalents	$ 75,545	$ 99,381
Receivables, less allowance for doubtful accounts ($161 and $134, respectively)	46,112	30,885
Inventories	130,733	114,282
Prepaid expenses and other assets	4,814	4,816
Deferred income taxes	12,865	7,925
Total current assets	270,069	257,289
Property and equipment, at cost		
Land	1,000	999
Buildings	57,029	55,158
Machinery and equipment	99,511	94,208
Transportation equipment	9,349	9,218
	166,889	159,583
Less accumulated depreciation	102,894	96,265
Total property and equipment, net	63,995	63,318
Investment in life insurance	22,863	22,794
Deferred income taxes	25,166	22,491
Other assets	12,463	11,570
Total assets	$ 394,556	$ 377,462

See notes to consolidated financial statements.

(dollars in thousands)	August 28, 2004	August 30, 2003
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable, trade	$ 46,659	$ 52,239
Income taxes payable	4,334	- - -
Accrued expenses		
Accrued compensation	21,217	15,749
Product warranties	13,356	9,755
Self-insurance	6,483	5,087
Promotional	5,885	4,599
Other	7,344	4,969
Total current liabilities	105,278	92,398
Postretirement health care and deferred compensation benefits	87,403	74,438
Contingent liabilities and commitments		
Stockholders' equity		
Capital stock common, par value $.50; authorized 60,000,000 shares, issued 51,776,000 shares and 25,888,000 shares, respectively	25,888	12,944
Additional paid-in capital	14,570	25,969
Reinvested earnings	392,430	331,039
	432,888	369,952
Less treasury stock, at cost	231,013	159,326
Total stockholders' equity	201,875	210,626
Total liabilities and stockholders' equity	$ 394,556	$ 377,462

Consolidated Statements of Income

(in thousands, except per share data)	August 28, 2004	Year Ended August 30, 2003	August 31, 2002 (1)
Net revenues	$ 1,114,154	$ 845,210	$ 825,269
Cost of goods sold	951,985	731,832	708,865
Gross profit	162,169	113,378	116,404
Operating expenses			
Selling	20,764	19,753	19,606
General and administrative	30,607	16,331	18,727
Total operating expenses	51,371	36,084	38,333
Operating income	110,798	77,294	78,071
Financial income	1,436	1,399	3,253
Pre-tax income	112,234	78,693	81,324
Provision for taxes	41,593	29,961	28,431
Income from continuing operations	70,641	48,732	52,893
Income from discontinued operations (net of taxes of $619 and $954, respectively)	- - -	1,152	1,778
Net income	$ 70,641	$ 49,884	$ 54,671
Income per common share (basic)[2]			
From continuing operations	$ 2.06	$ 1.32	$ 1.33
From discontinued operations	- - -	.03	.04
Income per share (basic)	$ 2.06	$ 1.35	$ 1.37
Income per common share (diluted)			
From continuing operations	$ 2.03	$ 1.30	$ 1.30
From discontinued operations	- - -	.03	.04
Income per share (diluted)	$ 2.03	$ 1.33	$ 1.34
Weighted average shares of common stock outstanding[2]			
Basic	34,214	36,974	39,898
Diluted	34,789	37,636	40,768

See notes to consolidated financial statements.

(1) Year ended August 31, 2002 contained 53 weeks; all other fiscal years contained 52 weeks.

(2) Income per share calculations and weighted average shares outstanding have been restated to record the effect of the 2-for-1 stock split on March 5, 2004.

Consolidated Statements of Cash Flows

(dollars in thousands)	August 28, 2004	Year Ended August 30, 2003	August 31, 2002(1)
Cash flows from operating activities			
Net income	$ 70,641	$ 49,884	$ 54,671
Income from discontinued operations	- - -	(1,152)	(1,778)
Income from continuing operations, net of cumulative effect	70,641	48,732	52,893
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	9,628	8,786	7,879
Tax benefit of stock options	2,573	1,356	3,349
Loss (gain) on disposal of property, leases and other assets	584	122	(202)
Provision (credit) for doubtful receivables	73	54	(46)
Change in assets and liabilities			
Increase in receivables and other assets	(16,764)	(1,825)	(8,085)
Increase in inventories	(16,451)	(628)	(33,839)
Increase in deferred income taxes	(7,615)	(1,071)	(1,127)
Increase in accounts payable and accrued expenses	6,195	6,407	10,921
Increase (decrease) in income taxes payable	5,759	(4,035)	(2,328)
Increase in postretirement benefits	12,061	4,884	5,278
Net cash provided by continuing operations	66,684	62,782	34,693
Net cash provided by discontinued operations	- - -	234	319
Net cash provided by operating activities	66,684	63,016	35,012
Cash flows from investing activities			
Purchases of property and equipment	(10,588)	(23,487)	(10,997)
Proceeds from sale of property and equipment	201	190	929
Investments in other assets	(579)	(2,353)	(3,573)
Proceeds from life insurance death benefits	60	931	- - -
Net cash used in continuing operations	(10,906)	(24,719)	(13,641)
Net cash provided by discontinued operations	- - -	39,288	4,243
Net cash (used in) provided by investing activities	(10,906)	14,569	(9,398)
Cash flows from financing activities and capital transactions			
Payments for purchase of common stock	(77,668)	(20,221)	(86,072)
Payments of cash dividends	(6,899)	(3,701)	(3,954)
Proceeds from issuance of common and treasury stock	4,953	3,493	4,357
Net cash used in financing activities and capital transactions	(79,614)	(20,429)	(85,669)
Net (decrease) increase in cash and cash equivalents	(23,836)	57,156	(60,055)
Cash and cash equivalents at beginning of year	99,381	42,225	102,280
Cash and cash equivalents at end of year	$ 75,545	$ 99,381	$ 42,225

See notes to consolidated financial statements.

(1) Year ended August 31, 2002 contained 53 weeks; all other years contained 52 weeks.

Consolidated Statements of Changes in Stockholders' Equity

(amounts in thousands except per share data)	Common Shares Number	Common Shares Amount	Additional Paid-In Capital	Reinvested Earnings	Treasury Stock Number	Treasury Stock Amount	Total Stockholders' Equity
Balance, August 25, 2001	25,886	$12,943	$22,261	$234,139	5,123	$61,879	$207,464
Proceeds from the sale of common stock to employees	2	1	49	- - -	- - -	- - -	50
Net cost of treasury stock issued for stock options exercised	- - -	- - -	(453)	- - -	(280)	(3,650)	3,197
Issuance of stock to officers and directors	- - -	- - -	534	- - -	(45)	(576)	1,110
Tax benefit due to sale of common stock to employees	- - -	- - -	3,349	- - -	- - -	- - -	3,349
Payments for purchase of common stock	- - -	- - -	- - -	- - -	2,412	86,072	(86,072)
Cash dividends on common stock - $.10 per share(1)	- - -	- - -	- - -	(3,954)	- - -	- - -	(3,954)
Net income	- - -	- - -	- - -	54,671	- - -	- - -	54,671
Balance, August 31, 2002	25,888	12,944	25,740	284,856	7,210	143,725	179,815
Net cost of treasury stock issued for stock options exercised	- - -	- - -	(1,396)	- - -	(210)	(4,277)	2,881
Issuance of stock to officers and directors	- - -	- - -	269	- - -	(17)	(343)	612
Tax benefit due to sale of common stock to employees	- - -	- - -	1,356	- - -	- - -	- - -	1,356
Payments for purchase of common stock	- - -	- - -	- - -	- - -	676	20,221	(20,221)
Cash dividends on common stock - $.10 per share(1)	- - -	- - -	- - -	(3,701)	- - -	- - -	(3,701)
Net income	- - -	- - -	- - -	49,884	- - -	- - -	49,884
Balance, August 30, 2003	25,888	12,944	25,969	331,039	7,659	159,326	210,626
Net cost of treasury stock issued for stock options exercised	- - -	- - -	(1,074)	- - -	(520)	(5,939)	4,865
Issuance of stock to directors	- - -	- - -	46	- - -	(4)	(42)	88
Tax benefit due to sale of common stock to employees	- - -	- - -	2,573	- - -	- - -	- - -	2,573
Payments for purchase of common stock	- - -	- - -	- - -	- - -	3,401	77,668	(77,668)
Cash dividends paid and accrued on common stock - $.27 per share(1)	- - -	- - -	- - -	(9,250)	- - -	- - -	(9,250)
Stock split - 2-for-1 - March 5, 2004	25,888	12,944	(12,944)	- - -	7,659	- - -	- - -
Net income	- - -	- - -	- - -	70,641	- - -	- - -	70,641
Balance, August 28, 2004	51,776	$25,888	$14,570	$392,430	18,195	$231,013	$201,875

(1) Adjusted for 2-for-1 stock split on March 5, 2004.

See notes to consolidated financial statements.

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Notes to Consolidated Financial Statements

Note 1: Nature of Business and Significant Accounting Policies

Winnebago Industries, Inc. (the Company) is the leading U.S. manufacturer of motor homes, self-contained recreation vehicles used primarily in leisure travel and outdoor recreation activities. The recreation vehicle market is highly competitive, both as to price and quality of the product. The Company believes its principal marketing advantages are its brand name recognition, the quality of its products, its dealer organization, its warranty and service capability and its marketing techniques. The Company also believes that its prices are competitive with the competition's units of comparable size and quality.

Principles of Consolidation. The consolidated financial statements include the parent company and subsidiary companies. All material intercompany balances and transactions with subsidiaries have been eliminated.

Cash and Cash Equivalents. The Company has a cash management program which provides for the investment of excess cash balances in short-term fixed type investments. These consist of money market securities, tax-exempt money market preferreds, variable rate auction preferred stock and debt instruments with a maturity of less than 365 days. The Company holds its fixed income investments on average less than 90 days.

Fiscal Period. The Company follows a 52/53-week fiscal year period. The financial statements for fiscal 2002 are based on a 53-week period; the others are on a 52-week basis.

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. Sales are generally made to dealers who finance their purchases under floorplan financing arrangements with banks or finance companies.

Revenues for the Company's original equipment manufacturing (OEM) components and recreation vehicle related parts are recorded as the products are shipped from the Company's location. The title of ownership transfers on these products as they leave the Company's location due to the freight terms of F.O.B. - Forest City, Iowa.

Certain payments to customers for cooperative advertising and certain sales incentive offers are shown as a reduction in net revenues, in accordance with Emerging Issues Task Force (EITF) No. 01-9, *Accounting for Consideration Given by a Vendor to a Customer or a Reseller of the Vendor's Products.* Cooperative advertising expense and sales incentives were previously reported as selling expense prior to fiscal 2002.

Shipping Revenues and Expenses. Shipping revenues for products shipped are included within sales, while shipping expenses are included within cost of goods sold, in accordance with EITF No. 00-10, *Accounting for Shipping and Handling Fees and Costs.*

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

Property and Equipment. Depreciation of property and equipment is computed using the straight-line method on the cost of the assets, less allowance for salvage value where appropriate, at rates based upon their estimated service lives as follows:

Asset Class	Asset Life
Buildings	10-30 yrs.
Machinery and equipment	3-10 yrs.
Transportation equipment	3-6 yrs.

Management periodically reviews the carrying values of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. In performing the review for recoverability, management estimates the nondiscounted future cash flows expected to result from the use of the asset and its eventual disposition.

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

Derivative Instruments and Hedging Activities. All contracts that contain provisions meeting the definition of a derivative also meet the requirements of, and have been designated as, normal purchases or sales. The Company's policy is to not enter into contracts with terms that cannot be designated as normal purchases or sales.

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

Legal. The Company's accounting policy regarding litigation expense is to accrue for the estimated defense costs and for any potential exposure if the Company is able to assess the risk of an adverse outcome and the possible magnitude thereof.

Research and Development. Research and development expenditures are expensed as incurred. Development activities generally relate to creating new products and improving or creating variations of existing products to meet new applications. During fiscal 2004, 2003 and 2002, the Company spent approximately \$3,655,000, \$3,464,000 and \$3,190,000, respectively, on research and development activities.

Stock Split. On January 14, 2004, the Board of Directors approved a 2-for-1 stock split of the Company's common stock effective on March 5, 2004 to shareholders of record on February 20, 2004. The stock split was effected in the form of a 100 percent stock dividend. Income per share calculations and weighted average shares outstanding for all the years presented have been restated to record the effect of the stock split.

Income Per Common Share. Basic income per common share is computed by dividing net income by the weighted average common shares outstanding during the period.

Diluted income per common share is computed by dividing net income by the weighted average common shares outstanding plus the incremental shares that would have been outstanding upon the assumed exercise of dilutive stock options (see Note 12 to the Company's 2004 Consolidated Financial Statements.)

Fair Value Disclosures of Financial Instruments. All financial instruments are carried at amounts believed to approximate fair value.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications. Certain prior year information has been reclassified to conform to the current year presentation. This reclassification had no effect on net income or stockholders' equity as previously reported.

New Accounting Pronouncements. See page 20 of the Company's 2004 Consolidated Financial Statements.

Accounting for Stock-Based Compensation. The Company adopted SFAS No. 123, Accounting for Stock-Based Compensation in fiscal 1997. The Company has elected to continue following the accounting guidance of Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees for measurement and recognition of stock-based transactions with employees. No compensation cost has been recognized for options issued under the stock option plans because the exercise price of all options granted was not less than 100 percent of fair market value of the common stock on the date of grant. Had compensation cost for the stock options issued been determined based on the fair value at the grant date, consistent with provisions of SFAS No. 123, the Company's 2004, 2003 and 2002 income and income per share would have been changed to the pro forma amounts indicated as follows:

(dollars in thousands, except per share data) (adjustments have been recorded to reflect the 2-for-1 stock split on March 5, 2004)	**2004**	**2003**	**2002**
Net income			
As reported	$ 70,641	$ 49,884	$ 54,671
Pro forma	67,409	47,850	52,881
Income per share (basic)			
As reported	$ 2.06	$ 1.35	$ 1.37
Pro forma	1.97	1.29	1.33
Income per share (diluted)			
As reported	$ 2.03	$ 1.33	$ 1.34
Pro forma	1.94	1.27	1.30

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

	2004	2003	2002
Dividend yield	.72%	.78%	.87%
Risk-free interest rate	2.81%	2.99%	3.22%
Expected life	4 years	4 years	5 years
Expected volatility	48.19 - 48.54%	49.25%	55.82%
Estimated fair value of options granted per share	$10.04	$7.12	$5.04

Note 2: Discontinued Operations

On April 24, 2003 the Company sold its dealer financing receivables in Winnebago Acceptance Corporation (WAC) to GE Commercial Distribution Finance Corporation for approximately $34 million and recorded no gain or loss as the receivables were sold at book value. With the sale of its WAC receivables, the Company has discontinued dealer financing operations of WAC. Therefore, WAC's operations were accounted for as discontinued operations in the accompanying consolidated financial statements.

(in thousands, except per share data) (adjustments have been recorded to reflect the 2-for-1 stock split on March 5, 2004)	Year Ended August 30, 2003	Year Ended August 31, 2002
Winnebago Acceptance Corporation		
Net revenues	$ 1,940	$ 3,134
Income before income taxes	1,771	2,732
Net income	1,152	1,778
Income per share - basic	$ .03	$ .04
Income per share - diluted	$ .03	$ .04
Weighted average common shares outstanding		
Basic	36,974	39,898
Diluted	37,636	40,768

Note 3: Inventories

Inventories consist of the following:

(dollars in thousands)	August 28, 2004	August 30, 2003
Finished goods	$ 58,913	$ 36,140
Work-in-process	47,337	47,098
Raw materials	51,675	56,382
	157,925	139,620
LIFO reserve	(27,192)	(25,338)
	$ 130,733	$ 114,282

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

Note 4: Warranty

Winnebago provides its Winnebago and Itasca motor home customers a comprehensive 12-month/15,000-mile warranty, and a 3-year/36,000-mile warranty on sidewalls, floors, and slideout room assemblies. Rialta motor home customers are provided a 2-year/24,000-mile warranty. The Company records a liability based on its estimate of the amounts necessary to settle future and existing claims on products sold as of the balance sheet date.

Changes in the Company's product warranty liability during fiscal years ended August 28, 2004 and August 30, 2003 are as follows:

(dollars in thousands)	August 28, 2004	August 30, 2003
Balance at beginning of year	$ 9,755	$ 8,151
Provision	16,200	13,085
Claims paid	(12,599)	(11,481)
Balance at end of year	$ 13,356	$ 9,755

In addition to the costs associated with the contractual warranty coverage provided on our motor homes, we also incur costs as a result of additional service actions not covered by our warranties, including product recalls and customer satisfaction actions. Additional service actions include costs related to product recalls and other service actions outside the contractual warranty coverage. The Company estimates the cost of these service actions using past claim rate experiences and the estimated cost of the repairs. Estimated costs will be accrued at the time the service action is implemented and included in cost of sales in the Company's consolidated statements of income and as other accrued expenses in the Company's consolidated balance sheet.

Note 5: Employee Retirement Plans

The Company has a qualified profit sharing and contributory 401(k) plan for eligible employees. The plan provides for contributions by the Company in such amounts as the Board of Directors may determine. Contributions to the plan in cash for fiscal 2004, 2003 and 2002 were $3,189,000, $2,809,000 and $2,668,000, respectively.

The Company also has a nonqualified deferred compensation program which permitted key employees to annually elect (via individual contracts) to defer a portion of their compensation until their retirement. The plan has been closed to any additional deferrals since January 2001. The retirement benefit to be provided is based upon the amount of compensation deferred and the age of the individual at the time of the contracted deferral. An individual generally vests at the later of age 55 and five years of service since the deferral was made. For deferrals prior to December 1992, vesting occurs at the later of age 55 and five years of service from first deferral or 20 years of service. Deferred compensation expense was $7,669,000, $1,629,000 and $1,642,000 in fiscal 2004, 2003 and 2002, respectively. (See Note 6 to the Company's 2004 Consolidated Financial Statements regarding the Sanft deferred compensation settlement.) Total deferred compensation liabilities were $25,702,000 and $19,540,000 at August 28, 2004 and August 30, 2003, respectively. To assist in funding the deferred compensation liability, the Company has invested in corporate-owned life insurance policies. The cash surrender value of these policies (net of borrowings of $17,866,000 and $16,498,000 at August 28, 2004 and August 30, 2003, respectively) are presented as assets of the Company in the accompanying consolidated balance sheets.

In addition, the Company has a non-qualified share option program which permits participants in the Executive Share Option Plan (the "Plan") to choose to exchange a portion of their salary or other eligible compensation for options on selected mutual funds. Total Plan assets are presented as other assets and total Plan liabilities as postretirement health care and deferred compensation benefits of the Company in the accompanying consolidated balance sheets. Such assets on August 28, 2004 and August 30, 2003 were $11,116,000 and $9,700,000, respectively, and the liabilities were $8,333,000 and $7,050,000, respectively.

The Company provides 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. Retirees are required to pay a monthly premium for medical coverage based on years of service at retirement and then current age. The Company's postretirement health care plan currently is not funded. The Company uses a September 1 measurement date for this plan. The status of the plan is as follows:

(dollars in thousands)	Aug. 28, 2004	Aug. 30, 2003
Change in benefit obligation		
Accumulated benefit		
obligation, beginning of year	$58,560	$44,968
Actuarial loss	6,899	9,294
Interest cost	3,787	3,017
Service cost	2,536	1,973
Net benefits paid	(874)	(692)
Plan amendment	(40,414)	- - -
Benefit obligation, end of year	$30,494	$58,560
Funded status		
Accumulated benefit		
obligation in excess of		
plan assets	$30,494	$58,560
Unrecognized cost		
Net actuarial loss	(24,517)	(18,423)
Prior service cost	47,391	7,711
Accrued benefit cost	$ 53,368	$ 47,848

Effective September 2004, the Company amended its postretirement health care benefit by establishing a maximum employer contribution amount which resulted in a $40,414,000 reduction of the accumulated postretirement benefit obligation. This amendment will significantly reduce the net postretirement health care expense in subsequent fiscal years.

The discount rate used in determining the accumulated postretirement benefit obligation was 6.0 percent at August 28, 2004 and 6.5 percent at August 30, 2003. The average assumed health care cost trend rate used in measuring the accumulated postretirement benefit obligations as of August 28, 2004 was 9.2 percent, decreasing each successive year until it reaches 4.9 percent in 2013 after which it remains constant.

Net postretirement benefit expense for the fiscal years ended August 28, 2004, August 30, 2003 and August 31, 2002 consisted of the following components:

(dollars in thousands)	Aug. 28, 2004	Aug. 30, 2003	Aug. 31, 2002
Components of net periodic benefit cost			
Interest cost	$ 3,787	$ 3,017	$ 2,836
Service cost	2,536	1,973	2,079
Net amortization and deferral	71	(399)	(193)
Net periodic benefit cost	$ 6,394	$ 4,591	$ 4,722

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

(dollars in thousands)	One Percentage Point Increase	One Percentage Point Decrease
Effect on total of service and interest cost components	$ 1,668	$ (1,262)
Effect on postretirement benefit obligation	$ 256	$ (312)

Expected future benefit payments for postretirement health care are as follows:

(dollars in thousands) Year Ended	Amount
2005	$ 698
2006	835
2007	965
2008	1,098
2009	1,235
2010 - 2014	8,911

The expected benefits have been estimated based on the same assumptions used to measure the Company's benefit obligation as of August 28, 2004 and include benefits attached to estimated future employee's services.

Summary of postretirement health care and deferred compensation benefits at fiscal year-end are as follows:

(dollars in thousands)	August 28, 2004	August 30, 2003
Accrued benefit cost	$ 53,368	$ 47,848
Deferred compensation liability	25,702	19,540
Executive share option plan liability	8,333	7,050
Total postretirement health care and deferred compensation benefits	$ 87,403	$ 74,438

Note 6: Contingent Liabilities and Commitments

Repurchase Commitments.

It is customary practice for companies in the recreation vehicle industry to enter into repurchase agreements with lending institutions which have provided wholesale floor plan financing to dealers. Most dealers' motor homes are financed on a "floor plan" basis under which a bank or finance company lends the dealer all, or substantially all, of the purchase price, collateralized by a security interest in the merchandise purchased. These repurchase agreements provide that, in the event of default by the dealer on the agreement to pay the lending institution, the Company will repurchase the financed merchandise. The agreements provide that the Company's liability will not exceed 100 percent of the dealer invoice and provide for periodic liability reductions based on the time since the date of the original invoice. These repurchase obligations 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. The Company's contingent obligations under these repurchase agreements are reduced by the proceeds received upon the resale of any repurchased unit. The Company's contingent liability on these repurchase agreements was approximately $355,396,000 and $245,701,000 at August 28, 2004 and August 30, 2003, respectively. The Company's losses under repurchase agreements were approximately $0, $129,000 and $81,000 during fiscal 2004, 2003 and 2002, respectively.

Included in these contingent liabilities are certain dealer receivables subject to full recourse to the Company with Bank of America Specialty Group and Conseco Financing Servicing Group. Contingent liabilities under these recourse agreements were $0 and $898,000 at August 28, 2004 and August 30, 2003, respectively. The Company did not incur any losses under these recourse agreements during fiscal 2004, 2003, and 2002.

The Company also entered into a repurchase agreement on February 1, 2002 with a banking institution which calls for a liability reduction of 2 percent of the original invoice every month for 24 months, at which time the repurchase obligation terminates. The Company's contingent liability under this agreement was approximately $1,772,000 and $2,366,000 at August 28, 2004 and August 30, 2003, respectively. The Company did not incur any losses under this repurchase agreement during fiscal 2004, 2003, and 2002.

The Company records an estimated expense and loss reserve in each accounting period based upon its extensive history and experience of its repurchase agreements with the lenders of the Company's dealers. As of August 28, 2004, historical data shows that approximately 1.0 percent of the outstanding repurchase liability is potentially repurchased and the estimated loss reserve of approximately 8.0 percent of such repurchase is established on loss history of the repurchased products. Upon resale of the repurchased units, the Company does not record the transaction as revenue. The difference between the repurchase price and the net proceeds received from reselling the units is charged against the Company's reserve for losses on repurchases. See above for amounts of losses experienced.

Guarantees

During the second quarter of fiscal 2002, the Company 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., an Iowa nonprofit corporation (the "FCED"), requiring the Supplier to provide RV paint services to the Company. Three of Winnebago's officers have board seats on the 20-member FCED board. The FCED constructed and debt financed a paint facility on its land adjoining the Company's Forest City manufacturing plant for the

Supplier and the Supplier leases the land and facility from the FCED under a lease that expires in August 2012. In the event of termination of the 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 the Company. As of August 28, 2004, the Supplier is current with its lease payment obligations to the FCED with approximately $3,713,000 remaining to be paid through August 2012. Also, under the terms of the Agreement in the event of a default by the Supplier, the Company would be obligated to purchase from the Supplier approximately $750,000 of equipment installed in the paint facility at net book value and is obligated to assume payment obligations for approximately $45,000 in capital equipment leases.

Also in the second quarter of fiscal 2002, the Company guaranteed $700,000 of the FCED's $2,200,000 bank debt for the construction of the paint facility leased by the Supplier. The Company also pledged a $500,000 certificate of deposit to the bank to collateralize a portion of its $700,000 guarantee.

During the first quarter of fiscal 2004, the debt obligations for the FCED's paint facility were renegotiated from $2,200,000 to $2,925,000 and as part of this transaction, the Company executed a new guaranty whereby the amount of the guarantee was reduced from $700,000 to $500,000 with the Company continuing to agree to pledge a $500,000 certificate of deposit to the bank. The term of the guarantee coincides with the payment of the first $500,000 of lease obligations of the Supplier scheduled to be paid by February 2006. As a result of the new guarantee, the Company recorded a $500,000 liability in the first quarter of fiscal 2004 which will be amortized as the FCED makes its monthly debt payments funded by monthly lease payments from the Supplier. The balance of the guarantee as of August 28, 2004 was approximately $380,000.

During the second quarter of fiscal 2004, the Company entered into a five-year limited guarantee agreement ("Guarantee Agreement") with a leasing corporation ("Landlord") and previously discussed paint Supplier. The Landlord financed debt for the construction of a paint facility on land adjoining the Company's 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 the Company will guarantee the first 60 monthly lease payments (totaling approximately $1,559,000). In the event of rental default before August 2009 and the Supplier's failure to correct the default, the Landlord shall give the Company (Guarantor) written notice of its intent to terminate said lease. At the time of this notification, the Company will have various options that it must exercise in a timely manner. As of August 28, 2004, the Supplier is current with its lease payment obligations to the Landlord. As of August 28, 2004, approximately $315,000 has been recorded by the Company as the estimated fair value for the guarantee.

Self-Insurance.
The Company self-insures for a portion of product liability claims. Self-insurance retention liability varies annually based on market conditions and for the past five fiscal years was at $2,500,000 per occurrence and $6,000,000 in aggregate per policy year. In the event that the annual aggregate of the self-insured retention is exhausted by payment of claims and defense expenses, a deductible of $250,000, excluding defense expenses, is applicable to each and every claim covered under this policy. Included in self-insurance on the Company's consolidated balance sheet along with product liability is workman's compensation reserves which carries a stop-loss of $750,000 and employee medical claim reserves which includes medical claims incurred but not reported.

Litigation.
The Company has settled all claims raised in a lawsuit titled Sanft, et al vs. Winnebago Industries, Inc., et al involving 21 participants in the Winnebago Industries, Inc. Deferred Compensation Plan and the Winnebago Industries, Inc. Deferred Incentive Formula Bonus Plan (the "Plans"). The Plaintiffs were seeking to negate certain amendments made to the Plans in 1994 which reduced the benefits which some participants would receive under the Plans. The settlement will result in a partial reinstatement of the alleged lost benefits and had a present value cost to the Company of approximately $5,300,000. Additionally, the Company has voluntarily decided to provide the same benefits to an additional 22 non-plaintiff participants in the Plans and this resulted in an additional present value cost to the Company of approximately $2,040,000. The total pre-tax charge, which was recorded in the third quarter of fiscal 2004, was $7,340,000, which on an after tax basis equated to approximately $4,590,000, or approximately 13 cents per diluted share. The Company paid out approximately $1,767,000 during the fourth fiscal quarter with the balance of the settlement to be paid out in monthly increments over an indeterminable period.

Reference is also made to Item 3 (Legal Proceedings) in the Company's Annual Report on Form 10-K for the year ended August 30, 2003 for a description of certain litigation entitled Jody Bartleson, et al vs. Winnebago Industries, Inc., et al which is incorporated herein by reference. It was therein noted that Magistrate Judge Paul A. Zoss had entered an Order Approving an Amendment to the Complaint whereby Plaintiffs' counsel sought to add a claim under the Iowa Wage Payment Collection Act. Chief Judge Mark W. Bennett subsequently reversed Judge Zoss' ruling with the net result being that this lawsuit has remained an "opt in" class action with the 21 participants. The Company believes that it has meritorious defenses to the Plaintiffs' substantive claims. As of August 28, 2004 the Company had accrued estimated legal fees for the defense of this case. However, no other amounts have been accrued for the case because it is not possible at this time to properly assess the risk of an adverse verdict or the magnitude of possible exposure.

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

Lease Commitments.
The Company leases certain facilities and equipment under operating leases. Lease expense was $609,000 for 2004, $556,000 for 2003 and $820,000 for 2002. Minimum future lease commitments under noncancelable lease agreements in excess of one year as of August 28, 2004 are as follows (in thousands):

2005	$ 441
2006	408
2007	267
2008	66
2009	20
Thereafter	22
Total	$ 1,224

Note 7: Income Taxes
The components of the provision for income taxes are as follows:

(dollars in thousands)	Aug. 28, 2004	Year Ended Aug. 30, 2003	Aug. 31, 2002
Current			
Federal	$ 46,688	$ 29,516	$ 28,712
State	2,521	1,515	846
	49,209	31,031	29,558
Deferred	(7,616)	(1,070)	(1,127)
Total provision	$ 41,593	$ 29,961	$ 28,431

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

	August 28, 2004	Year Ended August 30, 2003	August 31, 2002
U.S. federal statutory rate	35.0%	35.0%	35.0%
State taxes, net of federal benefit	1.8	1.4	0.7
Non-deductible losses	1.1	2.6	- - -
Other	(0.1)	0.1	(0.1)
Foreign sales corporation/extraterritorial income	(0.2)	(0.2)	(0.1)
Increase in cash surrender value	(0.5)	(0.4)	(0.5)
Death benefits	- - -	(0.4)	- - -
Total	37.1%	38.1%	35.0%

Significant items comprising the Company's net deferred tax assets are as follows:

	August 28, 2004			August 30, 2003
(dollars in thousands)	Assets	Liabilities	Total	Total
Current				
Warranty reserves	$ 4,675	$ - - -	$ 4,675	$ 3,379
Carry forward tax credits	2,289	- - -	2,289	- - -
Self-insurance reserve	2,269	- - -	2,269	1,314
Miscellaneous reserves	2,175	(419)	1,756	1,584
Accrued vacation	1,876	- - -	1,876	1,648
Subtotal	13,284	(419)	12,865	7,925
Noncurrent				
Postretirement health care benefits	18,670	- - -	18,670	16,671
Deferred compensation	13,657	- - -	13,657	11,417
Property and equipment	- - -	(7,161)	(7,161)	(5,597)
Subtotal	32,327	(7,161)	25,166	22,491
Total	$ 45,611	$ (7,580)	$ 38,031	$ 30,416

Note 8: Financial Income and Expense

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

(dollars in thousands)	August 28, 2004	Year Ended August 30, 2003	August 31, 2002
Interest income from investments and receivables	$ 945	$ 966	$ 711
Dividend income	579	502	2,726
(Loss) gains on foreign currency transactions	(8)	(69)	62
Interest expense	(80)	- - -	(246)
Total financial income	$ 1,436	$ 1,399	$ 3,253

Note 9: Stock Based Compensation Plans

The Company's 1992 stock option plan for outside directors provided that each director who was not a current or former full-time employee of the Company received an option to purchase 10,000 shares of the Company's common stock at prices equal to 100 percent of the fair market value, determined by the mean of the high and low prices on the date of grant. The Board of Directors terminated this plan on December 17, 1997 as to future grants. There were options for 10,000 shares outstanding at August 28, 2004. Future grants of options to outside directors are made under the Company's 2004 Incentive Compensation Plan described below.

The Winnebago Industries, Inc. 2004 Incentive Compensation Plan (the "Plan") authorizes the Human Resources Committee of the Board of Directors of the Company to grant stock options, stock appreciation rights, stock awards, cash awards and performance awards to employees. The Plan also allows the Company to provide equity compensation to non-employee members of its Board of Directors. The Plan was approved by the Company's shareholders on January 13, 2004. No more than 4,000,000 shares of common stock may be issued under the Plan, and no more than 2,000,000 (adjusted for the 2-for-1 stock split on March 5, 2004) of those shares may be used for awards other than stock options or stock appreciation rights. Shares subject to awards that are forfeited, terminated, expire unexercised, settled in cash, exchanged for other awards, tendered to satisfy the purchase price of an award, withheld to satisfy tax obligations or otherwise lapse again become available for awards. The grant price of an option under the Plan may not be less than the fair market value of the common stock subject to such option. The term of any options granted under the Plan may not exceed 10 years from the date of the grant.

The Plan replaced the 1997 Stock Option Plan. No new grants may be made from the 1997 Stock Option Plan on or after January 1, 2004. Any stock options previously granted under the 1997 Stock Option Plan shall continue to vest and/or be exercisable in accordance with their original terms and conditions.

A summary of stock option activity for fiscal 2004, 2003 and 2002 is as follows:

	2004			2003			2002		
(adjusted for 2-for-1 stock split on March 5, 2004)	Shares	Price per Share	Wtd. Avg. Exercise Price/Sh	Shares	Price per Share	Wtd. Avg. Exercise Price/Sh	Shares	Price per Share	Wtd. Avg. Exercise Price/Sh
Outstanding at beginning of year	1,296,738	$ 3 - $20	$ 11.19	1,349,008	$ 3 - $20	$ 7.79	1,576,336	$ 3 - $10	$ 6.26
Options granted	458,000	26 - 35	27.30	397,600	18 - 19	18.29	331,900	11 - 20	11.57
Options exercised	(519,698)	3 - 27	9.36	(420,802)	4 - 11	6.85	(559,228)	4 - 10	5.72
Options canceled	- - -	- - -	- - -	(29,068)	6 - 19	13.45	- - -	- - -	- - -
Outstanding at end of year	1,235,040	$3 - $35	$17.93	1,296,738	$3 - $20	$11.19	1,349,008	$3 - $20	$7.79
Exercisable at end of year	521,400	$3 - $35	$12.53	586,604	$3 - $20	$8.41	604,542	$3 - $20	$6.95

The following table summarizes information about stock options outstanding at August 28, 2004:

Range of Exercise Prices	Number Outstanding at August 28, 2004	Weighted Remaining Years of Contractual Life	Weighted Average Exercise Price	Number Exercisable at August 28, 2004	Weighted Average Exercise Price
$ 3.59 - $ 7.69	192,562	5	$ 5.75	192,562	$ 5.75
9.00 - 10.81	267,198	6	10.17	175,798	9.83
18.25 - 19.74	320,280	8	18.41	94,040	18.78
26.50 - 34.86	455,000	9	27.30	59,000	32.73
	1,235,040	8	$ 17.93	521,400	$ 12.53

Note 10: Supplemental Cash Flow Disclosure

Cash paid during the year for:

(dollars in thousands)	Year Ended August 28, 2004	August 30, 2003	August 31, 2002
Income taxes	$ 40,575	$ 34,109	$ 29,306
Interest	80	- - -	246

Note 11: Net Revenues By Major Product Class

(dollars in thousands)	Fiscal Year Ended (1) (2) August 28, 2004	August 30, 2003	August 31, 2002	August 25, 2001	August 26, 2000
Class A & C motor homes	$1,070,264	$801,027	$773,125	$624,110	$690,022
	96.1%	94.8%	93.7%	92.9%	92.8%
Other recreation vehicle revenues (3)	15,199	17,285	20,486	17,808	18,813
	1.3%	2.0%	2.5%	2.7%	2.5%
Other manufactured products revenues (4)	28,691	26,898	31,658	29,768	34,894
	2.6%	3.2%	3.8%	4.4%	4.7%
Total net revenues	$1,114,154	$845,210	$825,269	$671,686	$743,729
	100.0%	100.0%	100.0%	100.0%	100.0%

(1) Certain prior periods' information has been reclassified to conform to the current year-end presentation.
(2) The fiscal year ended August 31, 2002 contained 53 weeks; all other fiscal years contained 52 weeks.
(3) Primarily recreation vehicle related parts and recreation vehicle service revenue.
(4) Primarily sales of extruded aluminum, commercial vehicles, and component products for other manufacturers.

Note 12: Income Per Share

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

(in thousands, except per share data) (adjusted for the 2-for-1 stock split on March 5, 2004)	August 28, 2004	August 30, 2003	August 31, 2002(1)
Income per share – basic			
Income from continuing operations	$ 70,641	$ 48,732	$ 52,893
Income from discontinued operations (net of taxes)	- - -	1,152	1,778
Net income	$ 70,641	$ 49,884	$ 54,671
Weighted average shares outstanding	34,214	36,974	39,898
Net income per share – basic	$ 2.06	$ 1.35	$ 1.37
Income per share – assuming dilution			
Income from continuing operations	$ 70,641	$ 48,732	$ 52,893
Income from discontinued operations (net of taxes)	- - -	1,152	1,778
Net income	$ 70,641	$ 49,884	$ 54,671
Weighted average shares outstanding	34,214	36,974	39,898
Dilutive impact of options outstanding	575	662	870
Weighted average shares and potential dilutive shares outstanding	34,789	37,636	40,768
Net income per share - assuming dilution	$ 2.03	$ 1.33	$ 1.34

(1) Fiscal year ended August 31, 2002 contained 53 weeks; all other fiscal years contained 52 weeks.

Note 13: Preferred Stock and Shareholders Rights Plan

The Board of Directors may authorize the issuance from time to time of preferred stock in one or more series with such designations, preferences, qualifications, limitations, restrictions, and optional or other special rights as the Board may fix by resolution. In connection with the Rights Plan discussed below, the Board of Directors has reserved, but not issued, 300,000 shares of preferred stock.

In May 2000, the Company adopted a shareholder rights plan providing for a dividend distribution of one preferred share purchase right for each share of common stock outstanding on and after May 26, 2000. The rights can be exercised only if an individual or group acquires or announces a tender offer for 15 percent or more of the Company's common stock, except as described below. Certain members of the Hanson family (including trusts and estates established by such Hanson family members and the John K. and Luise V. Hanson Foundation) are exempt from the applicability of the Rights Plan as it relates to the acquisition of 15 percent or more of the Company's outstanding common stock. If the rights first become exercisable as a result of an announced tender offer, each right would entitle the holder, (other than the individual or group acquiring or announcing a tender offer for 15 percent or more of the Company's common stock) except as described below, to buy 1/200 of a share of a new series of preferred stock at an exercise price of $33.625. The preferred shares will be entitled to 100 times the per share dividend payable on the Company's common stock and to 100 votes on all matters submitted to a vote of the shareowners. Once an individual or group acquires 15 percent or more of the Company's common stock, each right held by such individual or group becomes void and the remaining rights will then entitle the holder to purchase the number of common shares having a market value of twice the exercise price of the right. In the event the Company is acquired in a merger or 50 percent or more of its consolidated assets or earnings power are sold, each right will then entitle the holder to purchase a number of the acquiring company's common shares having a market value of twice the exercise price of the right. After an individual or group acquires 15 percent, except as described below, of the Company's common stock and before they acquire 50 percent, the Company's Board of Directors may exchange the rights in whole or in part, at an exchange ratio of one share of common stock per right. Before an individual or group acquires 15 percent of the Company's common stock, the rights are redeemable for $.01 per right at the option of the Company's Board of Directors. The Company's Board of Directors is authorized to reduce the 15 percent threshold to no less than 10 percent. Each right will expire on May 3, 2010, unless earlier redeemed by the Company. An Amendment, dated January 13, 2003, was made to the shareholders rights plan to permit FMR Corp., its affiliates and associates (collectively, "FMR"), to be the beneficial owner of up to 20% of the Company's outstanding stock provided that FMR, in its filings under the Securities Exchange Act of 1934, as amended, does not state any present intention to hold shares of the Company's common stock with the purpose or effect of changing or influencing control of the Company. An individual or group that becomes the beneficial owner of 15 or 20 percent (in the case of FMR) of the Company's common stock as a result of an acquisition of the common stock by the Company or the acquisition by such individual or group of new-issued shares directly from the Company, such individual's or group's ownership shall not trigger the issuance of rights under the plan unless such individual or group after such share repurchase or direct issuance by the Company, becomes the beneficial owner of any additional shares of the Company's common stock.

Report of Independent Registered Public Accounting Firm

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

We have audited the consolidated balance sheets of Winnebago Industries, Inc. and subsidiaries (the Company) as of August 28, 2004 and August 30, 2003, and the related consolidated statements of income, cash flows, and changes in stockholders' equity for each of the three years in the period ended August 28, 2004. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of August 28, 2004 and August 30, 2003; and the results of its operations and its cash flows for each of the three years in the period ended August 28, 2004 in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Deloitte & Touche LLP
Minneapolis, Minnesota

November 10, 2004

Interim Financial Information (Unaudited)

(dollars in thousands, except per share data)	Quarter Ended			
Fiscal 2004	**November 29, 2003**	**February 28, 2004**	**May 28, 2004**	**August 28, 2004**
Net revenues	$ 254,933	$ 266,033	$ 310,186	$ 283,002
Gross profit	39,465	35,029	46,019	41,656
Operating income	29,166	24,529	28,076	29,027
Net income	$ 18,067	$ 15,880	$ 17,704	$ 18,990
Net income per share (basic)	$ .51	$ .47	$ .52	$ .56
Net income per share (diluted)	$ .50	$ .46	$ .51	$ .55

(dollars in thousands, except per share data)	Quarter Ended			
Fiscal 2003	**As Restated November 30, 2002 (1)**	**As Restated March 1, 2003 (1)**	**May 31, 2003(2)**	**August 30, 2003(2)**
Net revenues	$ 233,347	$ 185,958	$ 200,211	$ 225,694
Gross profit	35,072	26,368	23,146	28,792
Operating income	25,281	19,368	14,243	18,402
Income from continuing operations	15,878	11,891	8,995	11,968
Income from discontinued operations	400	418	334	- - -
Net income	$ 16,278	$ 12,309	$ 9,329	$ 11,968
Income per common share (basic)				
Continuing operations	$ .43	$ .32	$ .25	$ .33
Discontinued operations	.01	.01	.01	- - -
Net income per share (basic)	$ .44	$ .33	$ .26	$ .33
Income per common share (diluted)				
Continuing operations	$ .42	$ .31	$ .24	$ .32
Discontinued operations	.01	.01	.01	- - -
Net income per share (diluted)	$ .43	$ .32	$ .25	$ .32

(1) Certain prior periods' information has been reclassified to conform to the current year-end presentation. This reclassification has no impact on net income as previously reported.
(2) During the third quarter of fiscal 2003, the Company discontinued dealer financing operations of WAC. WAC's operations are accounted for as discontinued operations in the consolidated financial statements.

11-Year Selected Financial Data (1)

(dollars in thousands, except per share data) (adjusted for the 2-for-1 stock split on March 5, 2004) For the Year	Aug. 28, 2004	Aug. 30, 2003	Aug. 31, 2002(2)	Aug. 25, 2001(3)
Net revenues	$ 1,114,154	$ 845,210	$ 825,269	$ 671,686
Income before taxes	112,234	78,693	81,324	55,754
Pretax profit % of revenue	10.1%	9.3%	9.9%	8.3%
Provision for income taxes (credits)	41,593	29,961	28,431	14,258
Income tax rate	37.1%	38.1%	35.0%	25.6%
Income from continuing operations	70,641	48,732	52,893	41,496
Gain on sale of Cycle-Sat subsidiary	- - -	- - -	---	---
Income (loss) from discontinued operations (4)	- - -	1,152	1,778	2,258
Cum. effect of change in accounting principle	- - -	- - -	---	(1,050)
Net income (loss)	$ 70,641	$ 49,884	$ 54,671	$ 42,704
Income per share				
Continuing operations				
Basic	$ 2.06	$ 1.32	$ 1.33	$ 1.00
Diluted	2.03	1.30	1.30	.99
Discontinued operations				
Basic	- - -	.03	.04	.05
Diluted	- - -	.03	.04	.05
Cum. effect of change in accounting principle				
Basic	- - -	- - -	---	(.02)
Diluted	- - -	- - -	---	(.02)
Net income per share				
Basic	$ 2.06	$ 1.35	$ 1.37	$ 1.03
Diluted	2.03	1.33	1.34	1.02
Weighted average common shares outstanding (in thousands)				
Basic	34,214	36,974	39,898	41,470
Diluted	34,789	37,636	40,768	42,080
Cash dividends paid per share	$ .20	$ .10	$ .10	$ .10
Book value	6.01	5.78	4.81	5.00
Return on average assets (ROA) (6)	18.3%	14.0%	15.9%	12.9%
Return on average equity (ROE) (7)	34.3%	25.6%	28.2%	22.3%
Return on average invested capital (ROIC) (8)	35.4%	25.5%	29.1%	24.1%
Unit Sales				
Class A	8,108	6,705	6,725	5,666
Class C	4,408	4,021	4,329	3,410
Total Class A & C Motor Homes	12,516	10,726	11,054	9,076
Class B Conversions (EuroVan Campers)	- - -	308	763	703
At Year End				
Total assets	$ 394,556	$ 377,462	$ 337,077	$ 351,922
Stockholders' equity	201,875	210,626	179,815	207,464
Market capitalization	1,071,571	898,010	713,500	581,779
Working capital	164,791	164,891	144,995	174,248
Long-term debt	- - -	- - -	---	---
Current ratio	2.6 to 1	2.8 to 1	2.6 to 1	3.2 to 1
Number of employees	4,220	3,750	3,685	3,325

(1) Certain prior periods' information has been reclassified to conform to the current year-end presentation.
(2) The fiscal years ended August 31, 2002 and August 31, 1996 contained 53 weeks; all other fiscal years contained 52 weeks.
(3) Includes a noncash after-tax cumulative effect of change in accounting principle of $1.1 million expense or $.05 per share due to the adoption of SAB No. 101, Revenue Recognition in Financial Statements.
(4) Includes discontinued operations of Winnebago Acceptance Corporation for all years presented and discontinued operations of Cycle-Sat, Inc. for fiscal years ended August 31, 1996 through August 27, 1994.

Aug. 26, 2000	Aug. 28, 1999	Aug. 29, 1998	Aug. 30, 1997	Aug. 31 1996[2]	Aug. 26, 1995	Aug. 27, 1994[5]
$ 743,729	$ 668,658	$ 527,287	$ 436,541	$ 486,139	$ 461,540	$ 436,039
70,583	62,848	33,765	5,704	19,015	17,920	13,525
9.5%	9.4%	6.4%	1.3%	3.9%	3.9%	3.1%
24,400	21,033	10,786	($35)	5,922	($8,642)	($1,921)
34.6%	33.5%	32.0%	(.6%)	31.1%	(48.2%)	(14.2%)
46,183	41,815	22,979	5,739	13,093	26,562	15,446
---	- - -	- - -	16,472	- - -	- - -	- - -
2,216	2,445	1,405	837	(708)	1,194	1,999
---	---	---	---	---	---	(20,420)
$ 48,399	$ 44,260	$ 24,384	$ 23,048	$ 12,385	$ 27,756	($2,975)
$ 1.07	$ .94	$ .48	$ .11	$ .26	$ .53	$ .31
1.05	.93	.47	.11	.26	.52	.30
.05	.06	.03	.34	(.02)	.02	.04
.05	.05	.03	.34	(.02)	.03	.04
---	---	---	---	---	---	(.41)
---	---	---	---	---	---	(.40)
$ 1.12	$ 1.00	$ .51	$ .45	$ .24	$ .55	$ (.06)
1.10	.98	.50	.45	.24	.55	(.06)
43,360	44,418	48,212	50,870	50,698	50,572	50,374
44,022	45,074	48,628	51,100	51,048	50,924	50,962
$ .10	$ .10	$ .10	$ .10	$ .15	$ .15	$ ---
4.11	3.35	2.55	2.43	2.08	1.98	1.58
16.3%	17.1%	11.0%	10.6%	5.7%	14.1%	(1.8%)
29.8%	33.3%	20.3%	20.1%	12.0%	30.8%	(3.7%)
28.2%	32.7%	19.2%	15.7%	8.2%	20.1%	(2.7%)
6,819	6,054	5,381	4,834	5,893	5,993	6,820
3,697	4,222	3,390	2,724	2,857	2,853	1,862
10,516	10,276	8,771	7,558	8,750	8,846	8,682
854	600	978	1,205	857	1,014	376
$ 308,686	$ 285,889	$ 230,612	$ 213,475	$ 220,596	$ 211,630	$ 181,748
174,909	149,384	116,523	123,882	105,311	100,448	79,710
272,733	538,322	254,137	213,472	206,373	212,358	258,952
141,683	123,720	92,800	99,935	62,155	69,694	58,523
---	---	---	---	1,692	3,810	2,693
3.0 to 1	2.5 to 1	2.5 to 1	3.4 to 1	2.0 to 1	2.4 to 1	2.1 to 1
3,300	3,400	3,010	2,830	3,150	3,010	3,150

(5) Includes a cumulative non-cash charge of $20.4 million expense or $.80 per diluted share due to the adoption of SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" related to health care and other benefits.
(6) ROA - Current period net income (loss) divided by average total asset balance using current ending period and previous ending period.
(7) ROE - Current period net income (loss) divided by average equity balance using current ending period and previous ending period.
(8) ROIC - Current period net income (loss) divided by average invested capital using current ending period - total assets minus cash and non-interest liabilities and previous ending period - total assets minus cash and non-interest liabilities.

Shareholder Information

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

Copies of the Company's quarterly financial earnings releases, the annual report on Form 10-K (without exhibits), the quarterly reports on Form 10-Q (without exhibits) and current reports on Form 8-K (without exhibits) as filed by the Company with the Securities and Exchange Commission, may be obtained without charge from the corporate offices as follows:

Sheila Davis, PR/IR Manager
Winnebago Industries, Inc.
605 W. Crystal Lake Road
P.O. Box 152
Forest City, Iowa 50436-0152
Telephone: (641) 585-3535
Fax: (641) 585-6966
E-Mail: ir@winnebagoind.com

All news releases issued by the Company, reports filed by the Company with the Securities and Exchange Commission (including exhibits) and information on the Company's Corporate Governance Policies and Procedures may also be viewed at the Winnebago Industries' Web Site:
http://winnebagoind.com/html/company/investorRelations.html.
Information contained on Winnebago Industries' Web Site is not incorporated into this Annual Report or other securities filings.

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

Wells Fargo Bank N.A.
P.O. Box 64854
St. Paul, Minnesota 55164-0854
or
161 North Concord Exchange
South St. Paul, Minnesota 55075-1139
Telephone: (800) 468-9716 or
(651) 450-4064
Inquirees: www.wellsfargo.com/shareownerservices

Annual Meeting
The Annual Meeting of Shareholders is scheduled to be held on Tuesday, January 11, 2005, at 7:30 p.m. (CST) in Friendship Hall, Highway 69 South, Forest City, Iowa.

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

Purchase of Common Stock
Winnebago Industries stock may be purchased from ShareBuilder Corporation through the Company's Web Site at
http://winnebagoind.com/html/company/ investorRelations.html.
Winnebago Industries is not affiliated with ShareBuilder and has no involvement in the relationship between ShareBuilder and any of its customers.

Common Stock Data

(Adjusted for the 2-for-1 Stock Split on March 5, 2004)
The Company's common stock is listed on the New York, Chicago and Pacific Stock Exchanges.
Ticker symbol: WGO
Shareholders of record as of November 2, 2004: 4,219
Below are the New York Stock Exchange high, low and closing prices of Winnebago Industries, Inc. stock for each quarter of fiscal 2004 and fiscal 2003.

Fiscal 2004	High	Low	Close
First Quarter	$29.63	$22.08	$27.64
Second Quarter	37.88	27.64	33.40
Third Quarter	34.95	25.10	28.40
Fourth Quarter	38.37	28.09	31.91

Fiscal 2003	High	Low	Close
First Quarter	$25.74	$17.75	$24.72
Second Quarter	25.23	14.43	14.68
Third Quarter	19.97	11.66	19.88
Fourth Quarter	24.69	17.25	24.63

Cash Dividends Paid Per Share

Fiscal 2004

Amount	Date Paid
$.05	October 6, 2003
.05	January 5, 2004
.05	April 15, 2004
.05	July 6, 2004
$.20	Total

Fiscal 2003

Amount	Date Paid
$.05	January 6, 2003
.05	July 7, 2003
$.10	Total

Directors and Officers

Directors

Bruce D. Hertzke (53)
Chairman of the Board, Chief Executive Officer
and President
Winnebago Industries, Inc.

Irvin E. Aal (65)
Former General Manager
Case Tyler Business Unit of CNH Global

Gerald E. Boman (69)
Former Senior Vice President
Winnebago Industries, Inc.

Jerry N. Currie (59)
President and Chief Executive Officer
CURRIES Company and GRAHAM Manufacturing

Joseph W. England (64)
Former Senior Vice President
Deere and Company

John V. Hanson (62)
Former Deputy Chairman of the Board
Winnebago Industries, Inc.

Gerald C. Kitch (66)
Former Executive Vice President
Pentair, Inc.

Frederick M. Zimmerman (68)
Professor of Manufacturing Systems Engineering
The University of St. Thomas

Officers

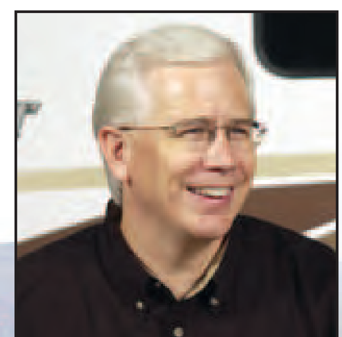
Bruce D. Hertzke (53)
Chairman of the Board,
Chief Executive Officer
and President

Edwin F. Barker (57)
Senior Vice President,
Chief Financial Officer

Raymond M. Beebe (62)
Vice President, General
Counsel and Secretary

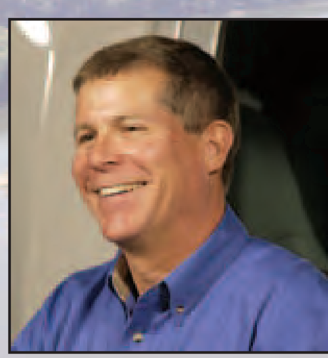
Robert L. Gossett (53)
Vice President,
Administration

Brian J. Hrubes (53)
Controller



Roger W. Martin (44)
Vice President, Sales
and Marketing

William J. O'Leary (55)
Vice President,
Product Development



Robert J. Olson (53)
Vice President,
Manufacturing

Joseph L. Soczek, Jr. (61)
Treasurer