



## Johnson Outdoors Announces Fiscal 2009 Second Quarter Results

RACINE, Wis., May 8, 2009 (GlobeNewswire via COMTEX News Network) -- Johnson Outdoors Inc. (Nasdaq:JOUT), a leading global outdoor recreation company, today announced higher earnings on lower net sales for its second fiscal quarter ended April 3, 2009. Net income from continuing operations of \$2.5 million, or \$0.27 per diluted share compared favorably to the prior year second quarter net income of \$0.8 million, or \$0.09 per diluted share. Total net sales for the quarter were \$106.6 million compared to \$121.8 million in the prior year period.

"We have taken deliberate and decisive action over the past 12 months to minimize the impact of softer markets on operations, cash flow and the bottom line, with a clear focus on strengthening our competitiveness and profitability long-term. We feel good about where we are, and remain vigilant in our efforts to further reduce costs, improve efficiency and enhance shareholder value," said Helen Johnson-Leipold, Chairman and Chief Executive Officer.

### COST REDUCTION UPDATE

On December 4, 2008, the Company announced comprehensive cost-reduction plans which included an aggressive \$20 million cost savings target, lower capital spending and significant reduction in peak working capital. At the end of the second quarter:

- \* Cost savings efforts were progressing on track and in line with expectations. For the quarter, operating expense decreased 21 percent from the prior year second quarter.
- \* Working capital was 30 percent below prior year entering its peak period, with net inventory levels down \$40 million versus last year's second quarter.
- \* Capital spending was down 30 percent year-over-year.

### SECOND QUARTER RESULTS

Second quarter sales reflect initial shipments to customers in anticipation of the primary retail selling period for the Company's seasonal outdoor products. Total net sales declined 12.5 percent compared to the prior year quarter, due largely to economic conditions in key markets. Unfavorable currency translation had a 3.7 percent impact on total Company revenues in the quarter.

- \* Marine Electronics revenues were 4.6 percent below last year primarily due to continued weakness in domestic and international boat markets.
- \* Watercraft sales were 8.7 percent below the prior year as a result of unfavorable currency translation of 4.3 percent, scaling back of distribution to non-core channels and weak international markets.
- \* Diving revenues were down 24.1 percent due to slowing economies in key markets and the impact of unfavorable currency translation, which comprised 8.3 percent of the revenue decline.
- \* Outdoor Equipment sales compared unfavorably to last year due primarily to pacing of military tent orders and slower-than-normal commercial tent sales.

Total Company operating profit of \$5.8 million for the second fiscal quarter compared favorably to operating profit of \$3.6 million in the prior year quarter. Key factors contributing to the favorable comparison were:

- \* Aggressive cost savings initiatives which more than offset the impact of lower sales and unfavorable product mix on margins.
- \* Improved operating efficiency and strict controls resulting in a 34.5 percent reduction in net inventory levels.
- \* Bonus and profit sharing accruals of \$1.8 million in the prior year quarter versus no accruals in the current quarter.

The Company reported net income of \$2.5 million, or \$0.27 per diluted share, during the second fiscal quarter, compared to net income of \$0.5 million, or \$0.05 per diluted share, in the same quarter last year. Income during the prior year quarter was negatively impacted by a \$1.6 million pre-tax foreign exchange loss related to the accounting treatment of U.S. dollar holdings in Switzerland.

In March, the Company consolidated leadership of Marine Electronics and Watercraft business units under a single Group Vice President as part of an initiative to significantly reduce cost and complexity, optimize synergies and assets across the two operations, and dramatically improve profitability for the future.

## YEAR-TO-DATE RESULTS

Net sales in the first six months of fiscal 2009 were \$176.4 million versus \$197.8 million in the same six-month period last year, a decrease of 10.8 percent. Key drivers in the year-to-date period were:

- \* Lower domestic sales.
- \* Soft international markets.
- \* Unfavorable currency translation of 3.5 percent.

Total Company operating profit was \$0.6 million during the first six months of fiscal 2009 compared to an operating loss of \$0.9 million during the prior year-to-date period. Net loss from continuing operations for the first six months of the year was \$4.5 million, or (\$0.49) per diluted share, versus a loss from continuing operations of \$2.8 million, or (\$0.31) per diluted share, in the first six months of the prior year. Primary drivers behind the year-to-date comparison were:

- \* Deteriorating economic conditions in domestic and international markets.
- \* Improved operating efficiency and aggressive cost savings efforts, which helped offset the impact of lower sales and unfavorable product mix on margins during the period.

## OTHER FINANCIAL INFORMATION

The Company's debt level was \$65.3 million at the end of the second quarter versus \$115.0 million at March 28, 2008, and debt, net of cash, was \$51.4 million versus \$87.3 million in the prior year's quarter. Depreciation and amortization was \$5.2 million year-to-date, compared to \$4.9 million during the first six months of the prior year. Capital spending totaled \$3.7 million during the first six months of fiscal 2009 compared with \$5.3 million in same period in 2008.

"We believe improved processes and systems will enable us to manage inventory levels down through the remainder of the year. Effective cash management will remain a key focus as we work diligently to ensure cash reserves are at appropriate levels," said David W. Johnson, Vice President and Chief Financial Officer.

## WEBCAST

The Company will host a conference call and audio web cast at 11:00 a.m. Eastern Time on Friday May 8, 2009. A live listen-only web cast of the conference call may be accessed at Johnson Outdoors' home page. A replay of the call will be available for 30 days on the Internet.

## ABOUT JOHNSON OUTDOORS INC.

JOHNSON OUTDOORS is a leading global outdoor recreation company that turns ideas into adventure with innovative, top-quality products. The company designs, manufactures and markets a portfolio of winning, consumer-preferred brands across four categories: Watercraft, Marine Electronics, Diving and Outdoor Equipment. Johnson Outdoors' familiar brands include, among others: Old Town(r) canoes and kayaks; Ocean Kayak(tm) and Necky(r) kayaks; Lendal(r) paddles; Carlisle(r) and Extrasport(r) paddling accessories; Minn Kota(r) motors; Cannon(r) downriggers; Humminbird(r) fishfinders; Geonav(r) chartplotters; SCUBAPRO(r) UWATEC(r) and Seemann(r) dive equipment; Silva(r) compasses; Tech4O(r) digital instruments; and Eureka!(r) tents.

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## SAFE HARBOR STATEMENT

Certain matters discussed in this press release are "forward-looking statements," intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical fact are considered forward-looking statements. These statements may be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "could," "expect," "intend," "may," "planned," "potential," "should," "will," "would" or the negative of those terms or other words of similar meaning. Such forward-looking statements are subject to certain risks and uncertainties, which could cause actual results or outcomes to differ materially from those currently anticipated. Factors that could affect actual results or outcomes include changes in consumer spending patterns; the Company's success in implementing its strategic plan, including its focus on innovation; actions of and disputes with companies that compete with the Company; the Company's success in managing inventory; the risk that the lenders may be unwilling to provide a waiver or amendment if the Company is in violation of its financial covenants and the cost to the Company of obtaining any waiver or amendment that the lenders would be willing to provide; risk of future write-downs of goodwill or other intangible assets; movements in foreign currencies or interest rates; the Company's success in restructuring of its Watercraft operations; the success of suppliers and customers; the ability of the Company to deploy its capital successfully; adverse weather conditions; and other risks and uncertainties identified in the Company's filings with the Securities and Exchange Commission. Shareholders, potential investors and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

## JOHNSON OUTDOORS INC.

(thousands, except per share amounts)

Operating Results	THREE MONTHS ENDED		SIX MONTHS ENDED	
	April 3 2009	March 28 2008	April 3 2009	March 28 2008
Net sales	\$106,630	\$121,813	\$176,386	\$197,780
Cost of sales	66,662	75,007	111,312	121,685
Gross profit	39,968	46,806	65,074	76,095
Operating expenses	34,176	43,159	64,505	77,029
Operating profit (loss):	5,792	3,647	569	(934)
Interest expense, net	3,080	1,278	4,574	2,070
Other (income) expense, net	(456)	1,306	664	1,360
Income (loss) before income taxes	3,168	1,063	(4,669)	(4,364)
Income tax expense (benefit)	703	281	(193)	(1,522)
Net income (loss) from continuing operations	2,465	782	(4,476)	(2,842)
Net income (loss) from discontinued operations, net of income tax benefit of \$0, \$188, \$0, and \$814 respectively	--	(320)	41	(1,386)

Net income (loss)	\$ 2,465	\$ 462	\$ (4,435)	\$ (4,228)
Net loss basic and diluted per common share:				
Continuing operations	\$ 0.27	\$ 0.09	\$ 0.49	\$ (0.31)
Discontinued operations	\$ --	\$ (0.04)	\$ --	\$ (0.15)
Basic and diluted average common shares outstanding				
	\$ 0.27	\$ 0.05	\$ 0.49	\$ (0.46)
Segment Results				
Net sales:				
Marine electronics	\$ 58,732	\$ 61,544	\$ 90,710	\$ 94,807
Outdoor equipment	8,475	13,244	19,712	21,228
Watercraft	21,672	23,731	32,719	37,184
Diving	17,835	23,491	33,385	45,022
Other/eliminations	(84)	(197)	(140)	(461)
Total	\$106,630	\$121,813	\$176,386	\$197,780
Operating profit (loss):				
Marine electronics	\$ 7,147	\$ 5,483	\$ 6,178	\$ 5,746
Outdoor equipment	405	754	1,330	372
Watercraft	(245)	(230)	(1,844)	(2,343)
Diving	294	575	(903)	1,135
Other/eliminations	(1,809)	(2,935)	(4,192)	(5,844)
Total	\$ 5,792	\$ 3,647	\$ 569	\$ (934)
Balance Sheet Information (End of Period)				
Cash and short-term investments			\$ 13,919	\$ 27,662
Accounts receivable, net			100,466	120,168
Inventories, net			75,405	115,126
Net assets of discontinued operations			--	132
Total current assets			197,806	286,966
Total assets			262,991	412,154
Short-term debt			4,647	55,001
Total current liabilities			76,172	127,871
Long-term debt			60,690	60,004
Shareholders' equity			112,386	206,748

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