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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 28, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission file number 0-16255

JOHNSON OUTDOORS INC.

(Exact name of Registrant as specified in its charter)

Wisconsin	**39-1536083**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

555 Main Street, Racine, Wisconsin 53403
(Address of principal executive offices)

(262) 631-6600
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, $.05 par value per share	JOUT	NASDAQ Global Select Market SM

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act: Large accelerated filer ☐Accelerated filer ☒Non-accelerated filer ☐Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of July 26, 2019, 8,838,459 shares of Class A and 1,211,602 shares of Class B common stock of the Registrant were outstanding.

JOHNSON OUTDOORS INC.

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JOHNSON OUTDOORS INC.

PART I FINANCIAL INFORMATION
Item 1. Financial Statements

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

(thousands, except per share data)	Three Months Ended June 28, 2019	Three Months Ended June 29, 2018	Nine Months Ended June 28, 2019	Nine Months Ended June 29, 2018
Net sales	$ 176,253	$ 170,779	$ 458,400	$ 453,136
Cost of sales	96,528	91,446	255,227	250,797
Gross profit	79,725	79,333	203,173	202,339
Operating expenses:				
Marketing and selling	36,484	31,191	94,273	89,280
Administrative management, finance and information systems	9,879	11,071	30,864	32,713
Research and development	5,333	5,116	16,185	15,352
Total operating expenses	51,696	47,378	141,322	137,345
Operating profit	28,029	31,955	61,851	64,994
Interest income	(434)	(172)	(1,291)	(493)
Interest expense	64	55	137	170
Other (income) expense, net	(493)	293	(238)	(4,231)
Profit before income taxes	28,892	31,779	63,243	69,548
Income tax expense	6,826	8,009	15,733	23,923
Net income	$ 22,066	$ 23,770	$ 47,510	$ 45,625
Weighted average common shares - Basic:				
Class A	8,792	8,739	8,779	8,727
Class B	1,212	1,212	1,212	1,212
Participating securities	33	50	30	49
Weighted average common shares - Dilutive	10,037	10,001	10,021	9,988
Net income per common share - Basic:				
Class A	$ 2.22	$ 2.40	$ 4.79	$ 4.62
Class B	$ 2.02	$ 2.19	$ 4.35	$ 4.20
Net income per common share - Diluted:				
Class A	$ 2.19	$ 2.37	$ 4.72	$ 4.54
Class B	$ 2.19	$ 2.37	$ 4.72	$ 4.54

The accompanying notes are an integral part of the condensed consolidated financial statements.

JOHNSON OUTDOORS INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

(thousands)	Three Months Ended June 28, 2019	Three Months Ended June 29, 2018	Nine Months Ended June 28, 2019	Nine Months Ended June 29, 2018
Net income	$ 22,066	$ 23,770	$ 47,510	$ 45,625
Other comprehensive income (loss):				
Foreign currency translation:				
Foreign currency translation	1,047	(2,442)	(801)	(2,213)
Reclassification adjustment for currency translation losses (gains) related to the liquidation of foreign entities included in net income	—	61	—	(2,290)
Defined benefit pension plan:				
Change in pension plans, net of tax of ($7), $12, $59 and $100, respectively	(23)	38	187	315
Total other comprehensive income (loss)	1,024	(2,343)	(614)	(4,188)
Total comprehensive income	$ 23,090	$ 21,427	$ 46,896	$ 41,437

The accompanying notes are an integral part of the condensed consolidated financial statements.

JOHNSON OUTDOORS INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

(thousands, except share data)	June 28, 2019	September 28, 2018	June 29, 2018
ASSETS			
Current assets:			
Cash and cash equivalents	$ 148,968	$ 121,877	$ 104,277
Short term investments	—	28,714	25,000
Accounts receivable, net	82,860	40,866	80,877
Inventories	95,833	88,864	77,299
Other current assets	5,519	5,373	1,012
Total current assets	333,180	285,694	288,465
Property, plant and equipment, net of accumulated depreciation of $140,316, $131,322 and $129,028, respectively	58,143	55,934	54,152
Deferred income taxes	11,198	11,748	12,829
Goodwill	11,195	11,199	11,184
Other intangible assets, net	11,538	12,341	12,716
Other assets	20,304	19,020	18,205
Total assets	$ 445,558	$ 395,936	$ 397,551
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	$ 37,190	$ 34,160	$ 32,978
Accrued liabilities:			
Salaries, wages and benefits	16,824	22,315	17,590
Accrued warranty	9,588	8,499	8,897
Income taxes payable	11,318	7,739	11,551
Accrued discounts and returns	7,864	7,505	6,450
Other	14,220	12,566	14,780
Total current liabilities	97,004	92,784	92,246
Deferred income taxes	1,700	1,715	1,775
Retirement benefits	1,964	1,945	3,788
Other liabilities	21,918	20,295	17,682
Total liabilities	122,586	116,739	115,491
Shareholders' equity:			
Common stock:			
Class A shares issued and outstanding:	443	442	442
June 28, 2019: 8,838,459			
September 28, 2018: 8,787,360			
June 29, 2018: 8,785,735			
Class B shares issued and outstanding:	61	61	61
June 28, 2019: 1,211,602			
September 28, 2018: 1,211,686			
June 29, 2018: 1,211,686			
Capital in excess of par value	75,192	75,025	74,229
Retained earnings	246,164	202,828	209,169
Accumulated other comprehensive income	2,873	3,487	805
Treasury stock at cost, shares of Class A common stock: 29,225, 67,655 and 67,655, respectively	(1,761)	(2,646)	(2,646)
Total shareholders' equity	322,972	279,197	282,060
Total liabilities and shareholders' equity	$ 445,558	$ 395,936	$ 397,551

The accompanying notes are an integral part of the condensed consolidated financial statements.

JOHNSON OUTDOORS INC.

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(unaudited)

Nine Months Ended June 29, 2018						
(thousands except for shares)	Shares	Common Stock	Capital in Excess of Par Value	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)
BALANCE AT SEPTEMBER 29, 2017	9,996,199	$ 503	$ 72,801	$ 166,905	$ (2,198)	$ 4,993
Net income	—	—	—	235	—	—
Dividends declared	—	—	—	(989)	—	—
Award of non-vested shares	6,532	—	(164)	—	164	—
Stock-based compensation	—	—	508	—	—	—
Currency translation adjustment	—	—	—	—	—	(276)
Change in pension plans, net of tax of $44	—	—	—	—	—	139
Purchase of treasury stock at cost	(9,377)	—	—	—	(675)	—
BALANCE AT DECEMBER 29, 2017	9,993,354	503	73,145	166,151	(2,709)	4,856
Net income	—	—	—	21,620	—	—
Dividends declared	—	—	—	(1,187)	—	—
Issuance of stock under employee stock purchase plan	1,740	—	68	—	—	—
Award of non-vested shares	2,327	—	(63)	—	63	—
Stock-based compensation	—	—	506	—	—	—
Currency translation adjustment	—	—	—	—	—	505
Write off of currency translation adjustment	—	—	—	—	—	(2,351)
Change in pension plans, net of tax of $44	—	—	—	—	—	138
BALANCE AT MARCH 30, 2018	9,997,421	503	73,656	186,584	(2,646)	3,148
Net income	—	—	—	23,770	—	—
Dividends declared	—	—	—	(1,185)	—	—
Stock-based compensation	—	—	573	—	—	—
Currency translation adjustment	—	—	—	—	—	(2,442)
Write off of currency translation adjustment	—	—	—	—	—	61
Change in pension plans, net of tax of $12	—	—	—	—	—	38
BALANCE AT JUNE 29, 2018	9,997,421	$ 503	$ 74,229	$ 209,169	$ (2,646)	$ 805

The accompanying notes are an integral part of the condensed consolidated financial statements.

JOHNSON OUTDOORS INC.

CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(unaudited)

Nine Months Ended June 28, 2019						
(thousands except for shares)	Shares	Common Stock	Capital in Excess of Par Value	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)
BALANCE AT SEPTEMBER 28, 2018	9,999,046	$ 503	$ 75,025	$ 202,828	$ (2,646)	$ 3,487
Net income	—	—	—	3,521	—	—
Dividends declared	—	—	—	(1,384)	—	—
Award of non-vested shares	48,236	—	(1,593)	—	1,593	—
Stock-based compensation	—	—	536	—	—	—
Currency translation adjustment	—	—	—	—	—	(1,700)
Change in pension plans, net of tax of $33	—	—	—	—	—	105
Purchase of treasury stock at cost	(9,890)	—	—	—	(708)	—
BALANCE AT DECEMBER 28, 2018	10,037,392	503	73,968	204,965	(1,761)	1,892
Net income	—	—	—	21,923	—	—
Dividends declared	—	—	—	(1,397)	—	—
Issuance of stock under employee stock purchase plan	1,594	—	79	—	—	—
Award of non-vested shares	11,075	—	—	—	—	—
Stock-based compensation	—	—	572	—	—	—
Currency translation adjustment	—	—	—	—	—	(148)
Change in pension plans, net of tax of $33	—	—	—	—	—	105
BALANCE AT MARCH 29, 2019	10,050,061	503	74,619	225,491	(1,761)	1,849
Net income	—	—	—	22,066	—	—
Dividends declared	—	—	—	(1,393)	—	—
Award of non-vested shares	—	1	(1)	—	—	—
Stock-based compensation	—	—	574	—	—	—
Currency translation adjustment	—	—	—	—	—	1,047
Change in pension plans, net of tax of ($7)	—	—	—	—	—	(23)
BALANCE AT JUNE 28, 2019	10,050,061	$ 504	$ 75,192	$ 246,164	$ (1,761)	$ 2,873

The accompanying notes are an integral part of the condensed consolidated financial statements.

JOHNSON OUTDOORS INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

(thousands)	Nine Months Ended June 28, 2019	Nine Months Ended June 29, 2018
CASH PROVIDED BY OPERATING ACTIVITIES		
Net income	$ 47,510	$ 45,625
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	9,602	8,901
Amortization of intangible assets	775	716
Amortization of deferred financing costs	20	51
Write off of currency translation adjustment gain	—	(2,290)
Stock based compensation	1,682	1,587
Gain on disposal of productive assets	(34)	(1,262)
Pension contributions	(134)	(5,140)
Deferred income taxes	519	9,780
Change in operating assets and liabilities:		
Accounts receivable, net	(42,145)	(34,798)
Inventories, net	(7,249)	1,218
Accounts payable and accrued liabilities	4,495	8,685
Other current assets	(147)	3,526
Other non-current assets	198	—
Other long-term liabilities	501	463
Other, net	27	(36)
	15,620	37,026
CASH PROVIDED BY INVESTING ACTIVITIES		
Purchase of short-term investments	(7,124)	(25,000)
Proceeds from sale of short-term investments	35,838	46,607
Proceeds from sale of productive assets	60	1,306
Capital expenditures	(12,031)	(14,653)
	16,743	8,260
CASH USED FOR FINANCING ACTIVITIES		
Common stock transactions	79	68
Debt issuance costs paid	—	(61)
Dividends paid	(4,165)	(3,164)
Purchases of treasury stock	(708)	(675)
	(4,794)	(3,832)
Effect of foreign currency rate changes on cash	(478)	(987)
Increase in cash and cash equivalents	27,091	40,467
CASH AND CASH EQUIVALENTS		
Beginning of period	121,877	63,810
End of period	$ 148,968	$ 104,277
Supplemental Disclosure:		
Cash paid for taxes	$ 10,185	$ 8,049
Cash paid for interest	118	117

The accompanying notes are an integral part of the condensed consolidated financial statements.

JOHNSON OUTDOORS INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1 BASIS OF PRESENTATION

The condensed consolidated financial statements included herein are unaudited. In the opinion of management, these statements contain all adjustments (consisting of only normal recurring items) necessary to present fairly the financial position of Johnson Outdoors Inc. and subsidiaries (collectively, the "Company") as of June 28, 2019 and June 29, 2018, and their results of operations for the three and nine month periods then ended and cash flows for the nine month periods then ended. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended September 28, 2018 which was filed with the Securities and Exchange Commission on December 7, 2018.

Due to seasonal variations and other factors, the results of operations for the three and nine months ended June 28, 2019 are not necessarily indicative of the results to be expected for the Company's full 2019 fiscal year. See "Seasonality" in the Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere herein for additional information.

The Company considers all short-term investments in interest-bearing accounts and all securities and other instruments with an original maturity of three months or less, to be equivalent to cash. Cash equivalents are stated at cost which approximates market value. Short-term investments consist of certificates of deposit with original maturities greater than three months but less than one year.

All monetary amounts, other than share and per share amounts, are stated in thousands.

2 ACCOUNTS RECEIVABLE

Accounts receivable are stated net of allowances for doubtful accounts of $1,969, $1,637 and $1,446 as of June 28, 2019, September 28, 2018 and June 29, 2018, respectively. The increase in net accounts receivable to $82,860 as of June 28, 2019 from $40,866 as of September 28, 2018 is attributable to the seasonal nature of the Company's business and the resulting increases in sales volumes between periods. The determination of the allowance for doubtful accounts is based on a combination of factors. In circumstances where specific collection concerns about a receivable exist, a reserve is established to value the affected account receivable at an amount the Company believes will be collected. For all other customers, the Company recognizes allowances for doubtful accounts based on historical experience of bad debts as a percent of accounts receivable outstanding for each business segment. Uncollectible accounts are written off against the allowance for doubtful accounts after collection efforts have been exhausted. The Company typically does not require collateral on its accounts receivable.

3 EARNINGS PER SHARE ("EPS")

Net income or loss per share of Class A common stock and Class B common stock is computed using the two-class method. Grants of restricted stock which receive non-forfeitable dividends are classified as participating securities and are required to be included as part of the basic weighted average share calculation under the two-class method.

Holders of Class A common stock are entitled to cash dividends equal to 110% of all dividends declared and paid on each share of Class B common stock. The Company grants shares of unvested restricted stock in the form of Class A shares, which carry the same distribution rights as the Class A common stock described above. As such, the undistributed earnings for each period are allocated to each class of common stock based on the proportionate share of the amount of cash dividends that each such class is entitled to receive.

Basic EPS

Basic net income or loss per share is computed by dividing net income or loss allocated to Class A common stock and Class B common stock by the weighted-average number of shares of Class A common stock and Class B common stock outstanding, respectively. In periods with cumulative year to date net income and undistributed income, the undistributed income for each period is allocated to each class of common stock based on the proportionate share of the amount of cash dividends that each such class is entitled to receive. In periods where there is a cumulative year to date net loss or no undistributed income because distributions through dividends exceed net income, Class B shares are treated as anti-dilutive and, therefore, net losses are allocated equally on a per share basis among all participating securities.

For the three and nine month periods ended June 28, 2019 and June 29, 2018, basic income per share for the Class A and Class B shares has been presented using the two class method and reflects the allocation of undistributed income described above.

Diluted EPS

Diluted net income per share is computed by dividing allocated net income by the weighted-average number of common shares outstanding, adjusted for the effect of dilutive stock options, restricted stock units ("stock units" or "units") and non-vested restricted stock. Anti-dilutive stock options, units and non-vested stock are excluded from the calculation of diluted EPS. The computation of diluted net income per share of Class A common stock assumes that Class B common stock is converted into Class A common stock. Therefore, diluted net income per share is the same for both Class A and Class B common shares. In periods where the Company reports a net loss, the effect of anti-dilutive stock options and units is excluded and diluted loss per share is equal to basic loss per share for both classes of stock.

For the three and nine month periods ended June 28, 2019 and June 29, 2018, diluted net income per share reflects the effect of dilutive stock units and assumes the conversion of Class B common stock into Class A common stock.

Non-vested stock that could potentially dilute earnings per share in the future which were not included in the fully diluted computation because they would have been anti-dilutive totaled 45,898 and 46,776 for the three months ended June 28, 2019 and June 29, 2018, respectively, and 43,772 and 57,624 for the nine months ended June 28, 2019 and June 29, 2018, respectively. Stock units that could potentially dilute earnings per share in the future and which were not included in the fully diluted computation because they would have been anti-dilutive were 28,673 and 38,392 for the three month periods ended June 28, 2019 and June 29, 2018, respectively, and 31,178 and 39,605 for the nine months ended June 28, 2019 and June 29, 2018, respectively.

There were no anti-dilutive stock options outstanding in either the three or nine month periods ended June 28, 2019 and June 29, 2018.

Dividends per share

Dividends per share for the three and nine month periods ended June 28, 2019 and June 29, 2018 were as follows:

	Three Months Ended		Nine months ended	
	June 28, 2019	June 29, 2018	June 28, 2019	June 29, 2018
Dividends declared per common share:				
Class A	$ 0.14	$ 0.12	$ 0.42	$ 0.32
Class B	$ 0.13	$ 0.11	$ 0.38	$ 0.29

4 STOCK-BASED COMPENSATION AND STOCK OWNERSHIP PLANS

The Company's current stock ownership plans allow for issuance of stock options to acquire shares of Class A common stock by key executives and non-employee directors. Current plans also allow for issuance of shares of restricted stock, restricted stock units or stock appreciation rights in lieu of stock options.

Under the Company's 2010 Long-Term Stock Incentive Plan and the 2012 Non-Employee Director Stock Ownership Plan (the only two plans where shares remain available for future equity incentive awards) there were a total of 532,367 shares of the Company's Class A common stock available for future grant to key executives and non-employee directors at June 28, 2019.

Non-vested Stock

All shares of non-vested stock awarded by the Company have been granted in the form of shares of Class A common stock at their fair market value on the date of grant and vest within one year from the date of grant for stock granted to directors and four years from the date of grant for stock granted to officers and employees. The fair value at date of grant is based on the number of shares granted and the average of the Company's high and low Class A common stock price on the date of grant or, if the Company's Class A shares did not trade on the date of grant, the average of the Company's high and low Class A common stock price on the last preceding date on which the Company's Class A shares traded.

A summary of non-vested stock activity for the nine months ended June 28, 2019 related to the Company's stock ownership plans is as follows:

	Shares	Weighted Average Grant Price
Non-vested stock at September 28, 2018	46,776	$ 36.37
Non-vested stock grants	16,366	69.36
Restricted stock vested	(17,244)	30.05
Non-vested stock at June 28, 2019	45,898	50.51

Non-vested stock grantees may elect to reimburse the Company for withholding taxes due as a result of the vesting of shares by tendering a portion of the vested shares back to the Company. Shares tendered back to the Company were 3,381 and 9,377 during the nine month periods ended June 28, 2019 and June 29, 2018, respectively.

Stock compensation expense, net of forfeitures, related to non-vested stock was $240 and $106 for the three month periods ended June 28, 2019 and June 29, 2018, respectively, and $518 and $394 for the nine month periods ended June 28, 2019 and June 29, 2018, respectively. Unrecognized compensation cost related to non-vested stock as of June 28, 2019 was $1,309, which amount will be amortized to expense through November 2022 or adjusted for changes in future estimated or actual forfeitures.

The fair value of restricted stock vested during the nine month periods ended June 28, 2019 and June 29, 2018 was $1,237 and $3,948, respectively.

Restricted Stock Units

All restricted stock units (RSUs) awarded by the Company have been granted in the form of units payable in shares of Class A common stock upon vesting. The units are valued at the fair market value of a share of Class A common stock on the date of grant and vest within one year from the date of grant for RSUs granted to directors and three years from the date of grant for RSUs granted to employees. The fair value at the date of grant is based on the number of units granted and the average of the Company's high and low Class A common stock trading price on the date of grant or, if the Company's Class A shares did not trade on the date of grant, the average of the Company's high and low Class A common stock trading price on the last preceding date on which the Company's Class A shares traded.

A summary of RSU activity for the nine months ended June 28, 2019 follows:

	Number of RSUs	Weighted Average Grant Price
RSUs at September 28, 2018	79,579	$ 44.06
RSUs granted	22,192	71.42
RSUs vested	(40,011)	31.59
RSUs at June 28, 2019	61,760	61.97

Stock compensation expense, net of forfeitures, related to RSUs was $330 and $450 for the three months ended June 28, 2019 and June 29, 2018, respectively, and $1,144 and $1,149 for the nine months ended June 28, 2019 and June 29, 2018, respectively. Unrecognized compensation cost related to non-vested RSUs as of June 28, 2019 was $1,893, which amount will be amortized to expense through September 2021 or adjusted for changes in future estimated or actual forfeitures.

RSU grantees may elect to reimburse the Company for withholding taxes due as a result of the vesting of units and issuance of unrestricted shares of Class A common stock by tendering a portion of such unrestricted shares back to the Company. Shares tendered back to the Company were 6,509 and 0 during the nine month periods ended June 28, 2019 and June 29, 2018, respectively.

The fair value of RSUs vested during the nine month periods ended June 28, 2019 and June 29, 2018 was $3,333 and $549, respectively.

Compensation expense related to units earned by employees (as opposed to grants to outside directors) is based upon the attainment of certain Company financial goals related to cumulative net sales and cumulative operating profit over a three-year performance period. Awards are only paid if at least 80% of the target levels are met and maximum payouts are made if 120% or more of target levels are achieved. The payouts for achievement at the threshold levels of performance are equal to 50% of the target award amount. The payouts for achievement at maximum levels of performance are equal to 150% of the target award amount. To the extent earned, awards are issued in shares of Company Class A common stock after the end of the three-year performance period.

Employees' Stock Purchase Plan

The Company's shareholders have adopted the Johnson Outdoors Inc. 2009 Employees' Stock Purchase Plan, which was most recently amended on March 2, 2017, and which provides for the issuance of shares of Class A common stock at a purchase price of not less than 85% of the fair market value of such shares on the date of grant or on the date of purchase, whichever is lower.

During the three month period ended June 28, 2019, the Company issued 0 shares of Class A common stock and recognized $4 of expense in connection with the Employees' Stock Purchase Plan. During the nine month period ended June 28, 2019, the Company issued 1,594 shares of Class A common stock and recognized $20 of expense in connection with the Plan. During the three month period ended June 29, 2018, the Company issued 0 shares of Class A common stock and recognized $17 of expense in connection with the Plan. During the nine month period ended June 29, 2018, the Company issued 1,740 shares of Class A common stock and recognized $44 of expense in connection with the Plan.

5 PENSION PLANS

The Company has non-contributory defined benefit pension plans covering certain of its U.S. employees. Retirement benefits are generally provided based on the employees' years of service and average earnings. Normal retirement age is 65, with provisions for earlier retirement.

The Company made contributions of $44 and $47 to its pension plans for the three months ended June 28, 2019 and June 29, 2018, respectively, and contributions of $134 and $5,140 for the nine month periods ended June 28, 2019 and June 29, 2018, respectively.

The components of net periodic benefit cost related to Company sponsored defined benefit plans for the three and nine month periods ended June 28, 2019 and June 29, 2018 were as follows:

	Three Months Ended		Nine Months Ended	
	June 28, 2019	June 29, 2018	June 28, 2019	June 29, 2018
Components of net periodic benefit cost:				
Service cost	$ —	$ —	$ —	$ —
Interest on projected benefit obligation	298	272	827	794
Less estimated return on plan assets	259	(25)	641	572
Amortization of unrecognized losses	(31)	50	246	415
Net periodic benefit cost	$ 8	$ 347	$ 432	$ 637

JOHNSON OUTDOORS INC.

6 INCOME TAXES

For the three and nine months ended June 28, 2019 and June 29, 2018, the Company's earnings before income taxes, income tax expense and effective income tax rate were as follows:

	Three Months Ended		Nine Months Ended	
(thousands, except tax rate data)	June 28, 2019	June 29, 2018	June 28, 2019	June 29, 2018
Profit before income taxes	$ 28,892	$ 31,779	$ 63,243	$ 69,548
Income tax expense	6,826	8,009	15,733	23,923
Effective income tax rate	23.6%	25.2%	24.9%	34.4%

The effective tax rate for the three months ended June 28, 2019 and the prior year period were consistent with no primary factors impacting the rate. The most significant factors impacting changes in the effective tax rate for the nine months ended June 28, 2019 as compared with the prior year period is from the impact of the $6,763 provisional tax expense generated by the enactment of comprehensive tax legislation generally referred to as the Tax Cuts and Jobs Act of 2017 (the "Tax Act") in the first quarter of fiscal 2018.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Act. The Tax Act created a new requirement that certain income (commonly referred to as "GILTI") earned by controlled foreign corporations (CFC's) must be included currently in the gross income of the CFC's U.S. shareholder. The Company elected to record the tax effects of the GILTI provision as a period expense in the applicable tax year when incurred.

Prior to the Tax Act, the Company's practice and intention was to reinvest the earnings in our non-U.S. subsidiaries, and no U.S. deferred income taxes or foreign withholding taxes were recorded. The Company has not changed its practices or intentions with respect to these earnings.

The impact of the Company's operations in jurisdictions where a valuation allowance is assessed is removed from the overall effective tax rate methodology and recorded directly based on year to date results for the year for which no tax expense or benefit can be recognized. The tax jurisdictions that have a valuation allowance for the periods ended June 28, 2019 and June 29, 2018 were:

June 28, 2019	June 29, 2018
Australia	Australia
	Austria
France	France
Indonesia	Indonesia
Netherlands	Netherlands
New Zealand	New Zealand
Spain	Spain
Switzerland	

The Company regularly assesses the adequacy of its provisions for income tax contingencies in accordance with the applicable authoritative guidance on accounting for income taxes. As a result, the Company may adjust the reserves for unrecognized tax benefits due to the impact of changes in its assumptions or as a result of new facts and developments, such as changes to interpretations of relevant tax law, assessments from taxing authorities, settlements with taxing authorities and lapses of statutes of limitation. The Company's 2019 fiscal year tax expense is anticipated to be unchanged related to uncertain income tax positions.

In accordance with its accounting policy, the Company recognizes accrued interest and penalties related to unrecognized benefits as a component of income tax expense. The Company is projecting accrued interest of $100 related to uncertain income tax positions for the fiscal year ending September 27, 2019.

The Company files income tax returns, including returns for its subsidiaries, with federal, state, local and foreign taxing jurisdictions. The Company is currently undergoing income tax examinations in Germany and Italy. As of the date of this report, the following tax years remain open to examination by the respective tax jurisdictions:

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Jurisdiction	Fiscal Years
United States	2016-2018
Canada	2014-2018
France	2015-2018
Germany	2014-2018
Italy	2013-2018
Switzerland	2008-2018

7 INVENTORIES

Inventories at the end of the respective periods consisted of the following:

	June 28, 2019	September 28, 2018	June 29, 2018
Raw materials	$ 42,702	$ 40,375	$ 32,141
Work in process	232	39	77
Finished goods	52,899	48,450	45,081
	$ 95,833	$ 88,864	$ 77,299

8 GOODWILL

The changes in goodwill during the nine months ended June 28, 2019 and June 29, 2018 were as follows:

	June 28, 2019	June 29, 2018
Balance at beginning of period	$ 11,199	$ 11,238
Amount attributable to movements in foreign currency rates	(4)	(54)
Balance at end of period	$ 11,195	$ 11,184

The Company evaluates the carrying value of goodwill for a reporting unit on an annual basis or more frequently when events and circumstances warrant such an evaluation. In conducting this analysis, the Company uses the income approach to compare the reporting unit's carrying value to its indicated fair value. Fair value is determined primarily by using a discounted cash flow methodology that requires considerable management judgment and long-term assumptions and is considered a Level 3 (unobservable) fair value determination in the fair value hierarchy (see Note 13) below.

9 WARRANTIES

The Company provides warranties on certain of its products as they are sold. The following table summarizes the Company's warranty activity for the nine months ended June 28, 2019 and June 29, 2018.

	June 28, 2019	June 29, 2018
Balance at beginning of period	$ 8,499	$ 6,393
Expense accruals for warranties issued during the period	6,830	7,485
Less current period warranty claims paid	5,741	4,981
Balance at end of period	$ 9,588	$ 8,897

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10 CONTINGENCIES

The Company is subject to various legal actions and proceedings in the normal course of business, including those related to commercial disputes, product liability, intellectual property and regulatory matters. The Company is insured against loss for certain of these matters. Although litigation is subject to many uncertainties and the ultimate exposure with respect to these matters cannot be ascertained, management does not believe the final outcome of any pending litigation will have a material adverse effect on the financial condition, results of operations, liquidity or cash flows of the Company.

11 INDEBTEDNESS

The Company had no debt outstanding at June 28, 2019, September 28, 2018, or June 29, 2018.

Revolvers

During the three months ended December 29, 2017, the Company and certain of its subsidiaries entered into a new unsecured credit facility with PNC Bank National Association and Associated Bank, N.A. ("the Lending Group"). This credit facility replaced the Company's previous revolving credit agreement dated September 16, 2013 and consists of an Amended and Restated Credit Agreement dated November 15, 2017 among the Company, certain of the Company's subsidiaries, PNC Bank National Association, as lender and as administrative agent, and the other lender named therein (the "Credit Agreement" or "Revolver"). The Revolver has an expiration date of November 15, 2022 and provides for borrowing of up to an aggregate principal amount not to exceed $75,000 with a $50,000 accordion feature that gives the Company the option to increase the maximum financing availability (i.e., an aggregate borrowing amount of $125,000) subject to the conditions of the Credit Agreement and subject to the approval of the lenders.

The interest rate on the Revolver is based on LIBOR plus an applicable margin, which margin resets each quarter. The applicable margin ranges from 1.00% to 1.75% and is dependent on the Company's leverage ratio for the trailing twelve month period. The interest rates on the Revolver at June 28, 2019 and June 29, 2018 were approximately 3.4% and 3.1%, respectively.

The Credit Agreement restricts the Company's ability to incur additional debt, includes maximum leverage ratio and minimum interest coverage ratio covenants and is unsecured.

Other Borrowings

The Company had no unsecured revolving credit facilities at its foreign subsidiaries as of June 28, 2019 or June 29, 2018. The Company utilizes letters of credit primarily as security for the payment of future claims under its workers' compensation insurance, which totaled approximately $279 at each of June 28, 2019 and June 29, 2018.

12 DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The following disclosures describe the Company's objectives in using derivative instruments, the business purpose or context for using derivative instruments, and how the Company believes the use of derivative instruments helps achieve the stated objectives. In addition, the following disclosures describe the effects of the Company's use of derivative instruments and hedging activities on its financial statements.

Foreign Exchange Risk

The Company has significant foreign operations, for which the functional currencies are denominated primarily in euros, Swiss francs, Hong Kong dollars and Canadian dollars. As the values of the currencies of the foreign countries in which the Company has operations increase or decrease relative to the U.S. dollar, the sales, expenses, profits, losses, assets and liabilities of the Company's foreign operations, as reported in the Company's consolidated financial statements, increase or decrease, accordingly. Approximately 13% of the Company's revenues for the nine month period ended June 28, 2019 were denominated in currencies other than the U.S. dollar. Approximately 5% were denominated in euros, approximately 5% were denominated in Canadian dollars and approximately 2% were denominated in Hong Kong dollars, with the remaining revenues denominated in various other foreign currencies. Changes in foreign currency exchange rates can cause the Company to experience unexpected financial losses or cash flow needs.

During the nine months ended June 29, 2018, the Company recognized a currency translation gain of $2,290 related to the liquidation of the Company's subsidiary in Japan. This gain is reported as a component of "Other (income) expense, net" in the accompanying Condensed Consolidated Statements of Operations.

The Company may mitigate a portion of the fluctuations in certain foreign currencies through the use of foreign currency forward contracts. Foreign currency forward contracts enable the Company to lock in the foreign currency exchange rate to be paid or received for a fixed amount of currency at a specified date in the future. The Company may use such foreign currency forward contracts to mitigate the risk associated with changes in foreign currency exchange rates on financial instruments and known commitments, including commitments for inventory purchases, denominated in foreign currencies. As of June 28, 2019 and June 29, 2018, the Company held no foreign currency forward contracts.

13 FAIR VALUE MEASUREMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. A fair value hierarchy has been established based on three levels of inputs, of which the first two are considered observable and the last unobservable.

- Level 1 - Quoted prices in active markets for identical assets or liabilities. These are typically obtained from real-time quotes for transactions in active exchange markets involving identical assets or liabilities.
- Level 2 - Inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. These are typically obtained from readily-available pricing sources for comparable instruments.
- Level 3 - Unobservable inputs, where there is little or no market activity for the asset or liability. These inputs reflect the reporting entity's own assumptions of the data that market participants would use in pricing the asset or liability, based on the best information available in the circumstances.

The carrying amounts of cash, cash equivalents, short term investments, accounts receivable, and accounts payable approximated their fair values at June 28, 2019, September 28, 2018 and June 29, 2018 due to the short term maturities of these instruments. When indicators of impairment are present, the Company may be required to value certain long-lived assets such as property, plant, and equipment, and other intangibles at their fair value.

Valuation Techniques

Rabbi Trust Assets
Rabbi trust assets are classified as trading securities and are comprised of marketable debt and equity securities that are marked to fair value based on unadjusted quoted prices in active markets. The rabbi trust assets are used to fund amounts the Company owes to certain officers and other employees under the Company's non-qualified deferred compensation plan. These assets are included in "Other assets" in the Company's Condensed Consolidated Balance Sheets, and the mark to market adjustments on the assets are recorded in "Other expense (income), net" in the accompanying Condensed Consolidated Statements of Operations. The offsetting deferred compensation liability is also reported at fair value and is included in "Other liabilities" in the Company's Condensed Consolidated Balance Sheets. Changes in the liability are recorded in "Administrative management, finance and information systems" expense in the accompanying Condensed Consolidated Statements of Operations.

The following table summarizes the Company's financial assets measured at fair value as of June 28, 2019:

	Level 1	Level 2	Level 3	Total
Assets:				
Rabbi trust assets	$ 18,981	$ —	$ —	$ 18,981

The following table summarizes the Company's financial assets measured at fair value as of September 28, 2018:

	Level 1	Level 2	Level 3	Total
Assets:				
Rabbi trust assets	$ 17,477	$ —	$ —	$ 17,477

The following table summarizes the Company's financial assets measured at fair value as of June 29, 2018:

	Level 1	Level 2	Level 3	Total
Assets:				
Rabbi trust assets	$ 16,659	$ —	$ —	$ 16,659

The effect of changes in the fair value of financial instruments on the accompanying Condensed Consolidated Statements of Operations for the three and nine month periods ended June 28, 2019 and June 29, 2018 was:

		Three Months Ended		Nine months ended	
	Location of (income) loss recognized in Statement of Operations	June 28, 2019	June 29, 2018	June 28, 2019	June 29, 2018
Rabbi trust assets	Other (income) expense, net	$ (649)	$ (283)	$ (355)	$ (854)

There were no assets or liabilities measured at fair value on a non-recurring basis in periods subsequent to their initial recognition for either of the three or nine month periods ended June 28, 2019 or June 29, 2018.

14 NEW ACCOUNTING PRONOUNCEMENTS

Recently adopted accounting pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which supersedes existing revenue recognition requirements and provides a new comprehensive revenue recognition model. The underlying principle of the new standard requires entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects what it expects to receive in exchange for those goods or services. The Company adopted the provisions of this ASU on September 29, 2018 for all contracts on a modified retrospective basis, with no cumulative-effect adjustment to retained earnings upon adoption. The comparative information has not been restated and continues to be reported under the accounting standards that were in effect for those periods. The additional disclosures required by the ASU are include in Note 15 "Revenues" of these Notes to Condensed Consolidated Financial Statements.

In February 2018, the FASB issued ASU 2018-02, *Income Statement - Reporting Comprehensive Income - Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income (Topic 220)*, which allows for a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Tax Cuts and Jobs Act of 2017. ASU No. 2018-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The ASU allows for early adoption in any interim period after issuance of the update. The Company early adopted the ASU in the second quarter of fiscal 2019, and elected not to make this optional reclassification.

Recently issued accounting pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842*). In July 2018, the FASB also issued ASU 2018-10 *Codification Improvements to Topic 842, Leases* and ASU 2018-11 *Leases (Topic 842) Targeted Improvements.* In February 2019, the FASB also issued ASU 2019-01 *Leases (Topic 842): Codification Improvements.* The amendments in this update will increase the transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. This guidance is effective for the Company in the first quarter of fiscal year 2020, and may be applied through a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements with certain practical expedients available. An entity may apply the new leases standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. The Company is currently evaluating the effect of this standard on its consolidated financial statements.

In August 2018, the FASB issued ASU 2018-14, *Changes to the Disclosure Requirements for Defined Benefit Plans (Topic 715)*, which modifies the disclosure requirements for employers that sponsor defined pension or postretirement plans. The amendments in this guidance are effective for fiscal years ending after December 15, 2020, with early adoption permitted. The Company is currently evaluating the potential impact of this guidance on its disclosures.

15 REVENUES

Adoption of Topic 606

On September 29, 2018, the Company adopted ASU 2014-09 and all subsequent ASUs that modified Topic 606. The adoption of the new revenue standard did not have a material impact on the Company's consolidated financial statements, and the timing and amount of its revenue recognition remained substantially unchanged under this new guidance.

Revenue recognition

Revenue is recognized when obligations under the terms of a contract with our customer are satisfied; generally this occurs with the transfer of control of our goods at a point in time based on shipping terms and transfer of title. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods. For all contracts with customers, the Company has not adjusted the promised amount of consideration for the effects of a significant financing component as the period between the transfer of the promised goods and the customer's payment is expected to be one year or less. Sales are made on normal and customary short-term credit terms or upon delivery of point of sale transactions. Sales, value add, and other taxes we collect concurrent with revenue-producing activities are excluded from revenue.

The Company enters into contractual arrangements with customers in the form of individual customer orders which specify the goods, quantity, pricing, and associated order terms. The Company does not have long-term contracts which are satisfied over time. Due to the nature of these contracts, no significant judgment exists in relation to the identification of the customer contract, satisfaction of the performance obligation, or transaction price. The Company expenses incremental costs of obtaining a contract due to the short-term nature of the contracts.

Estimated costs of returns, allowances and discounts, based on historic experience, are accrued as a reduction to sales when revenue is recognized. Additionally, the Company records an other current asset for inventory which it expects to be returned with a corresponding reduction of cost of goods sold. The Company also offers assurance-type warranties relating to its products sold to end customers that continue to be accounted for under ASC 460 *Guarantees.*

The Company generally accounts for shipping and handling activities as a fulfillment activity, consistent with the timing of revenue recognition; that is, when a customer takes control of the transferred goods. In the event that a customer were to take control of a product prior to shipment, the Company made an accounting policy election to treat such shipping and handling activities as a fulfillment cost. Shipping and handling fees billed to customers are included in "Net Sales," and shipping and handling costs are recognized within "Marketing and selling expenses" in the same period the related revenue is recognized.

The Company has a wide variety of seasonal, outdoor recreation products used primarily for fishing from a boat, diving, paddling, hiking and camping, that are sold to a variety of customers in multiple end markets. While there are multiple products sold, the nature of products are similar in terms of the nature of the revenue recognition policies.

16 SEGMENTS OF BUSINESS

The Company conducts its worldwide operations through separate business segments, each of which represents major product lines. Operations are conducted in the United States and various foreign countries, primarily in Europe, Canada and the Pacific Basin. During the three and nine month periods ended June 28, 2019, combined net sales to one customer of the Company's Fishing, Camping and Watercraft Recreation segments represented approximately $24,260 and $78,010, respectively, of the Company's consolidated revenues. During the three and nine month periods ended June 29, 2018, combined net sales to one customer of the Company's Fishing, Camping and Watercraft Recreation segments represented approximately $26,755 and $76,035, respectively, of the Company's consolidated revenues.

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Net sales and operating profit include both sales to customers, as reported in the Company’s accompanying Condensed Consolidated Statements of Operations, and interunit transfers, which are priced to recover cost plus an appropriate profit margin. Total assets represent assets that are used in the Company’s operations in each business segment at the end of the periods presented.

A summary of the Company’s operations by business segment is presented below:

	Three Months Ended		Nine Months Ended		
	June 28, 2019	June 29, 2018	June 28, 2019	June 29, 2018	September 28, 2018
Net sales:					
Fishing:					
Unaffiliated customers	$ 127,968	$ 121,765	$ 344,746	$ 335,965	
Interunit transfers	228	155	476	368	
Camping:					
Unaffiliated customers	14,708	13,898	30,044	29,810	
Interunit transfers	20	17	33	33	
Watercraft Recreation:					
Unaffiliated customers	12,965	14,000	27,118	29,138	
Interunit transfers	45	115	68	142	
Diving					
Unaffiliated customers	20,237	20,766	55,845	57,565	
Interunit transfers	6	8	21	17	
Other / Corporate	375	350	647	658	
Eliminations	(299)	(295)	(598)	(560)	
Total	$ 176,253	$ 170,779	$ 458,400	$ 453,136	
Operating profit (loss):					
Fishing	$ 29,672	$ 33,044	$ 75,684	$ 77,871	
Camping	2,315	2,154	2,048	1,732	
Watercraft Recreation	380	661	(1,628)	(653)	
Diving	1,440	1,503	2,156	1,132	
Other / Corporate	(5,778)	(5,407)	(16,409)	(15,088)	
	$ 28,029	$ 31,955	$ 61,851	$ 64,994	
Total assets (end of period):					
Fishing			$ 173,076	$ 147,479	$ 135,808
Camping			33,401	34,368	32,728
Watercraft Recreation			22,227	23,259	16,994
Diving			60,431	58,763	56,498
Other / Corporate			156,423	133,682	153,908
			$ 445,558	$ 397,551	$ 395,936

17 ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The changes in Accumulated Other Comprehensive Income ("AOCI") by component, net of tax, for the three months ended June 28, 2019 were as follows:

	Foreign Currency Translation Adjustment	Unamortized Loss on Defined Benefit Pension Plans	Accumulated Other Comprehensive Income (Loss)
Balance at March 29, 2019	$ 5,948	$ (4,099)	$ 1,849
Other comprehensive income before reclassifications	1,047	—	1,047
Amounts reclassified from accumulated other comprehensive income	—	(30)	(30)
Tax effects	—	7	7
Balance at June 28, 2019	$ 6,995	$ (4,122)	$ 2,873

The changes in AOCI by component, net of tax, for the three months ended June 29, 2018 were as follows:

	Foreign Currency Translation Adjustment	Unamortized Loss on Defined Benefit Pension Plans	Accumulated Other Comprehensive Income (Loss)
Balance at March 30, 2018	$ 9,057	$ (5,909)	$ 3,148
Other comprehensive loss before reclassifications	(2,442)	—	(2,442)
Amounts reclassified from accumulated other comprehensive income	61	50	111
Tax effects	—	(12)	(12)
Balance at June 29, 2018	$ 6,676	$ (5,871)	$ 805

The changes in AOCI by component, net of tax, for the nine months ended June 28, 2019 were as follows:

	Foreign Currency Translation Adjustment	Unamortized Loss on Defined Benefit Pension Plans	Accumulated Other Comprehensive Income (Loss)
Balance at September 28, 2018	$ 7,796	$ (4,309)	$ 3,487
Other comprehensive loss before reclassifications	(801)	—	(801)
Amounts reclassified from accumulated other comprehensive income	—	246	246
Tax effects	—	(59)	(59)
Balance at June 28, 2019	$ 6,995	$ (4,122)	$ 2,873

The changes in AOCI by component, net of tax, for the nine months ended June 29, 2018 were as follows:

	Foreign Currency Translation Adjustment	Unamortized Loss on Defined Benefit Pension Plans	Accumulated Other Comprehensive Income (Loss)
Balance at September 29, 2017	$ 11,179	$ (6,186)	$ 4,993
Other comprehensive loss before reclassifications	(2,213)	—	(2,213)
Amounts reclassified from accumulated other comprehensive income	(2,290)	415	(1,875)
Tax effects	—	(100)	(100)
Balance at June 29, 2018	$ 6,676	$ (5,871)	$ 805

The reclassifications out of AOCI for the three months ended June 28, 2019 were as follows:

			Statement of Operations Presentation
Unamortized loss on defined benefit pension plans:			
Amortization of loss	$	(30)	Other income and expense
Tax effects		7	Income tax expense
Total reclassifications for the period	$	(23)	

The reclassifications out of AOCI for the three months ended June 29, 2018 were as follows:

			Statement of Operations Presentation
Unamortized loss on defined benefit pension plans:			
Amortization of loss	$	50	Other income and expense
Tax effects		(12)	Income tax expense
Foreign currency translation adjustments:			
Write off of currency translation adjustment gain		61	Other income and expense
Total reclassifications for the period	$	99	

The reclassifications out of AOCI for the nine months ended June 28, 2019 were as follows:

			Statement of Operations Presentation
Unamortized loss on defined benefit pension plans:			
Amortization of loss	$	246	Other income and expense
Tax effects		(59)	Income tax expense
Total reclassifications for the period	$	187	

The reclassifications out of AOCI for the nine months ended June 29, 2018 were as follows:

			Statement of Operations Presentation
Unamortized loss on defined benefit pension plans:			
Amortization of loss	$	415	Other income and expense
Tax effects		(100)	Income tax expense
Foreign currency translation adjustments:			
Write off of currency translation adjustment gain		(2,290)	Other income and expense
Total reclassifications for the period	$	(1,975)	

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

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") includes comments and analysis relating to the results of operations and financial condition of Johnson Outdoors Inc. and its subsidiaries (collectively, the "Company") as of and for the three and nine month periods ended June 28, 2019 and June 29, 2018. All monetary amounts, other than share and per share amounts, are stated in thousands.

Our MD&A is presented in the following sections:

- Forward Looking Statements
- Trademarks
- Overview

- Results of Operations
- Liquidity and Financial Condition
- Contractual Obligations and Off Balance Sheet Arrangements
- Critical Accounting Policies and Estimates

This discussion should be read in conjunction with the Condensed Consolidated Financial Statements and related notes that immediately precede this section, as well as the Company's Annual Report on Form 10-K for the fiscal year ended September 28, 2018 which was filed with the Securities and Exchange Commission on December 7, 2018.

Forward Looking Statements

Certain matters discussed in this Form 10-Q are "forward-looking statements," and the Company intends these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and is including this statement for purposes of those safe harbor provisions. These forward-looking statements can generally be identified as such because they include phrases such as the Company "expects," "believes," "anticipates," "intends," use of words such as "confident," "could," "may," "planned," "potential," "should," "will," "would" or the negative of such words or other words of similar meaning. Similarly, statements that describe the Company's future plans, objectives or goals are also forward-looking statements. 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 the matters described under the caption "Risk Factors" in Item 1A of the Company's Form 10-K which was filed with the Securities and Exchange Commission on December 7, 2018 and the following: changes in economic conditions, consumer confidence levels and discretionary spending patterns in key markets; uncertainties stemming from changes in U.S. trade policies, tariffs, and the reaction of other countries to such changes; the Company's success in implementing its strategic plan, including its targeted sales growth platforms, innovation focus and its increasing digital presence; litigation costs related to actions of and disputes with third parties, including competitors; the Company's continued success in its working capital management and cost-structure reductions; the Company's success in integrating strategic acquisitions; the risk of future writedowns of goodwill or other long-lived assets; the ability of the Company's customers to meet payment obligations; the impact of actions of the Company's competitors with respect to product development or enhancement or the introduction of new products into the Company's markets; movements in foreign currencies, interest rates or commodity costs; fluctuations in the prices of raw materials or the availability of raw materials used by the Company; any disruptions in the Company's supply chain as a result of material fluctuations in the Company's order volumes and requirements for raw materials and other components necessary to manufacture and produce the Company's products; the success of the Company's suppliers and customers and the impact of any consolidation in the industries of the Company's suppliers and customers; the ability of the Company to deploy its capital successfully; unanticipated outcomes related to outsourcing certain manufacturing processes; unanticipated outcomes related to litigation matters; and adverse weather conditions. 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 filing. The Company assumes no obligation, and disclaims any obligation, to update such forward-looking statements to reflect subsequent events or circumstances.

Trademarks

We have registered the following trademarks, among others, which may be used in this report: Minn Kota®, Cannon®, Humminbird®, Eureka!®, Jetboil®, Old Town®, Ocean Kayak®, Carlisle®, and SCUBAPRO®.

Overview

The Company is a leading global manufacturer and marketer of branded seasonal outdoor recreation products used primarily for fishing, diving, paddling and camping. The Company's portfolio of well-known consumer brands has attained leading market positions due to continuous innovation, marketing excellence, product performance and quality. The Company's values and culture support innovation in all areas, promoting and leveraging best practices and synergies within and across its subsidiaries to advance the Company's strategic vision set by executive management and approved by the Company's Board of Directors. The Company is controlled by Helen P. Johnson-Leipold, the Company's Chairman and Chief Executive Officer, members of her family and related entities.

Highlights

Net sales of $176,253 for the third quarter of fiscal 2019 increased $5,474, or 3%, from the same period in the prior year, reflecting increased sales volumes in the Fishing business. A decrease of $3,926 in operating profit over the prior year quarter was primarily the result of the impact of tariffs implemented during the current fiscal year on the import of certain components and other supplies from China, as well as increased marketing spend and increased bad debt expense year over year.

Seasonality

The Company’s business is seasonal in nature. The third fiscal quarter falls within the Company’s primary selling season for its warm-weather outdoor recreation products. The table below sets forth a historical view of the Company’s seasonality during the last three fiscal years.

	Fiscal Year					
	2018		2017		2016	
Quarter Ended	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
December	21%	11%	19%	1%	20%	-4%
March	31%	41%	30%	45%	31%	66%
June	31%	51%	32%	54%	32%	59%
September	17%	-3%	19%	—%	17%	-21%
	100%	100%	100%	100%	100%	100%

Results of Operations

The Company’s net sales and operating profit (loss) by business segment for the periods shown below were as follows:

	Three Months Ended		Nine Months Ended	
	June 28, 2019	June 29, 2018	June 28, 2019	June 29, 2018
Net sales:				
Fishing	$ 128,196	$ 121,920	$ 345,222	$ 336,333
Camping	14,728	13,915	30,077	29,843
Watercraft Recreation	13,010	14,115	27,186	29,280
Diving	20,243	20,774	55,866	57,582
Other / Eliminations	76	55	49	98
Total	$ 176,253	$ 170,779	$ 458,400	$ 453,136
Operating profit (loss):				
Fishing	$ 29,672	$ 33,044	$ 75,684	$ 77,871
Camping	2,315	2,154	2,048	1,732
Watercraft Recreation	380	661	(1,628)	(653)
Diving	1,440	1,503	2,156	1,132
Other / Eliminations	(5,778)	(5,407)	(16,409)	(15,088)
Total	$ 28,029	$ 31,955	$ 61,851	$ 64,994

See “Note 16 – Segments of Business” of the notes to the accompanying Condensed Consolidated Financial Statements for the definition of segment net sales and operating profit.

Net Sales

Consolidated net sales for the three months ended June 28, 2019 were $176,253, an increase of $5,474, or 3%, compared to $170,779 for the three months ended June 29, 2018. Foreign currency translation had an unfavorable impact of less than 1% on current year third quarter net sales compared to the prior year’s third quarter net sales.

Net sales for the three months ended June 28, 2019 for the Fishing business were $128,196, an increase of $6,276, or 5%, from $121,920 during the third fiscal quarter of the prior year. New to the market technologies drove the growth over the prior year quarter.

Net sales for the Camping business were $14,728 for the third quarter of the current fiscal year, an increase of $813, or 6%, from the prior year net sales during the same period of $13,915. Increased military tent sales, as well as increased sales of Jetboil products over the prior year quarter were the primary driver of growth over the prior year third quarter.

Market conditions remain challenging in Watercraft Recreation where net sales for the third quarter of fiscal 2019 were $13,010, a decrease of $1,105, or 8%, compared to $14,115 in the prior year same period.

Diving net sales were $20,243 for the three months ended June 28, 2019 versus $20,774 for the three months ended June 29, 2018, a decrease of $531, or 3%. The decrease is largely due to foreign currency translation unfavorably impacting sales in this segment by approximately 3% versus the prior year third quarter.

For the nine months ended June 28, 2019, consolidated net sales were $458,400, an increase of $5,264 compared to $453,136 for the nine months ended June 29, 2018.

Net sales for the nine months ended June 28, 2019 for the Fishing business were $345,222, an increase of $8,889, or 3%, from $336,333 during the same period of the prior year. New to the market technologies drove the growth in the current year to date period.

Net sales for the Camping business were $30,077 for the nine months ended June 28, 2019, an increase of $234, or 1%, from the prior year net sales during the same period of $29,843. Increased sales of Jetboil products and military tents in the current year to date period were largely offset by declines in other tent sales and the divestiture of the Silva brand in the prior year period.

Net sales for the nine months ended June 28, 2019 for the Watercraft Recreation business were $27,186, a decrease of $2,094, or 7%, compared to $29,280 in the prior year same period. The decline was due primarily to a weakened kayak market as well as lost distribution related to retail consolidations.

Diving net sales were $55,866 for the nine months ended June 28, 2019 versus $57,582 for the nine months ended June 29, 2018, a decrease of $1,716, or 3%. The decrease was primarily due to an unfavorable foreign currency impact of approximately 3% versus the prior year to date period.

Cost of Sales

Cost of sales for the three months ended June 28, 2019 was $96,528 compared to $91,446 for the three months ended June 29, 2018. The increase year over year was driven primarily by higher sales volume in the current year quarter over the prior year quarter. Additionally, tariffs implemented during the current fiscal year on the import of certain components and other supplies from China increased the cost of sales in the current year quarter by approximately $1,900 over the prior year three month period.

For the nine months ended June 28, 2019, cost of sales of $255,227 increased slightly compared to $250,797 in the same period of the prior year. The main driver of the increase over the prior year period was tariffs on the import of certain components and other supplies from China, which were approximately $4,000 in the nine months ended June 28, 2019.

The Company anticipates an aggregate negative impact of Section 301 tariffs on China sourced goods on the Company's fiscal 2019 net income of approximately $5 to $7 million.

Gross Profit Margin

For the three months ended June 28, 2019, gross profit as a percentage of net sales was 45.2% compared to 46.5% in the three month period ended June 29, 2018. The decline in margin was due primarily to the impact of the additional tariffs noted above.

For the nine months ended June 28, 2019, gross profit as a percentage of net sales was 44.3%, relatively flat to 44.7% in the prior year nine month period despite the impact of the additional tariffs noted above. Increased efficiencies and favorable product mix of sales in the Fishing business and price increases in Diving helped to offset these additional costs.

JOHNSON OUTDOORS INC.

Operating Expenses

Operating expenses were $51,696 for the three months ended June 28, 2019 compared to $47,378 for the three months ended June 29, 2018. The increase of $4,318 was primarily due to increased marketing spend and increased bad debt expense, as well as higher sales volume related expenses between quarters.

Operating expenses were $141,322 for the nine months ended June 28, 2019 compared to $137,345 for the nine months ended June 29, 2018, an increase of $3,977 between periods mainly due to increased marketing spend and higher bad debt expense year over year.

Operating Profit

Operating profit on a consolidated basis for the three month period ended June 28, 2019 was $28,029 compared to an operating profit of $31,955 in the third quarter of the prior fiscal year. The decrease year over year was driven primarily by the impact of the tariffs and the other factors noted above.

Operating profit on a consolidated basis for the nine months ended June 28, 2019 was $61,851 compared to an operating profit of $64,994 in the prior year to date period. The decline year over year was mainly due to increased operating expenses as noted above.

Interest

For the three months ended June 28, 2019, interest expense was $64 compared to $55 in the three months ended June 29, 2018. Interest expense was $137 for the nine months ended June 28, 2019 compared to $170 for the nine months ended June 29, 2018.

Interest income for the three month periods ended June 28, 2019 and June 29, 2018 was $434 and $172, respectively. For the nine months ended June 28, 2019, interest income was $1,291, compared to $493 for the nine months ended June 29, 2018. The increase in interest income year over year was mainly driven by increased interest rates between periods, as well as the increase in interest earnings on increased balances of interest bearing cash in fiscal 2019 versus the corresponding periods of fiscal 2018.

Other Expense (Income), net

Other income was $493 for the three months ended June 28, 2019 compared to other expense of $293 in the prior year period. For the three months ended June 28, 2019, foreign currency exchange losses were $194 compared to losses of $213 for the three months ended June 29, 2018. Investment gains and earnings on the assets related to the Company's non-qualified deferred compensation plan were $710 in the three month period ended June 28, 2019 compared to investment gains and earnings of $345 in the three month period ended June 29, 2018.

For the nine months ended June 28, 2019, other income was $238 compared to other income $4,231 in the nine months ended June 29, 2018. Foreign currency losses were $18 for the nine months ended June 28, 2019, compared to gains of $2,393 in the nine months ended June 29, 2018. The prior year nine month period reflected a gain of $2,290 for the write off of currency translation adjustments related to the liquidation of the Company's subsidiary in Japan during the prior year to date period. Net investment gains and earnings on the assets related to the Company's non-qualified deferred compensation plan were $635 in the nine month period ended June 28, 2019, compared to investment gains and earnings of $1,132 in the nine month period ended June 29, 2018. The prior year also included the gain on sale of certain trademarks in the Camping business of approximately $1,200 which was reported in Other income in the accompanying Condensed Consolidated Statements of Operations.

Income Tax Expense

The Company's provision for income taxes is based upon estimated annual effective tax rates in the tax jurisdictions in which the Company operates. The effective tax rate for the three and nine month periods ended June 28, 2019 were 23.6% and 24.9%, respectively, compared to 25.2% and 34.4% in the corresponding periods of the prior year.

The change in the Company's effective tax rate for the nine month period ended June 28, 2019, versus the prior year nine month period was primarily due to a $6,763 provisional tax expense related to the enactment of 2017 tax reform referred to as the Tax Cuts and Jobs Act of 2017, which was recognized in the prior year to date period. The difference between the 2019 third quarter overall tax rate and the U.S. statutory rate of 21% primarily relates to the effect of state income tax during the current year period ended June 28, 2019.

Net Income

Net income for the three months ended June 28, 2019 was $22,066, or $2.19 per diluted common class A and B share, compared to net income of $23,770, or $2.37 per diluted common class A and B share, for the third quarter of the prior fiscal year.

Net income for the nine months ended June 28, 2019 was $47,510, or $4.72 per diluted common class A and B share, compared to net income of $45,625, or $4.54 per diluted common class A and B share, for the nine months ended June 29, 2018.

Liquidity and Financial Condition

Cash and cash equivalents totaled $148,968 as of June 28, 2019, compared to cash and cash equivalents of $129,277 as of June 29, 2018. The Company's debt to total capitalization ratio was 0% as of June 28, 2019 and June 29, 2018. The Company's total debt balance was $0 as of each of June 28, 2019 and June 29, 2018. See "Note 11 – Indebtedness" in the notes to the Company's accompanying condensed consolidated financial statements for further discussion.

Accounts receivable, net of allowance for doubtful accounts, were $82,860 as of June 28, 2019, an increase of $1,983 compared to $80,877 as of June 29, 2018. The increase year over year was consistent with increased sales volumes between the same periods. Inventories, net of inventory reserves, were $95,833 as of June 28, 2019, an increase of $18,534, compared to $77,299 as of June 29, 2018. The increase over the prior year period is due, in part, to pulling forward certain purchases in anticipation of the implementation of Section 301 tariffs on China sourced goods and long lead times in relation to certain electronic components. Accounts payable were $37,190 at June 28, 2019 compared to $32,978 as of June 29, 2018.

The Company's cash flows from operating, investing and financing activities, as presented in the Company's accompanying Condensed Consolidated Statements of Cash Flows, are summarized in the following table:

	Nine months ended	
(thousands)	June 28, 2019	June 29, 2018
Cash provided by (used for):		
Operating activities	$ 15,620	$ 37,026
Investing activities	16,743	8,260
Financing activities	(4,794)	(3,832)
Effect of foreign currency rate changes on cash	(478)	(987)
Increase in cash and cash equivalents	$ 27,091	$ 40,467

Operating Activities

Cash provided by operations totaled $15,620 for the nine months ended June 28, 2019 compared to $37,026 during the corresponding period of the prior fiscal year. The decrease in cash provided by operations over the prior year nine month period was due primarily to the increase in inventory and accounts receivable between periods, offset in part by significant pension contributions and the write off of currency translation adjustments in the prior year period. Depreciation and amortization charges were $10,377 for the nine month period ended June 28, 2019 compared to $9,617 for the corresponding period of the prior year.

Investing Activities

Cash provided by investing activities totaled $16,743 for the nine months ended June 28, 2019 compared to $8,260 for the corresponding period of the prior fiscal year. Cash provided in the prior year period reflected increased investment in short-term investments versus cash in that period. Cash usage for capital expenditures totaled $12,031 for the current year nine month period and $14,653 for the prior year period. The decrease in expenditures in the current year to date period was primarily related to a planned global systems infrastructure upgrade and investments in digital transformation in the prior year nine month period. The Company's recurring investments are made primarily for software development and tooling for new products and enhancements on existing products. Any additional expenditures in fiscal 2019 are expected to be funded by working capital.

Financing Activities

Cash used for financing activities totaled $4,794 for the nine months ended June 28, 2019 compared to $3,832 for the nine month period ended June 29, 2018. The year over year change was due primarily to higher dividends paid in the current year period over the prior year period.

During the quarter ended December 29, 2017, the Company and certain of its subsidiaries entered into a new unsecured revolving credit facility with PNC Bank National Association and Associated Bank, N.A. ("the Lending Group"). This credit facility replaced the Company's previous revolving credit agreement dated September 16, 2013 and consists of an Amended and Restated Credit Agreement dated November 15, 2017 among the Company, certain of the Company's subsidiaries, PNC Bank National Association, as lender and as administrative agent, and the other lender named therein (the "Credit Agreement" or "Revolver"). The Revolver has an expiration date of November 15, 2022 and provides for borrowing of up to an aggregate principal amount not to exceed $75,000 with a $50,000 accordion feature that gives the Company the option to increase the maximum financing availability (i.e., an aggregate borrowing amount of $125,000) subject to the conditions of the Credit Agreement and subject to the approval of the lenders. The Credit Agreement restricts the Company's ability to incur additional debt and includes maximum leverage ratios and minimum interest coverage ratio covenants.

The interest rate on the Revolver resets each quarter and is based on LIBOR plus an applicable margin. The applicable margin on the Revolver ranges from 1.00% to 1.75% and is dependent on the Company's leverage ratio for the trailing twelve month period. The interest rates on the Revolver at June 28, 2019 and June 29, 2018 were approximately 3.4% and 3.1%, respectively.

As of June 28, 2019 the Company held approximately $35,869 of cash and cash equivalents in bank accounts in foreign taxing jurisdictions.

Contractual Obligations and Off Balance Sheet Arrangements

The Company has contractual obligations and commitments to make future payments including under operating leases and open purchase orders. The following schedule details these significant contractual obligations existing at June 28, 2019.

	Total	Less than 1 year	2-3 years	4-5 years	After 5 years
Operating lease obligations	$ 46,371	$ 1,931	$ 13,022	$ 6,586	$ 24,832
Open purchase orders	64,408	64,408	—	—	—
Contractually obligated interest payments	380	28	225	127	—
Total contractual obligations	$ 111,159	$ 66,367	$ 13,247	$ 6,713	$ 24,832

The Company utilizes letters of credit primarily as security for the payment of future claims under its workers compensation insurance. Letters of credit outstanding were approximately $279 at each of June 28, 2019 and June 29, 2018.

The Company anticipates making contributions of $50 to its defined benefit pension plans during the remainder of fiscal 2019.

The Company has no other off-balance sheet arrangements.

Critical Accounting Policies and Estimates

The Company's critical accounting policies and estimates are identified in the Company's Annual Report on Form 10-K for the fiscal year ending September 28, 2018 in *Management's Discussion and Analysis of Financial Condition and Results of Operations* under the heading "Critical Accounting Estimates." There were no significant changes to the Company's critical accounting policies and estimates during the nine months ended June 28, 2019.

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Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Company's exposure to market risk is limited to fluctuations in raw material commodity prices, interest rate fluctuations on borrowings under our secured credit facilities and foreign currency exchange rate risk associated with our foreign operations. The Company does not utilize financial instruments for trading purposes.

Foreign Exchange Risk

The Company has significant foreign operations, for which the functional currencies are denominated primarily in euros, Swiss francs, Hong Kong dollars, and Canadian dollars. As the values of the currencies of the foreign countries in which the Company has operations increase or decrease relative to the U.S. dollar, the sales, expenses, profits, losses, assets and liabilities of the Company's foreign operations, as reported in the Company's consolidated financial statements, increase or decrease, accordingly. Approximately 13% of the Company's revenues for the nine month period ended June 28, 2019 were denominated in currencies other than the U.S. dollar. Approximately 5% were denominated in euros, approximately 5% in Canadian dollars and approximately 2% in Hong Kong dollars, with the remaining revenues denominated in various other foreign currencies. Changes in foreign currency exchange rates can cause unexpected financial losses or cash flow needs. The Company may mitigate a portion of the fluctuations in certain foreign currencies through the use of foreign currency forward contracts. Foreign currency forward contracts enable the Company to lock in the foreign currency exchange rate to be paid or received for a fixed amount of currency at a specified date in the future. The Company may use such foreign currency forward contracts to mitigate the risk associated with changes in foreign currency exchange rates on financial instruments and known commitments, including commitments for inventory purchases, denominated in foreign currencies. As of June 28, 2019 and June 29, 2018, the Company held no foreign currency forward contracts.

Interest Rate Risk

The Company operates in a seasonal business and experiences significant fluctuations in operating cash flow as working capital needs increase in advance of the Company's primary selling and cash generation season, and decline as accounts receivable are collected and cash is accumulated or debt is repaid. The Company is subject to interest rate risk on its seasonal working capital needs if such needs are funded with short term floating rate debt.

Commodities

Certain components used in the Company's products are exposed to commodity price changes. The Company manages this risk through instruments such as purchase orders and non-cancelable supply contracts. Primary commodity price exposures include costs associated with metals, resins and packaging materials.

Impact of Inflation

The Company anticipates that changing costs of basic raw materials may impact future operating costs and, accordingly, the prices of its products. The Company is involved in continuing programs to mitigate the impact of cost increases through changes in product design and identification of sourcing and manufacturing efficiencies. Price increases and, in certain situations, price decreases are implemented for individual products, when appropriate.

The Company's results of operations and financial condition are presented based on historical cost. The Company does not believe that inflation has significantly affected its results of operations.

Item 4. Controls and Procedures

The Company maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to ensure that information required to be disclosed in the Company's reports filed or submitted under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that the information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is accumulated and communicated to its management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, as of the end of such period, the Company's disclosure controls and procedures were effective at reaching a level of reasonable assurance. It should be noted that in designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost benefit relationship of possible controls and procedures. The Company has designed its disclosure controls and procedures to reach a level of reasonable assurance of achieving the desired control objectives.

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There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

In the normal course of business, the Company may be involved in various legal proceedings from time to time. We do not believe we are currently involved in any claim or action the ultimate disposition of which would have a material adverse effect on our financial statements.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in our Form 10-K as filed with the Securities and Exchange Commission on December 7, 2018.

Item 6. Exhibits

See Exhibit Index to this Form 10-Q report.

SIGNATURES

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

Signatures Dated: August 2, 2019

JOHNSON OUTDOORS INC.

/s/ Helen P. Johnson-Leipold

Helen P. Johnson-Leipold
Chairman and Chief Executive Officer
(Principal Executive Officer)

/s/ David W. Johnson

David W. Johnson
Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

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Exhibit Index to Quarterly Report on Form 10-Q

Exhibit Number	Description
31.1	Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32 (1)	Certification of Periodic Financial Report by the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from Johnson Outdoors Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended June 28, 2019 formatted in XBRL (eXtensible Business Reporting Language) and furnished electronically herewith: (i) Condensed Consolidated Balance Sheets; (ii) Condensed Consolidated Statements of Operations; (iii) Condensed Consolidated Statements of Comprehensive Income; (iv) Condensed Consolidated Statements of Cash Flows; (v) Condensed Consolidated Statements of Shareholders' Equity and (vi) Notes to Condensed Consolidated Financial Statements.

(1) This certification is not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Exhibit 31.1

Certification of Chief Executive Officer

Pursuant to Section 302 of the Sarbanes-Oxley Act and Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934

I, Helen P. Johnson-Leipold, certify that:

1) I have reviewed this Quarterly Report on Form 10-Q of Johnson Outdoors Inc.;

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

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

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

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

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

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

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

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

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

Date: August 2, 2019

/s/ Helen P. Johnson-Leipold

Helen P. Johnson-Leipold
Chairman and Chief Executive Officer

Exhibit 31.2

Certification of Chief Financial Officer

Pursuant to Section 302 of the Sarbanes-Oxley Act and Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934

I, David W. Johnson, certify that:

1) I have reviewed this Quarterly Report on Form 10-Q of Johnson Outdoors Inc.;

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

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

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

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

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

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

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

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

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

Date: August 2, 2019

/s/ David W. Johnson
David W. Johnson
Vice President and Chief Financial Officer
Treasurer

Exhibit 32

Written Statement of the Chairman and Chief Executive Officer

Pursuant to 18 U.S.C. Section 1350

Solely for the purposes of complying with 18 U.S.C. Section 1350, I, the undersigned Chairman and Chief Executive Officer of Johnson Outdoors Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 28, 2019 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Helen P. Johnson-Leipold

Helen P. Johnson-Leipold
Chairman and Chief Executive Officer
August 2, 2019

Written Statement of the Vice President and Chief Financial Officer

Pursuant to 18 U.S.C. Section 1350

Solely for the purposes of complying with 18 U.S.C. Section 1350, I, the undersigned Vice President and Chief Financial Officer of Johnson Outdoors Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the quarter ended June 28, 2019 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David W. Johnson

David W. Johnson
Vice President and Chief Financial Officer
Treasurer
August 2, 2019

The above certifications are made solely for the purpose of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.