

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): January 26, 2006

Johnson Outdoors Inc.

(Exact name of registrant as specified in its charter)

Wisconsin

(State or other jurisdiction  
of incorporation)

0-16255

(Commission File Number)

39-1536083

(IRS Employer  
Identification No.)

555 Main Street, Racine, Wisconsin 53403

(Address of principal executive offices, including zip code)

(262) 631-6600

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

## Section 2 - Financial Information

### **Item 2.02. Results of Operations and Financial Condition.**

On January 26, 2006, Johnson Outdoors Inc. (the "Company") issued a press release announcing results for the fiscal first quarter ended December 30, 2005 (the "Press Release"). A copy of the Press Release is being furnished as Exhibit 99.1 to this Report.

The information in this Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that Section, nor shall such information be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise stated in such filing.

## Section 9 - Financial Statements and Exhibits

### **Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following exhibit is being furnished herewith:

99.1 Press Release Dated January 26, 2006.

**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 hereunto duly authorized.

**JOHNSON OUTDOORS INC.**

Date: January 26, 2006

By: /s/ David W. Johnson\_\_\_\_\_

David W. Johnson,  
Vice President and Chief Financial Officer

**JOHNSON OUTDOORS INC.**

**Exhibit Index to Current Report on Form 8-K**

Exhibit  
Number

99.1 Press Release Dated January 26, 2006.

**FOR IMMEDIATE RELEASE**

**At Johnson Outdoors Inc.**  
**David Johnson**  
VP & Chief Financial Officer  
262-631-6600

**Cynthia Georgeson**  
VP - Worldwide Communication  
262-631-6600

**JOHNSON OUTDOORS INC. ANNOUNCES  
FISCAL 2006 FIRST QUARTER RESULTS**

**RACINE, WISCONSIN, January 26, 2006.....Johnson Outdoors Inc. (Nasdaq: JOUT)**, a leading global outdoor recreation company, today announced net sales of \$72.6 million for the first quarter ended December 30, 2005, a decrease of 3% compared to \$75.0 million for the prior year quarter. Net income was slightly down year-over-year with a net loss of \$1.1 million this quarter versus a net loss of \$1.0 million in the prior year period. Net earnings were flat at \$0.12 per diluted share in both this and the prior year quarter.

**FIRST QUARTER RESULTS**

Quarterly sales are historically lowest during the first fiscal quarter when the Company is ramping up for the primary selling period of its seasonal outdoor recreation products. Excluding the anticipated \$4.6 million decline in military tent revenue, total Company sales would have been up \$2.2 million. Key changes included:

- § Watercraft continued its positive momentum with sales 2% ahead of last year's first quarter due to the favorable reception of new products.
- § Marine Electronics had an 8% increase in quarterly sales due primarily to the continued growth of Humminbird®, and the acquisition of Cannon® and Bottomline® brands completed on October 3, 2005 which added \$1.2 million in sales to the division during the period.
- § Diving revenues declined 3% due to unfavorable currency translation.
- § Outdoor Equipment revenues decreased 23% due entirely to a 29% decline in military sales from the prior year quarter.

Total Company operating loss of \$0.8 million in the first quarter compared unfavorably to an operating loss of \$0.1 million in the prior year quarter. Key impacts were from:

- § The significant drop in military sales compared with the prior year quarter, resulting in a \$1.8 million decline in Outdoor Equipment operating profits.
  - § Increased spending in R&D and marketing in Marine Electronics, which has now fully integrated the Cannon® and Bottomline® brands.
-

The Company reported a net loss during the seasonally slow first quarter of \$1.1 million or \$0.12 per diluted share. This compares to a net loss of \$1.0 million, or \$0.12 per diluted share, in the same quarter last year. The Company's tax rate was 38.7% versus 1.4% in the prior year quarter due to the non-deductibility of expenses associated with the terminated buy-out proposal in the prior year quarter.

"While first quarter results are not indicative of the year's overall performance, we are very pleased with the favorable reception to-date for our 2006 new product line-up. Overall, about a third of total Company net sales this quarter came from new products in our core consumer brands, which is helping to offset the anticipated decline in the non-core military segment. We have built capability and capacity to strengthen operations, and a healthy new product pipeline to help drive profitable growth and enhance long-term shareholder value. I remain excited about the future of Johnson Outdoors," said Helen Johnson-Leipold, Chairman and Chief Executive Officer. "Importantly, our strong cash position continues to enable us to capitalize on strategic growth opportunities when they arise, such as the acquisition of Cannon® and Bottomline® brands this quarter. We added brands and sales without adding complexity or infrastructure ensuring a rapid and efficient integration to better capture and maximize existing synergies."

#### **OTHER FINANCIAL INFORMATION**

The Company's debt to total capitalization stood at 29% at the end of the quarter versus 25% at December 31, 2004. Debt, net of cash, was \$20.6 million at the end of this quarter versus \$19.8 million in the prior year quarter. Depreciation and amortization was \$2.2 million year-to-date, slightly lower than last year's \$2.6 million in the first quarter. Capital spending totaled \$1.5 million in the quarter compared with \$1.7 million in the same period last year.

"A healthy balance sheet and solid cash position give us a strong financial foundation on which to build as we enter our main selling season. Strict inventory management is a key focus across all divisions, which, aided in part by favorable currency translation, resulted in a \$2.8 million reduction in total Company inventory this quarter despite the addition of the Cannon® and Bottomline® brand assets. Overall, currency translation had a net unfavorable impact on sales of -1.4% and a negligible unfavorable impact on profit. While the prior year quarter included \$0.9 million of expenses associated with the terminated buy-out proposal, there were no one-time items that had a material impact on earnings this quarter," said David W. Johnson, Vice President and Chief Financial Officer.

#### **MILITARY UPDATE**

The quarterly decline in military sales is consistent with the Company's stated projections throughout fiscal 2004 and 2005. No military tent orders or contracts were received during the first quarter of fiscal 2006. At this time, the Company continues to expect fiscal 2006 military sales to be in the \$30 - \$40 million range.

## **INNOVATION UPDATE**

Johnson Outdoors delivers meaningful innovation to the outdoor recreation marketplace driven by unique consumer insights. The Company's new product designers utilize sophisticated, rapid-prototyping technology to ensure continuous consumer feedback from product concept to commercialization. Smart innovation also delivers meaningful results, with new products this quarter representing about a third of total Company revenue. This was led by the Marine Electronics and Watercraft divisions, both of which reported about 40% of net sales from new products, such as:

- § The new Humminbird® 700 and 300 series of products, both offering higher resolution screen technology, and new industrial design housing for easy dashboard mounting to enhance the appeal in the OEM channel (boat manufacturers). Unique to the 700 series is ***Hemispherical Viewing™*** technology that provides crystal clear, page-like viewing from every angle and in every level of sunlight.
- § The Old Town® Dirigo™, named 2005 recreational kayak of the year by *Paddler Magazine*, generated 25% of the brand's kayak sales in fiscal 2005 and production capacity has been increased this year to keep up with the continued high consumer demand. Two new additions to the Necky® Manitou™ series of touring kayaks are generating excitement in the marketplace: a 14-footer for greater stability for beginning paddlers, and the Manitou II™, the first tandem kayak in the series.

## **WEBCAST**

The Company will host a conference call and audio web cast on Thursday, January 26, 2006 at 10:00 a.m. Central Time. A live listen-only web cast of the conference call may be accessed at Johnson Outdoors' home page. A replay will also be available on Johnson Outdoors' home page, or by dialing (888) 286-8010 or (617) 801-6888 and providing confirmation code 86959537. The replay will be available through February 2, 2006 by phone and for 30 days on the Internet.

## **ABOUT JOHNSON OUTDOORS INC.**

Johnson Outdoors is a leading global outdoor recreation company that turns ideas into adventure with innovative, top-quality products. The Company designs, manufactures and markets a portfolio of winning, consumer-preferred brands across four categories: Watercraft, Marine Electronics, Diving and Outdoor Equipment. Johnson Outdoors' familiar brands include, among others: Old Town® canoes and kayaks; Ocean Kayak® and Necky® kayaks; Escape® electric boats; Minn Kota® motors; Cannon® downriggers; Humminbird®, Bottomline® and Fishin' Buddy® fishfinders; Scubapro® and UWATEC® dive equipment; Silva® compasses and digital instruments; and Eureka!® tents.

**Visit us on line at [http:// www.johnsonoutdoors.com](http://www.johnsonoutdoors.com)**

## **SAFE HARBOR STATEMENT**

Certain matters discussed in this press release are "forward-looking statements," intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical fact are considered forward-looking statements. Such forward-looking statements are subject to certain risks and

uncertainties, which could cause actual results or outcomes to differ materially from those currently anticipated. Factors that could affect actual results or outcomes include changes in consumer spending patterns; the Company's success in implementing its strategic plan, including its focus on innovation; actions of companies that compete with the Company; the Company's success in managing inventory; movements in foreign currencies or interest rates; the Company's success in restructuring of its European Diving operations; unanticipated issues related to the Company's military tent business; the success of suppliers and customers; the ability of the Company to deploy its capital successfully; adverse weather conditions; events related to the terminated Buy-Out transaction; and other risks and uncertainties identified in the Company's filings with the Securities and Exchange Commission. Shareholders, potential investors and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

**- - - FINANCIAL TABLES FOLLOW - - -**



## JOHNSON OUTDOORS INC. AND SUBSIDIARIES

(thousands, except per share amounts)

Operating Results	THREE MONTHS ENDED			
		Dec 30		Dec 31
		2005		2004
Net sales	\$	72,563	\$	74,982
Cost of sales		43,134		44,710
Gross profit		29,429		30,272
Operating expenses		30,241		30,347
Operating loss		(812)		(75)
Interest expense, net		903		1,090
Other expenses (income), net		69		(119)
Loss before income taxes		(1,784)		(1,046)
Income tax benefit		(690)		(15)
Net loss	\$	(1,094)	\$	(1,031)
Net loss basic and diluted per common share	\$	(0.12)	\$	(0.12)
Diluted average common shares outstanding		8,977		8,599
<b>Segment Results</b>				
Net sales:				
Marine electronics	\$	29,974	\$	27,851
Outdoor equipment		14,524		18,851
Watercraft		12,284		12,066
Diving		15,818		16,324
Other/eliminations		(37)		(108)
Total	\$	72,563	\$	74,982
Operating profit (loss):				
Marine electronics	\$	2,416	\$	2,887
Outdoor equipment		1,648		3,408
Watercraft		(2,491)		(2,819)
Diving		66		(136)
Other/eliminations		(2,451)		(3,415)
Total	\$	(812)	\$	(75)
<b>Balance Sheet Information (End of Period)</b>				
Cash and short-term investments	\$	45,206	\$	34,980
Accounts receivable, net		62,465		57,736
Inventories, net		62,704		65,523
Total current assets		184,353		177,095
Total assets		286,247		278,117
Short-term debt		45,000		17,024
Total current liabilities		91,713		64,508
Long-term debt		20,800		37,800
Shareholders' equity		163,918		168,259