



JOHNSON
OUTDOORS

THE SPIRIT OF ADVENTURE

Sam Johnson



JOHNSON
OUTDOORS

T H E S P I R I T O F A D V E N T U R E

Sam Johnson



Our market-leading brands are known worldwide for outstanding quality and performance.

Cover photograph by Samuel C. Johnson



Old Town® | Canoes, touring and recreational kayaks



Necky™ | Touring, recreational and whitewater kayaks



Escape® | Recreational electric watercraft



Ocean Kayak™ | Sit-on-top kayaks



Carlisle® | Paddles and oars



Extrasport™ | Personal flotation devices and wearable paddle gear



Minn Kota® | Electric trolling motors, batteries, chargers and marine accessories



Humminbird® | Sonar and GPS marine electronics



SCUBAPRO® | Underwater breathing regulators, BCs, masks, fins, snorkels and suits



UWATEC™ | Underwater dive computers and gauges



Eureka!® | Camping tents, camping gear, specialty commercial and military tents



Silva® | Compasses and gauges

WATERCRAFT

MARINE ELECTRONICS

DIVING

OUTDOOR EQUIPMENT

Throughout the excitement and challenges of 2004, Johnson Outdoors held steady on our ultimate resolve: We are committed to ensuring sustainable growth and profitability through continuous, meaningful innovation.

In 2004, we achieved double-digit improvements in net income, earnings and sales, while strengthening our business through a significant acquisition and continued focus on creating a lean, flexible organization.

Our acquisition of Humminbird brand fishfinders and consumer electronics gave us an important growth platform for leading-edge technology, and a model to follow in the future.

Our alliance with sports rack manufacturer Thule Inc. highlights our creativity in stimulating our markets — creativity all our businesses demonstrated in delivering market-winning new products that drove a third of sales this year.

Our emphasis on enhanced systems points up the power of our innovative business model, enabling us to create a more efficient, productive organization.

At the same time, we demonstrate our long-term commitment by investing more resources than ever to enhance our unique insight into the consumer, and to stay on the cutting edge of research and development in our industry.

A LOOK BACK

Watercraft. We restructured to remove cost and complexity and increase flexibility in this business, treating people right when our decisions meant a change in their lives. Watercraft is now the right size, with the right systems and processes and the right team. Our investments have resulted in a change for the better, as this business will be stronger and more competitive going forward. We are on the upswing.

We continue to invest in new products, which drove about 30 percent of Watercraft sales this year. We've created a totally new market segment with our breakthrough Escape® brand “flip the switch and go” small electric boats. Excitement also surrounds the Old Town® Dirigo kayak, with enhanced comfort and control features; the Ocean™ Kayak SideKick, a seat-and-a-half kayak for an adult and a child or a large pet; and our new Extrasport™ accessories and “comfort-fit” seating.

Diving. We took a hard look at this global business and began taking action to rejuvenate our market, capitalizing on Diving's synergies and strengths. Breakthrough products and marketing programs are key to growing sales and gaining market share. We are working to reinvigorate our dealers' business and consumer base with new products like the Scubapro® Xtender

wrist computer and UWATEC™ Smart TEC and Aladin™ TEC computers.

Marine Electronics. Our integration of Humminbird®, a leading global fishfinder brand, finished ahead of schedule, while the Maxxum™ from Minn Kota® generated record sales. Now our disciplined team is driving forward to capture new growth opportunities as we build on Minn Kota® strengths and Humminbird® potential.

The Marine Electronics group saw nine months of exceptional wholesale and retail sales. While fourth quarter sales softened due to retail uncertainty regarding the economy, happily, early season orders for fiscal 2005 are strong.

Outdoor Equipment. Military tent sales drove excellent performance; however, with contracts and emergency orders slowing, we do not expect the same results in 2005. Our focus is creating better balance across all Outdoor Equipment segments, and this will take time. Commercial tent sales were up, albeit from a small base. Consumer camping—tents, sleeping bags, compasses and other accessories—was flat, suggesting declines here may have leveled and it's time to grow. Again, our ability to innovate and reinvigorate our markets is crucial. We are combining new designs and new technology with exciting new alliances and cutting-edge market research to ensure new product success.

A LOOK AHEAD

Johnson Outdoors seeks long-term, sustainable growth and profitability through continuous inno-

vation—in our products, in our marketing, in our business model. That also means continuous investment in understanding our markets and consumers, building on superior insight to create successful product “firsts” like those shown elsewhere in this report.

While the proposed merger between Johnson Outdoors Inc. and JO Acquisition Corporation was not approved, the go-private analysis gave us valuable financial planning and strategic business insights on which we will build as we continue as a publicly traded company.

Looking ahead, there may never be a perfect year when all the trends are in our favor. We live by the principle that the economy should not be an excuse for why business is bad, nor should it be the reason for why business is good. We can't let trends dictate our future. We can take charge of our destiny by out-innovating our competition.

At Johnson Outdoors, we choose to innovate—and succeed. Our people and our brands are second to none. Our ability to turn ideas into winning products has never been greater, and our commitment to our deeply-held values has never been stronger.

Our possibilities and potential are endless. The future is ours for the making.



Helen P. Johnson-Leipold
Chairman and
Chief Executive Officer

The lifeblood of our business

For Johnson Outdoors, the key to growth and profitability is

innovation

—continuous innovation that is meaningful to our consumers.

That keeps us a clear step ahead of the competition. That

empowers us to take charge of our future. And our greatest

source of innovation is our people, whose passion and

creativity have led to many important product “firsts.”

Plastic boats

An Old Town® Canoe first, created by Sam Johnson in the 1970s, that is now a half-a-billion-dollar market

Underwater breathing regulator

SCUBAPRO® innovation, still considered revolutionary decades after its introduction

Electric trolling motors

Minn Kota® has become the fishing enthusiast’s best friend and the market leader

Small electric-powered boats

Escape® “flip the switch and go” boats bring a completely new experience and add comfort, convenience and ease to water recreation

Wireless fishfinder

Humminbird® breakthrough technology has captured the attention of fishing enthusiasts around the world

The Freedom tent

A first for people with disabilities, developed by Eureka!® using universal design concepts to make the outdoor experience more accessible to more people

Extrasport™ life preserver

Extrasport™ innovation that brings “the most comfort in the water” to kayakers and other paddlers while earning U.S. Coast Guard safety approval

Modern-day dive computer

UWATEC™ Air X Nitrox took underwater computer technology to new heights in the 1990s

Easy-to-use sailboats

The Escape® patented rigging system opened sailing to a broader market

Wireless remote steering

CoPilot from Minn Kota® introduced hands-free steering from the fishing rod, wrist or belt

MANY MORE TO COME

Certain matters discussed in the Chairman's Letter are "forward-looking statements" intended to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Please see "Forward Looking Statements" in the 2004 Form 10-K for a discussion of uncertainties and risks associated with these statements.

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Where the Adventure Began



SAMUEL C. JOHNSON 1928–2004

SAMUEL C. JOHNSON believed business should serve a higher purpose and be managed for the next generation. The man known by all as simply “Sam” leaves a legacy of visionary leadership, remarkable success and great humanitarianism.

WHEN SAM JOHNSON JOINED JOHNSON WAX in 1954, all the company’s products were wax-based. With a passion for innovation and a willingness to take calculated risks, Sam expanded the family business to new products in new markets, turning a small wax company into a multi-billion-dollar family of international companies.

As part of that growth, Sam established Johnson Outdoors in 1970—and soon created the plastic boat industry through Old Town Canoe®. Though the world economy was in disarray, Sam knew there were always consumers looking for higher price value. He knew more affordable, more convenient plastic boats would be just what they wanted. Today plastic boats are a half-billion-dollar market, and Johnson Outdoors is the number one seller.

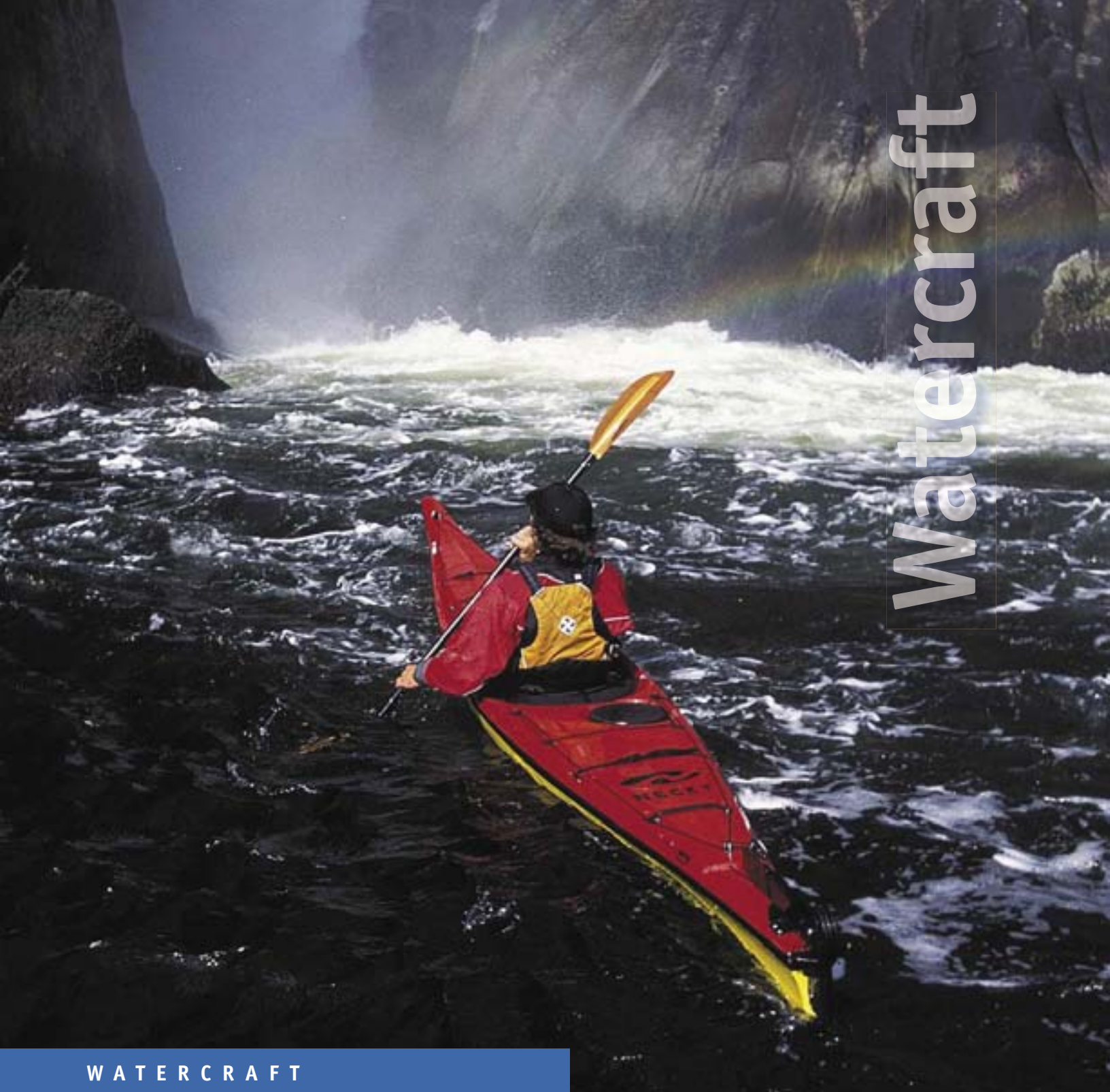
In the 35 years since our founding, Johnson Outdoors has grown into a leading provider of innovative, top-quality recreation products that make it easy for people to have fun in the great outdoors. We continue to employ the quintessential new product development model Sam created. We take to heart his innovation-driven business strategy: “New products, new geographies, and every few years, an acquisition.” We pursue his commitment to serving employees, customers, the environment and the communities where we do business.

“I believe that making a better place goes beyond providing jobs,” Sam once said. “It means being a worthy neighbor who cares about the neighborhood. It means adding an unspoken dimension of decency and consideration to the community.”

Though Sam’s consideration may have been unspoken, it did not go unrecognized. *Fortune* called him “corporate America’s leading environmentalist” when he was inducted into the U.S. National Business Hall of Fame. He held seven honorary doctoral degrees and received numerous international awards recognizing his business, environmental and philanthropic contributions, including the Charles A. Lindbergh Award for balancing technological advancement and environmental preservation; the Experimental Aircraft Association’s Freedom of Flight Award for his contributions to aviation; and the Lifetime Environmental Award from the United Nations Environment Programme.

Sam was a founding member of the World Business Council for Sustainable Development, and was named in 1993 to the U.S. President’s Council on Sustainable Development. From 1990 to 2000, he served on the Board of Governors for The Nature Conservancy, acting the last two years as Chairman of the Board of Governors. Most recently, he was a director of the World Resources Institute.

In his book *The Essence of a Family Enterprise*, Sam wrote, “A good leader builds an organization infused with sound principles and values, indelibly locked into the intellect and soul of all.” His focus on innovation continues to guide Johnson Outdoors toward leadership in the global outdoor recreation industry. His strategic vision continues to fuel our drive toward sustainable, long-term growth and profitability. And his overriding principle—“Do the right thing”—is indelibly locked into the soul of our enterprise.



Watercraft

WATERCRAFT

WATERCRAFT

Johnson Outdoors has a vision: to own the water within a quarter mile of shore. And we have the passion to realize that vision. Our watercraft brands reflect a rich tradition of innovation, from the first elegant wooden canoes to sleek space-age-composite kayaks to fun-time peddle and patio boats to light-weight, durable accessories.

This year's new Escape electric-powered boats are the first real innovation in the marine industry in years. Using a clean and quiet patented Minn Kota® electric propulsion system, this line of recreational watercraft brings new ease on the water to a whole new market for Johnson Outdoors.

AN ADVENTURE IN PADDLING - OCEAN KAYAK, NECKY AND OLD TOWN



Carlisle® Black Magic Paddle



Extrasport™ Eagle PFD



Ocean Kayak™ Prowler 15



Old Town® Dirigo



Necky™ OrbitFish



Old Town® Charles River



Necky™ Manitou Sport



Extrasport™ Drytop



Ocean Kayak™ SideKick

Our Brands



Escape® Chaise Lounger



Diving

D I V I N G

D I V I N G

Some dive to get away from the world, others to get closer to it. Whatever the reason, divers are underwater adventurers exploring the amazing hidden realm beneath the waves. Deep down they want and need the best. Johnson Outdoors sees they get it. Our SCUBAPRO® UWATEC brands are global leaders in innovative recreational diving equipment.

Our products are designed for comfort and safety to provide a lifetime of reliable performance for the recreational and professional technical diver alike. Our elite global dealer network has unparalleled expertise, ensuring SCUBAPRO® UWATEC consumers of outstanding products and world-class service.

**SCUBAPRO® UWATEC -
DEEP DOWN ONLY THE BEST WILL DO.**



MK17/R390



MK25 X650



Aladin Computer Console



Cobalt and Hi-Viz™ Yellow
Twin Jet Fins



Classic Sport BC



Knighthawk



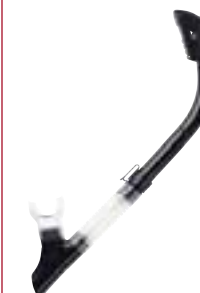
Smart TEC Wrist



Aladin TEC Wrist



Ventana Mask

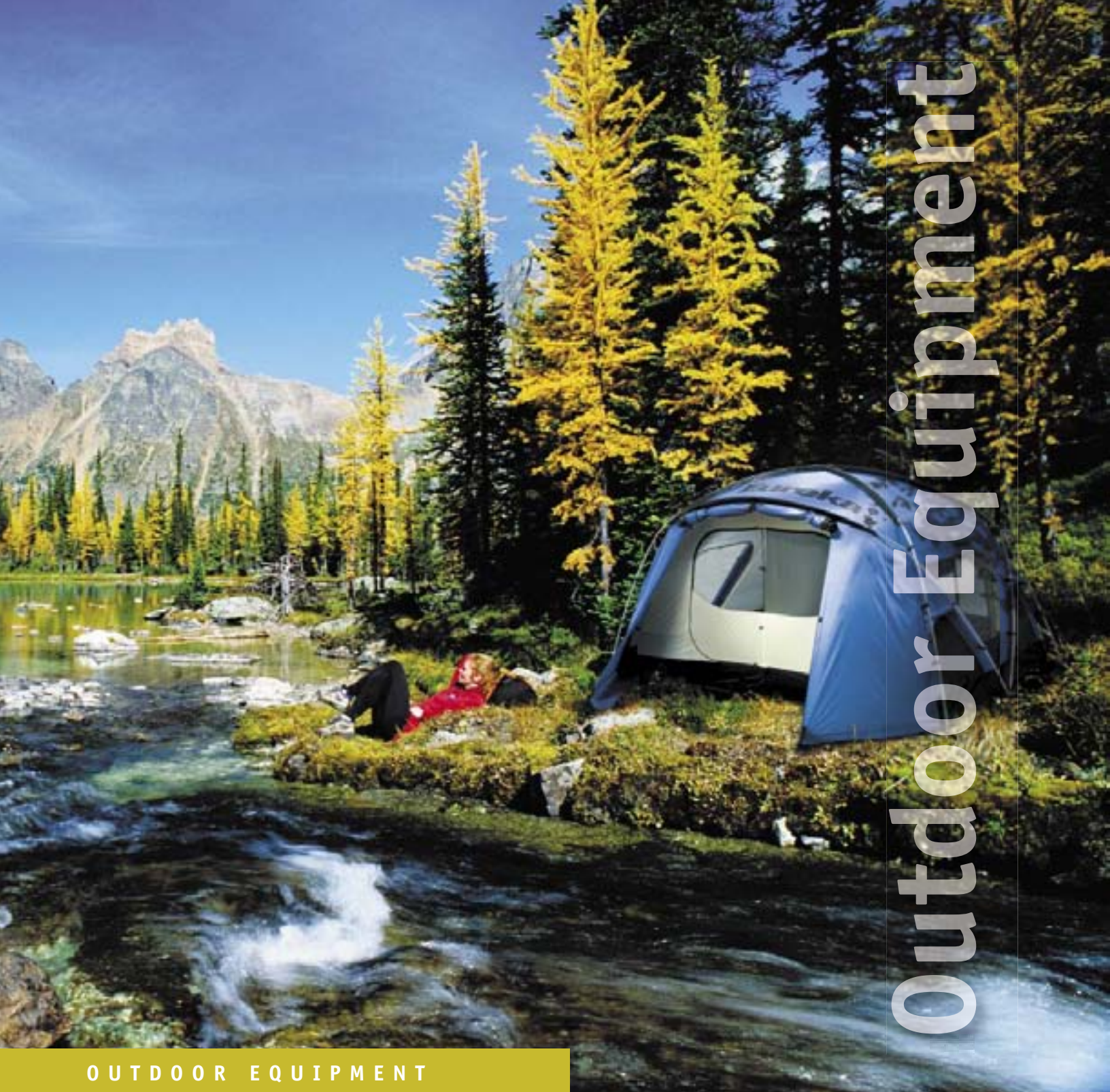


Phoenix Snorkel

Our Brands



EverFlex Wetsuit



Outdoor Equipment

OUTDOOR EQUIPMENT

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When the great outdoors beckons, Eureka!® brand tents can meet every challenge. Specialty commercial and military tents, camping gear and Silva® compasses round out Outdoor Equipment Group's product portfolio at Johnson Outdoors.

Field & Stream named the lightweight, durable Zeus 4EXO "2004 Best of the Best" for camping. The Freedom received

kudos as the first-ever camping tent especially for people with disabilities. The K-2 XT protected world-famous adventurer Pasquale Scaturro from Africa's extreme heat, rain and insects as he filmed and solved "The Mystery of the Nile" — the new IMAX hit. New this year: solar shade day-shelters to add comfort and cool from the backyard to the beach.

EUREKA!® -
TURNING THE OUTDOORS INTO
A WELCOME ADVENTURE



K2



Digital Compass



Twister



Wild Basin



Solar Shade



Extreme Coldweather
Military Tent



Freedom

Our Brands

Eureka!
 Made To Meet The Challenge

Silva
 Guaranteed Accurate for Life

Evolution
Commercial Tent





Marine Electronics

MARINE ELECTRONICS



Vantage



Vector



MK-330 Charger



Maxxum Pro



Riptide Autopilot



SmartCast RF35



Matrix 97

MARINE ELECTRONICS

In 2004, Johnson Outdoors added Humminbird® to the Marine Electronics Group, establishing it alongside the ever-popular Minn Kota® flagship. The addition of this well-known fishing and marine electronics brand gives us even stronger top-of-mind presence among serious anglers. Minn Kota® enjoys the mantle of leadership

in trolling and specialty electric motors, delivering "Anywhere. Anytime." performance. Work has begun in earnest to leverage the strength of Minn Kota® and Humminbird® to create a formidable presence in the marine electronics marketplace. Two iconic brands. One focused vision. A future of boundless opportunity.

**MINN KOTA® -
ANYWHERE. ANYTIME.**

**HUMMINBIRD® -
SIMPLY. CLEARLY. BETTER.**

Our Brands



987c

MANAGEMENT PERSPECTIVE

In fiscal 2004 Johnson Outdoors achieved double-digit growth in net sales, income and earnings. The Humminbird® acquisition, strong military tent sales and record growth in Motors offset declines in Watercraft and Diving. Investment in innovation contributed to a growth in margins, as system integration and restructuring efforts helped to improve operating efficiency. This year's emphasis on expense control, inventory management and accounts receivable reflects our continued focus on cash management. We ended the year with cash reserves of nearly \$70 million.

We remain committed to strengthening the competitiveness of our businesses long-term. Maintaining a healthy balance sheet, with substantial liquidity, provides us the flexibility to pursue that objective.

Jervis B. Perkins



President and
Chief Operating Officer

Paul A. Lehmann



Vice President and
Chief Financial Officer

(thousands, except per share data)

Operating Results

	2002	2003	2004
Net sales	\$342,532	\$315,892	\$355,274
Gross profit	141,054	127,989	147,618
Operating profit	19,751	11,613	19,128
Diluted earnings per common share	\$ 3.59 ⁽¹⁾	\$ 0.63	\$ 0.99
Diluted average common shares outstanding	8,430	8,600	8,774

Capitalization

Total debt	\$ 88,253	\$ 77,473	\$ 67,019
Shareholders' equity	124,145	144,194	160,644
Total debt to total capital	41.6%	35.0%	29.4%

⁽¹⁾Includes a gain on sale of subsidiary of \$2.65 per diluted share.

Summary Financial Information

BOARD OF DIRECTORS

HELEN P. JOHNSON-LEIPOLD, 47

Chairman and Chief Executive Officer.
Director since 1994.
Also Chairman of Johnson Financial Group,
Director of S.C. Johnson & Son, Inc. and
JohnsonDiversey, Inc.,



THOMAS F. PYLE, JR., 63

Vice Chairman of the Board.
Director since 1987.
Chairman, The Pyle Group.
Also Director of Sub Zero Corporation.



JOHN M. FAHEY, JR., 52

Director since 2001.
President and Chief Executive Officer
and Chairman of the Executive Committee
of the Board of Trustees of the National
Geographic Society. Also Director of Jason
Foundation for Education.



GREGORY E. LAWTON, 53

Director since 1997.
President and Chief Executive Officer
and Director of JohnsonDiversey, Inc.
Also Director of General Cable Corporation
and Superior Metal Products, Inc.



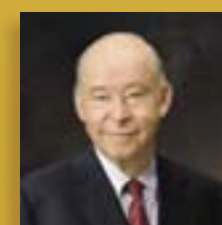
TERRY E. LONDON, 55

Director since 1999.
President of London Partners LLC.
Also Director of Pier 1 Imports, Inc.



SAMUEL C. JOHNSON

Director since 1970.
Chairman of Johnson Financial Group
and Chairman Emeritus of
S.C. Johnson & Son, Inc.



On behalf of the Company's people and each of us individually, we, the Directors of Johnson Outdoors, express our deepest and most humble appreciation of Samuel Curtis Johnson for the enduring contributions he made to this Company and its reputation throughout the world; for the inspiring and visionary example he set for each of us; for showing us the joy to be found by simply being alive; and for the gift of having known such an honest and compassionate man.

From a resolution passed on December 8, 2004
by the Board of Directors of Johnson Outdoors.

SAMUEL C. JOHNSON 1928-2004