# Johnson Outdoors (JOUT)

*Updated August 6th, 2025 by Nikolaos Sismanis*

## Key Metrics

| | | | | | |
|---|---|---|---|---|---|
| **Current Price:** | $39 | **5 Year CAGR Estimate:** | -3.8% | **Market Cap:** | $401.9 M |
| **Fair Value Price:** | $25 | **5 Year Growth Estimate:** | 0.0% | **Ex-Dividend Date:** | 10/09/2025[1] |
| **% Fair Value:** | 156% | **5 Year Valuation Multiple Estimate:** | -8.5% | **Dividend Payment Date:** | 10/23/2025 |
| **Dividend Yield:** | 3.4% | **5 Year Price Target** | $25 | **Years Of Dividend Growth:** | 11 |
| **Dividend Risk Score:** | F | **Sector:** | Consumer Discretionary | **Rating:** | Hold |

## Overview & Current Events

Johnson Outdoors is a leading company in the outdoor recreation industry. The company operates through several well-known brands that cater to various aspects of outdoor activities. Old Town Canoes & Kayaks, for example, is renowned for its durable and high-performance watercraft. Minn Kota is a leader in electric trolling motors and boat accessories. Humminbird offers advanced marine electronics, including fish finders and GPS systems. Jetboil has a strong presence in efficient portable cooking systems. Its high-quality products are designed for fishing, boating, and camping enthusiasts. The company generated almost $593 million in revenues last year, and is based in Racine, Wisconsin.

On August 1st, 2025, Johnson Outdoors reported its fiscal Q3 results for the period ending June 27th, 2025. Note that the company's fiscal year ends every September.

For the quarter, revenues came in at $180.7 million, up 5.0% compared to last year. This result reflected continued traction in key product innovations. Specifically, the Fishing segment's sales rose 8%, driven by the success of new products. Camping & Watercraft Recreation segment sales were down 14%, primarily due to the exit of the Eureka! brand. Excluding Eureka!, sales would have grown 3%. The Diving segment's sales increased 7%, supported by stronger market conditions and favorable currency impacts.

Gross margins expanded meaningfully from 35.8% to 37.6%. The company posted a net income of $7.7 million, or $0.75 per share, compared to $1.6 million, or $0.16 per share last year. While management highlighted progress in innovation, digital, and operational efficiency, they also noted continued uncertainty around tariffs and consumer trends. Johnson Outdoors remains in a strong financial position with $161.0 million in cash and no debt, and reiterated its focus on long-term brand positioning as it approaches the end of fiscal 2025. We have assumed an EPS power of $2.50 in our estimates, though the company will likely post a loss this year, which we estimate at ($1.19) per share.

## Growth on a Per-Share Basis

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2030 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EPS** | $1.07 | $1.34 | $3.51 | $4.05 | $5.11 | $5.47 | $8.21 | $4.37 | $1.90 | ($2.60) | ***($1.19)*** | ***$2.50*** |
| **DPS** | $0.31 | $0.33 | $0.37 | $0.48 | $0.59 | $0.72 | $0.93 | $1.21 | $1.26 | $1.32 | ***$1.32*** | ***$1.46*** |
| **Shares[2]** | 9.7 | 9.9 | 9.9 | 10..0 | 10.0 | 10.1 | 10.1 | 10.2 | 10.2 | 10.2 | ***10.3*** | ***11.0*** |

Over the past decade, Johnson Outdoors has navigated a dynamic market landscape, including multiple successes and challenges. One significant period of increased profitability took place in 2021, during the COVID-19 pandemic. The surge in outdoor activities as people sought socially distant recreation led to a spike in demand for outdoor equipment, benefiting its key segments like kayaks and marine electronics.

That said, Johnson Outdoors has historically faced challenges that have constrained long-term profitability, including in its recent results. In 2018, the company struggled with higher costs and supply chain disruptions, which hurt its margins. The integration of acquired brands, such as the purchase of the kayak brand, Old Town, in 2017, introduced complexities

[1] Estimated dates based on past dividend dates.

[2] Share count is in millions.

*Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.*

# Johnson Outdoors (JOUT)

*Updated August 6th, 2025 by Nikolaos Sismanis*

in aligning operations and supply chains. The company's investments in innovation and new product development, while crucial for growth, have also boosted R&D expenditures, affecting profitability in the short term.

Also, rising raw material costs and operational inefficiencies have continued to pose challenges, evident in varying profit margins despite overall revenue growth. Post-COVID, the company's profitability has plummeted due to the significant drop in demand for Johnson Outdoors' products as the socially distant recreation trend waned, while the cost-increasing factors have stayed. We expect no growth from our EPS power estimate due to high uncertainty regarding the business.

About the dividend, the company has increased it for 11 consecutive years, which is impressive, given the volatile nature of its earnings. We believe the dividend will continue to grow moving forward, though by a much softer rate, which we have set at 2%. This is because management will likely seek to maintain a healthy payout ratio from here.

## Valuation Analysis

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | Now | 2030 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Avg. P/E** | 24.8 | 20.1 | 13.2 | 17.9 | 14.1 | 13.5 | 13.4 | 18.5 | 30.7 | --- | ***15.6*** | ***10.0*** |
| **Avg. Yld.** | 1.2% | 1.2% | 0.8% | 0.7% | 0.8% | 1.0% | 0.8% | 1.5% | 2.2% | 2.8% | ***3.4%*** | ***5.8%*** |

Johnson Outdoors' valuation has fluctuated significantly over the years, mirroring its volatile earnings. The stock is now trading at 15.6 times its potential earnings under "normal" conditions. We believe this multiple is somewhat rich for the company given the recent challenges and the risks attached to its cyclical business model. We also don't see the yield as too attractive despite moving higher in recent years, considering the lack of notable dividend growth.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

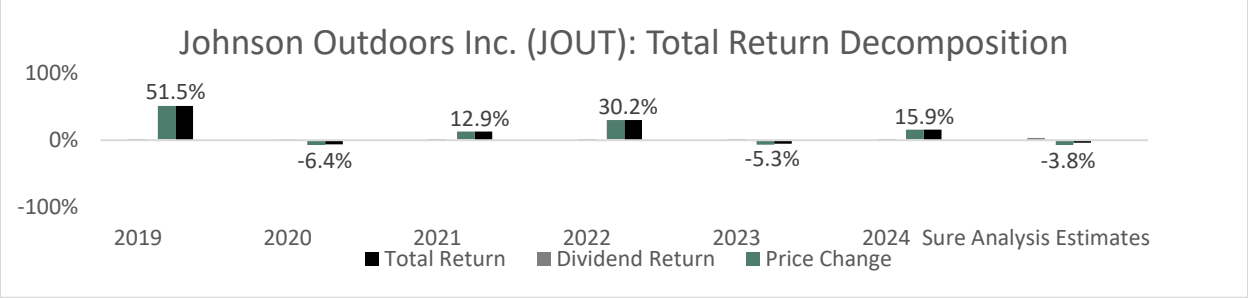
| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2030 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Payout** | 29% | 25% | 11% | 12% | 12% | 13% | 11% | 28% | 66% | --- | ***53%*** | ***58%*** |

Johnson Outdoors' key quality lies in the strength of its brands, such as Humminbird, Minn Kota, and Old Town, which are known for their quality and durability. This has fostered customer loyalty, especially in marine electronics and watercraft. However, the nature of the outdoor recreation market means that Johnson Outdoors faces cyclical demand, which can be influenced by broader economic conditions. That said, the company has shown some recession resiliency. During economic downturns, while discretionary spending on high-end outdoor equipment may decline, the company benefits from its diverse product range, which includes lower-cost items that remain accessible to consumers even in tougher times. We also believe the dividend remains safe for now, and praise the fact that Jonson Outdoors has a net cash position of $161 million, which currently equals over 40% its market cap.

## Final Thoughts & Recommendation

Shares of Johnson Outdoors remain way below its 2021 highs. We don't believe the company has noteworthy prospects ahead, as returns from the yield could be offset by a potential valuation headwind. Further, EPS growth remains highly speculative and we don't trust the dividend. We rate JOUT a hold only due to its dividend track record.

## Total Return Breakdown by Year




*Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.*

# Johnson Outdoors (JOUT)

*Updated August 6th, 2025 by Nikolaos Sismanis*

## Income Statement Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 430 | 434 | 491 | 544 | 562 | 594 | 752 | 743 | 664 | 593 |
| Gross Profit | 172 | 176 | 211 | 242 | 250 | 265 | 334 | 271 | 244 | 201 |
| Gross Margin | 39.9% | 40.7% | 43.0% | 44.4% | 44.4% | 44.6% | 44.5% | 36.5% | 36.8% | 33.9% |
| SG&A Expense | 137 | 129 | 146 | 158 | 164 | 169 | 197 | 177 | 201 | 202 |
| D&A | 12 | 12 | 13 | 13 | 14 | 15 | 13 | 14 | 16 | 20 |
| Operating Income | 18 | 29 | 46 | 63 | 64 | 71 | 111 | 66 | 12 | (32) |
| Operating Margin | 4.1% | 6.7% | 9.3% | 11.6% | 11.3% | 12.0% | 14.8% | 8.9% | 1.8% | (5.4%) |
| Net Income | 11 | 14 | 35 | 41 | 51 | 55 | 83 | 44 | 20 | (27) |
| Net Margin | 2.5% | 3.1% | 7.2% | 7.5% | 9.1% | 9.3% | 11.1% | 6.0% | 2.9% | (4.6%) |
| Free Cash Flow | 8 | 32 | 35 | 44 | 29 | 46 | 37 | (94) | 19 | 19 |
| Provision for Taxes | 5 | 10 | 13 | 27 | 15 | 18 | 30 | 14 | 6 | (3) |

## Balance Sheet Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Assets | 299 | 310 | 354 | 396 | 436 | 546 | 674 | 680 | 682 | 635 |
| Cash & Equivalents | 69 | 87 | 64 | 122 | 172 | 212 | 240 | 130 | 112 | 146 |
| Acct. Recv. | 45 | 42 | 47 | 41 | 45 | 67 | 71 | 92 | 43 | 41 |
| Inventories | 80 | 68 | 79 | 89 | 94 | 97 | 167 | 249 | 261 | 210 |
| Goodwill | 26 | 26 | 25 | 24 | 23 | 20 | 20 | 20 | 20 | 8 |
| Total Liabilities | 101 | 103 | 111 | 117 | 112 | 168 | 216 | 192 | 182 | 172 |
| Accounts Payable | 28 | 25 | 32 | 34 | 30 | 37 | 57 | 54 | 43 | 36 |
| Long-Term Debt | 7 | 7 | - | - | - | - | - | - | - | - |
| Shareholder's Equity | 198 | 207 | 243 | 279 | 325 | 378 | 459 | 488 | 500 | 463 |
| LTD/E Ratio | 0.04 | 0.04 | - | - | - | - | - | - | - | - |

## Profitability & Per Share Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Return on Assets | 3.6% | 4.4% | 10.6% | 10.9% | 12.4% | 11.2% | 13.7% | 6.6% | 2.9% | (4.0%) |
| Return on Equity | 5.4% | 6.7% | 15.6% | 15.6% | 17.0% | 15.7% | 19.9% | 9.4% | 4.0% | (5.5%) |
| ROIC | 5.2% | 6.4% | 15.4% | 15.6% | 17.0% | 15.7% | 19.9% | 9.4% | 4.0% | (5.5%) |
| Shares Out. | 9.7 | 9.9 | 9.9 | 10 | 10 | 10.1 | 10.1 | 10.2 | 10.2 | 10.2 |
| Revenue/Share | 44.26 | 44.01 | 49.45 | 54.45 | 56.12 | 59.04 | 74.27 | 73.23 | 65.11 | 58.00 |
| FCF/Share | 0.79 | 3.22 | 3.50 | 4.42 | 2.90 | 4.56 | 3.65 | (9.24) | 1.87 | 1.86 |

*Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.*


Disclaimer

Nothing presented herein is, or is intended to constitute, specific investment advice. Nothing in this research report should be construed as a recommendation to follow any investment strategy or allocation. Any forward-looking statements or forecasts are based on assumptions and actual results are expected to vary from any such statements or forecasts. No reliance should be placed on any such statements or forecasts when making any investment decision. While Sure Dividend has used reasonable efforts to obtain information from reliable sources, we make no representations or warranties as to the accuracy, reliability or completeness of third-party information presented herein. No guarantee of investment performance is being provided and no inference to the contrary should be made. There is a risk of loss from an investment in marketable securities. Past performance is not a guarantee of future performance.