

RECREATIONAL EQUIPMENT, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2008 AND 2007 (IN THOUSANDS)

ASSETS	2008	2007
Current Assets		
Cash & Investments	\$140,745	\$144,953
Receivables	\$11,719	\$22,615
Inventories	\$206,484	\$180,971
Deferred Income Taxes	\$28,887	\$23,248
Prepays & Other	\$22,750	\$17,880
Total Current Assets	\$410,585	\$389,667
Property & Equipment, Net	\$383,774	\$368,360
Deferred Income Taxes	\$21,631	\$3,526
Other	\$5,296	\$6,803
Total Non-Current Assets	\$410,701	\$378,689
Total Assets	\$821,286	\$768,356

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities		
Accounts Payable & Accrued Expenses	\$195,629	\$184,970
Member Refunds Payable	\$70,572	\$58,598
Accrued Payroll & Related Benefits	\$25,258	\$37,073
Retirement & Profit Sharing Liability	\$15,479	\$19,451
Income Taxes Payable	\$7,024	\$8,349
Total Current Liabilities	\$313,962	\$308,441
Long-Term Liabilities	\$61,896	\$41,882
Members' Equity		
Memberships	\$114,996	\$102,067
Retained Earnings	\$330,432	\$315,966
Total Members' Equity	\$445,428	\$418,033
TOTAL LIABILITIES & MEMBERS' EQUITY	\$821,286	\$768,356

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Sales	\$1,434,569	\$1,342,024
Costs & Expenses		
Cost of Sales	\$830,125	\$754,671
Operating & Administrative Expenses	\$530,852	\$480,827
Total Costs & Expenses	\$1,360,977	\$1,235,498
Operating Income	\$73,592	\$106,526
Other Income, Net	\$8,602	\$10,798
Income Before Member Refunds & Taxes	\$82,194	\$117,324
Member Refunds Declared	\$72,670	\$62,790
Less Unclaimed Refunds	(\$8,447)	(\$9,367)
Net Member Refunds	\$64,223	\$53,423
Income Before Income Taxes	\$17,971	\$63,901
Provision for Income Taxes	\$3,506	\$22,474
Net Income	\$14,465	\$41,427