

HUFFY

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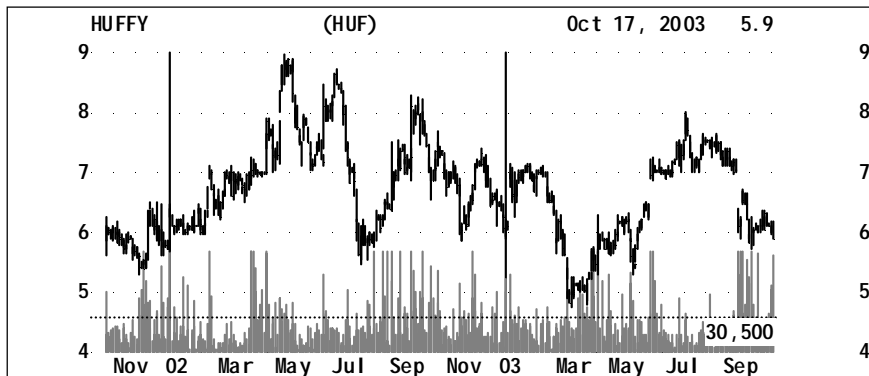
Revised EPS Forecast Reflects Cautious Expectations

Current Data

Current Price	\$5.90
52-Week Range	8.00-4.75
Shares Out (Mill)	15.6
Ave Vol. LTM (Act)	30,041
Market Cap (Mill)	\$92.12
LTD/Tot Cap	16.0%
Institutional Holdings	36.4%
Insider Buys-Sells	0.0
Book Value	\$4.81

Valuation

P/E (2003e)	13.03
P/B	1.23
Price/Sales	0.26



Operating Data

Sales Growth	28.6%
EBITDA Margin	4.7%
Net Inc. Growth	40%

EPS

2002	\$ (0.12)
2003e	\$ 0.45
2004e	\$ 0.51

Annual Results-FYE Dec

This Qtr	(\$Million)	1999	2000	2001	2002	9/02	9/03
Sales	\$561.0	\$575.0	\$331.0	\$373.0	\$83.0	\$106.7	
Gr Margin	13.0%	9.5%	16.7%	12.1%	19.2%	18.9%	
EBITDA	\$26.6	-\$9.8	\$33.3	-\$3.0	\$4.0	\$5.0	
EPS	(\$3.69)	\$1.03	(\$0.82)	(\$0.12)	\$0.08	\$0.18	
LTD/Cap.	58.1%	-	-	0.4%	5.6%	15.7%	
Times Int*	-	3.0	-	6.2	13.8	3.5	

* 2002 Times Interest Earned is our estimate.

Quick Take on 3Q03 Results

Results were better than our revised expectations due to lower than expected SG&A and Other expenses. Here is a summary of the key points:

- Sales grew 28.6% to \$106.7 million with most of the growth coming from the Gen-X acquisition (which occurred late in 3Q02). Organic growth was likely very small due to slow sales in in-line skates, action sports, backboards, and opportunity business. Snowboard sales were lower than expected due to delayed shipments from a fire at a supplier. However, the snowboard sales are expected to be recovered in 4Q03.
- The gross margin declined to 18.9% from 19.2% due to the slowed sales in the segments noted above.
- SG&A expenses remained flat as a percent of sales due to ongoing cost controls, recovery of some legal expenses (from the Washington Inventory Service litigation) and some initial benefit from the installation of new supply chain software.
- Other expense improved to a positive \$630,000 from a net charge of \$419,000 as the result of a one-time accounting for its Strategic Partner Program.
- The effective tax rate remained low due to the required accounting treatment for bad debts related to K-Mart and other retailers.

Outlook

Based upon recent results and current expectations for Christmas, we reduced our 2003 GAAP EPS forecast to \$0.45 from \$0.49 (EPS from continuing operating of \$0.35 versus our prior \$0.39). Our 2004 EPS forecast is now \$0.51 versus our previous \$0.53 due mainly to lower estimate for 2003 sales.

We will issue a full report after we have read the 10-Q.

--Rick Wayman, CFA
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Note: Please read important disclosures at the end of this report.

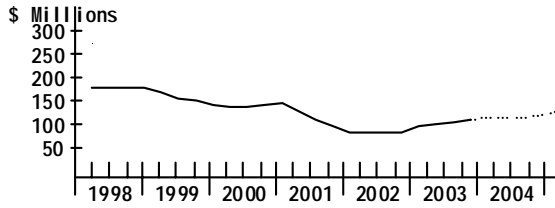
Company Description: Huffy Corp manufactures, designs and sells bicycles and sports products. Subsidiary Huffy Bicycle Company makes Huffy and Royce Union branded wheeled products, including bicycles, scooters and tricycles. The Huffy Sports division supplies basketball backboards, poles, goals and related products as well as basketballs, footballs and soccer balls for use at home. Huffy Service First, a wholly-owned subsidiary, serves the needs of major retailers in 50 states, Puerto Rico, Guam and the Virgin Islands by providing in-store and in-home assembly and repair, and in-store display services for a variety of products including bicycles, barbecue grills, lawn mowers, fitness equipment and furniture. GenX (acquired in September 2002) added golf (Tommy Armour, RAM, Zebra and Tear Drop brands), snowboards (LTD and Lamar brands), hockey (Hespeler), skis (Volant), and in-line skates (Ultrawheels and Rage).

Comparative Price Performance			1 Mo	6 Mos	YTD	12 Mos.
HUFFY	HUF	\$5.90	-9.6	0.3	-1.2	-21.9
	Peer group	\$11.16	2.2	66.0	45.9	75.6
S&P SMALLCAP VAL.	SMLVA	\$185.42	1.6	32.1	27.5	33.2
S&P 500	SPX	\$1,039.32	1.3	16.3	18.1	18.2
	Leisure Industry		1.7	33.1	30.2	46.5
	Golf	\$9.41	5.8	42.3	49.9	97.0
	Peer Group					
ALDILA	ALDA	\$2.71	6.2	61.1	78.2	143.9
CALLAWAY GOLF	ELY	\$16.11	5.4	23.4	21.6	50.1
VARIFLEX	VFLX	\$5.73	-9.1	52.8	43.2	55.1
ESCALADE	ESCA	\$22.24	-3.3	74.8	11.2	15.8
HEAD NV ADR	HED	\$2.72	10.1	68.9	35.3	39.5
K2	KTO	\$17.46	3.7	114.8	85.7	149.4

Operating Data-LTM		Sales	Growth	Gross Margin	EBITDA Margin	\$ Flow /Share	LT Dbt/ Ttl Cap	ROE
Company	Symbol	Sales	Growth	Gross Margin	EBITDA Margin	\$ Flow /Share	LT Dbt/ Ttl Cap	ROE
HUFFY	HUF	\$444.9	34.0%	20.7%	2.4	\$ 0.49	16.0	5.3
Peer Group Avg		\$704.8	#VALUE!	44.3%	17.8	\$ 2.01	20.0	20.8
Big Cap Peers		\$1,659.4	8.6%	64.4%	33.0	\$ 2.32	14.4	20.0
Peer Group								
CALLAWAY GOLF	ELY	\$796.3	-1.7%	55.0%	23.8	\$ 1.77	0.0	16.4
ESCALADE	ESCA	\$184.7	21.3%	33.6%	11.8	\$ 2.24	40.0	25.2
Valuation Data		Price	CY P/E			\$ Flow	Price/	
Company	Symbol	Price	2002	2003e	2004e	\$ Flow	Sales	Book
HUFFY	HUF	\$5.90	15.39	16.7	11.6	11.9	0.2	1.2
Peer Group Avg		\$11.16	19.6	24.3	17.3	13.0	0.7	1.4
S&P SMALLCAP VALUE	SMLVA	185.42	22.5	20.8	16.8	9.2	0.7	1.6
S&P 500	SPX	1,039.32	21.6	19.7	17.8	11.8	1.5	3.1
Leisure Industry			35.1	19.6	16.1	12.7	1.2	2.8
Peer Group								
ALDILA	ALDA	\$2.71	-	-	-	-	0.4	0.5
CALLAWAY GOLF	ELY	\$16.11	14.5	16.3	15.5	9.1	1.5	2.1
VARIFLEX	VFLX	\$5.73	26.0	-	-	18.5	0.5	0.8
ESCALADE	ESCA	\$22.24	13.1	-	-	9.9	0.8	3.1
HEAD NV ADR	HED	\$2.72	-	-	-	13.7	0.3	0.4
K2	KTO	\$17.46	24.9	32.3	19.0	13.9	0.8	1.5

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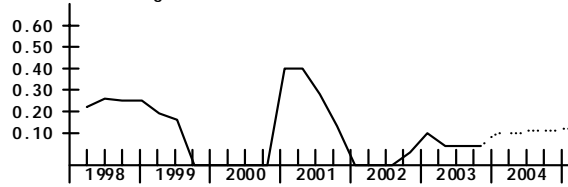
Revenues - 4 Quarter Moving Average
5 Year Growth Rate: -15 %



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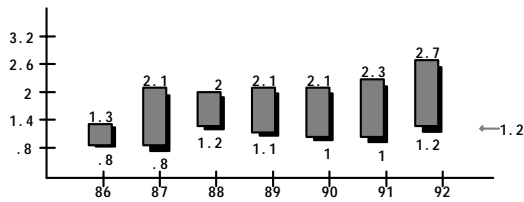
Earnings - 4 Quarter Moving Average

5 Yr Hist Growth Rate: 63 %
Long Term Future Growth Rate: 15 %



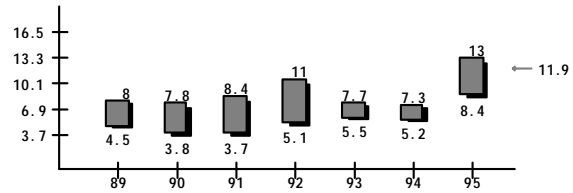
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Price to Book Range



HUFFY(HUF)

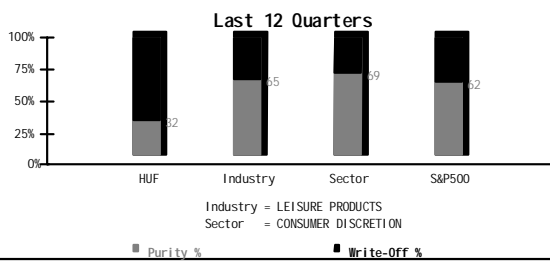
Price to Cash Flow Range



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Earnings Purity®

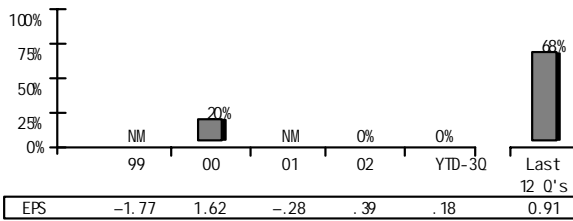
The % of EPS that does not include write-offs



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Excluded Write-Offs

5 Yr (Last 20 Quarters) = 100%



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