

BRUNSWICK™

NEXT NEVER RESTS™

Q1 2023 Earnings

Conference Call

APRIL 27, 2023



Forward-Looking Statements

Certain statements in this presentation are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current expectations, estimates, and projections about Brunswick’s business and by their nature address matters that are, to different degrees, uncertain. Words such as “may,” “could,” “should,” “expect,” “anticipate,” “project,” “position,” “intend,” “target,” “plan,” “seek,” “estimate,” “believe,” “predict,” “outlook,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties that may cause actual results to differ materially from expectations as of the date of this presentation. These risks include, but are not limited to: the effect of adverse general economic conditions, including the amount of disposable income consumers have available for discretionary spending; changes in currency exchange rates; fiscal and monetary policy changes; higher energy and fuel costs; competitive pricing pressures; adverse capital market conditions; actual or anticipated increases in costs, disruptions of supply, or defects in raw materials, parts, or components we purchase from third parties; supplier manufacturing constraints, increased demand for shipping carriers, and transportation disruptions; managing our manufacturing footprint; international business risks, geopolitical tensions or conflicts, sanctions, embargoes, or other regulations; public health emergencies or pandemics, such as the coronavirus (COVID-19) pandemic; adverse weather conditions, climate change events and other catastrophic event risks; our ability to develop new and innovative products and services at a competitive price; loss of key customers; our ability to meet demand in a rapidly changing environment; absorbing fixed costs in production; risks associated with joint ventures that do not operate solely for our benefit; our ability to integrate acquisitions, including Navico, and the risk for associated disruption to our business; our ability to successfully implement our strategic plan and growth initiatives; attracting and retaining skilled labor, implementing succession plans for key leadership, and executing organizational and leadership changes; our ability to identify, complete, and integrate targeted acquisitions; the risk that restructuring or strategic divestitures will not provide business benefits; maintaining effective distribution; dealers and customers being able to access adequate financing; requirements for us to repurchase inventory; inventory reductions by dealers, retailers, or independent boat builders; risks related to the Freedom Boat Club franchise business model; outages, breaches, or other cybersecurity events regarding our technology systems, which could affect manufacturing and business operations and could result in lost or stolen information and associated remediation costs; our ability to protect our brands and intellectual property; changes to U.S. trade policy and tariffs; any impairment to the value of goodwill and other assets; product liability, warranty, and other claims risks; legal, environmental, and other regulatory compliance, including increased costs, fines, and reputational risks; changes in income tax legislation or enforcement; managing our share repurchases; and risks associated with certain divisive shareholder activist actions.

Additional risk factors are included in the Company’s Annual Report on Form 10-K for 2022. Forward-looking statements speak only as of the date on which they are made, and Brunswick does not undertake any obligation to update them to reflect events or circumstances after the date of this presentation.

Neha Clark - Senior Vice President Enterprise Finance
Brunswick Corporation, 26125 N. Riverwoods, Mettawa, IL 60045
Phone: +1-847-735-4001
Email: neha.clark@brunswick.com

Use of Non-GAAP Financial Information and Constant Currency Reporting

In this presentation, Brunswick uses certain non-GAAP financial measures, which are numerical measures of a registrant's historical or future financial performance, financial position or cash flows that exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statements of operations, balance sheets or statements of cash flows of the registrant; or include amounts, or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented.

Brunswick has used certain non-GAAP financial measures that are included in this presentation for several years, both in presenting its results to shareholders and the investment community and in its internal evaluation and management of its businesses. Brunswick's management believes that these measures and the information they provide are useful to investors because they permit investors to view Brunswick's performance using the same tools that Brunswick uses and to better evaluate Brunswick's ongoing business performance. In addition, in order to better align Brunswick's reported results with the internal metrics used by the Company's management to evaluate business performance as well as to provide better comparisons to prior periods and peer data, non-GAAP measures exclude the impact of purchase accounting amortization related to acquisitions, among other adjustments.

For additional information and reconciliations of GAAP to non-GAAP measures, please see Brunswick's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 27, 2023, which is available at www.brunswick.com, and the Appendix to this presentation.

Brunswick does not provide forward-looking guidance for certain financial measures on a GAAP basis because it is unable to predict certain items contained in the GAAP measures without unreasonable efforts. These items may include restructuring, exit and impairment costs, special tax items, acquisition-related costs, and certain other unusual adjustments.

For purposes of comparison, 2023 net sales growth is also shown using 2022 exchange rates for the comparative period to enhance the visibility of the underlying business trends, excluding the impact of translation arising from foreign currency exchange rate fluctuations. We refer to this as "constant currency" reporting.

01

Business Overview – Dave Foulkes, CEO



Brunswick Delivers Outstanding Q1 2023



2.8%

Net Sales Growth
($\$1.7\text{B}$ Net Sales)



$\$2.57$

Adjusted¹ EPS
(up 1.6% vs. Q1'22)



15.0%

Adjusted¹ Operating
Margin
(down 80 bps vs. Q1'22)



$\$60\text{M}$

Share Repurchases



21.5k

Quarter 1
Global Pipeline Units



$+\$135\text{M}$

Free Cash Flow vs Q1'22

Segment Change

Brunswick updated its reportable segments from three segments to four - Propulsion, Engine Parts & Accessories, Navico Group, and Boat.

Propulsion



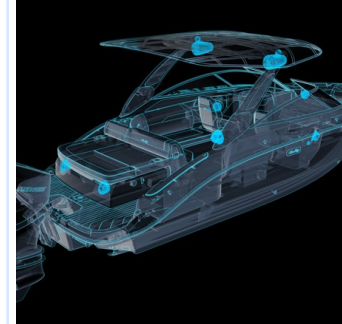
Engine Parts & Accessories



Navico Group



Boat¹



FY 2022

	Propulsion	Engine Parts & Accessories	Navico Group	Boat ¹
Revenue² <i>(\$ Billions)</i>	\$2.8	\$1.3	\$1.1	\$2.1
Operating Earnings <i>(\$ Millions)</i>	\$523	\$268	\$148	\$217

¹BOAT SEGMENT INCLUDES BUSINESS ACCELERATION

²FY 2022 REVENUE EXCLUSIVE OF \$0.5B OF SEGMENT ELIMINATIONS

Q1 2023 Segment Performance



Propulsion

- Very strong sales and margin growth vs. Q1 2022
- Growth in high horsepower outboard engine units serving strong customer demand
- High horsepower capacity project complete, production ramp-up continues through 2023



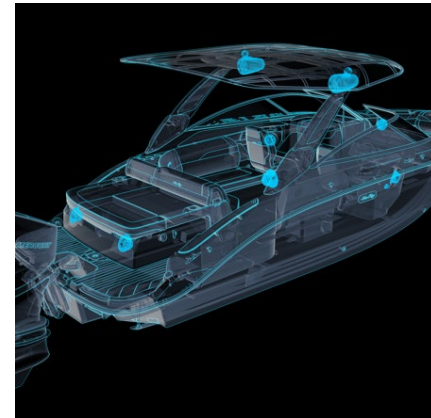
Engine Parts & Accessories

- Solid U.S. Products net sales; softness in international sales and third-party Distribution
- Anticipated channel restocking normalization and new distribution center start-up costs impacted quarter
- Strong early April U.S. Products sales helped by warmer weather



Navico Group

- Margin challenges vs. Q1 2022, as expected, with improvement in March
- Integrated organizational structure beginning to provide benefit – announced closure of nine locations and reduced headcount by 10% since Q3 2022
- Successfully launched HDS Pro



Boat¹

- Fourth straight quarter of 10%+ adjusted² operating margins
- New products and premium models performing extremely well
- Second Boston Whaler facility now in full production
- 380+ Freedom Boat Club locations

Landscape

EXTERNAL FACTORS

- Inflation and interest rate increases continue to be a headwind for value segment buyers – boat loan rates stabilizing
- Supplier part recall impacting units across the industry mainly for sterndrive fiberglass boats, which we anticipate will impact SSI retail results through Q2

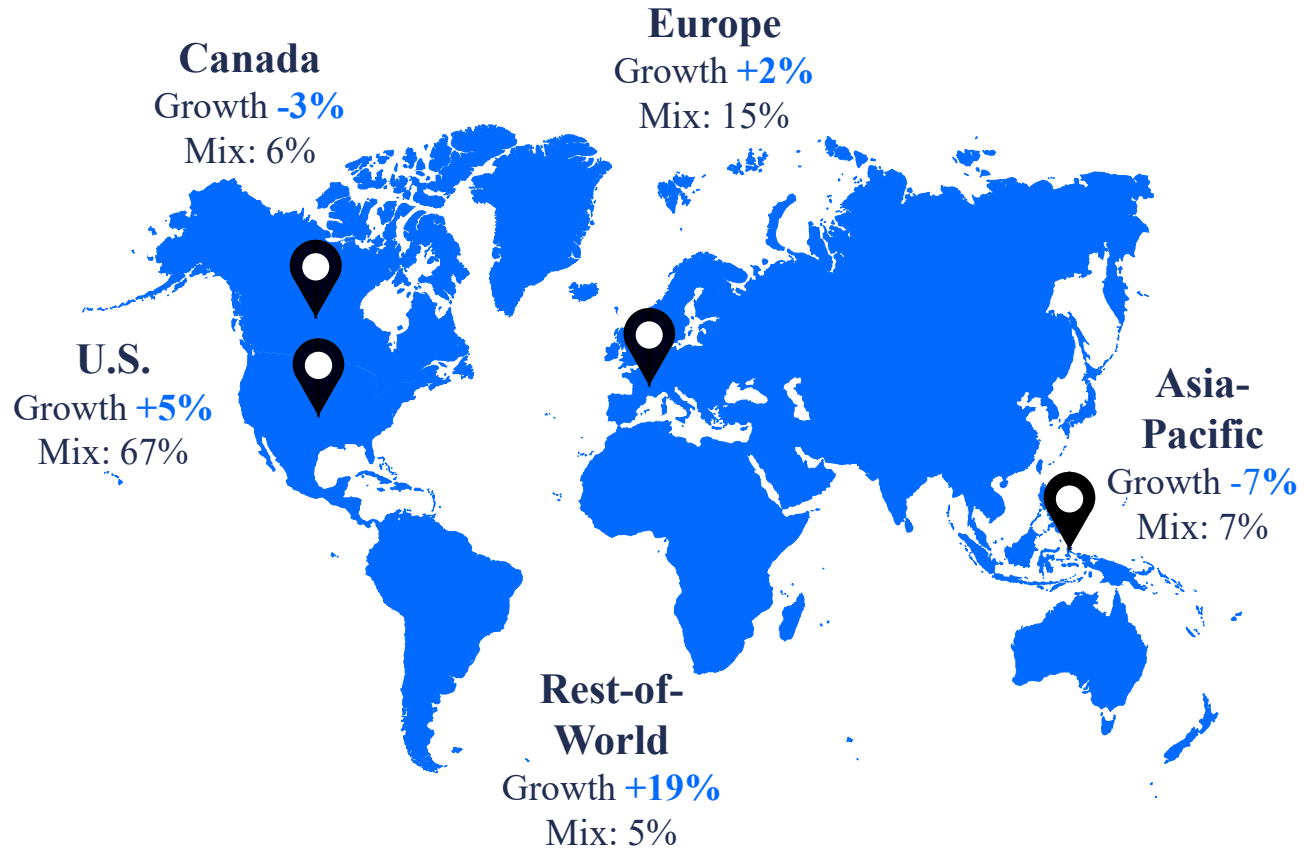
DEALER & CONSUMER SENTIMENT

- Boat show results stronger than anticipated behind solid consumer interest and engagement
- Boating participation survey insights and Freedom Boat Club trips per membership above prior year
- Discounts and promotions present primarily on value models
- Dealer inventory levels generally, appropriately replenished ahead of season in with in-store traffic picking up in recent weeks

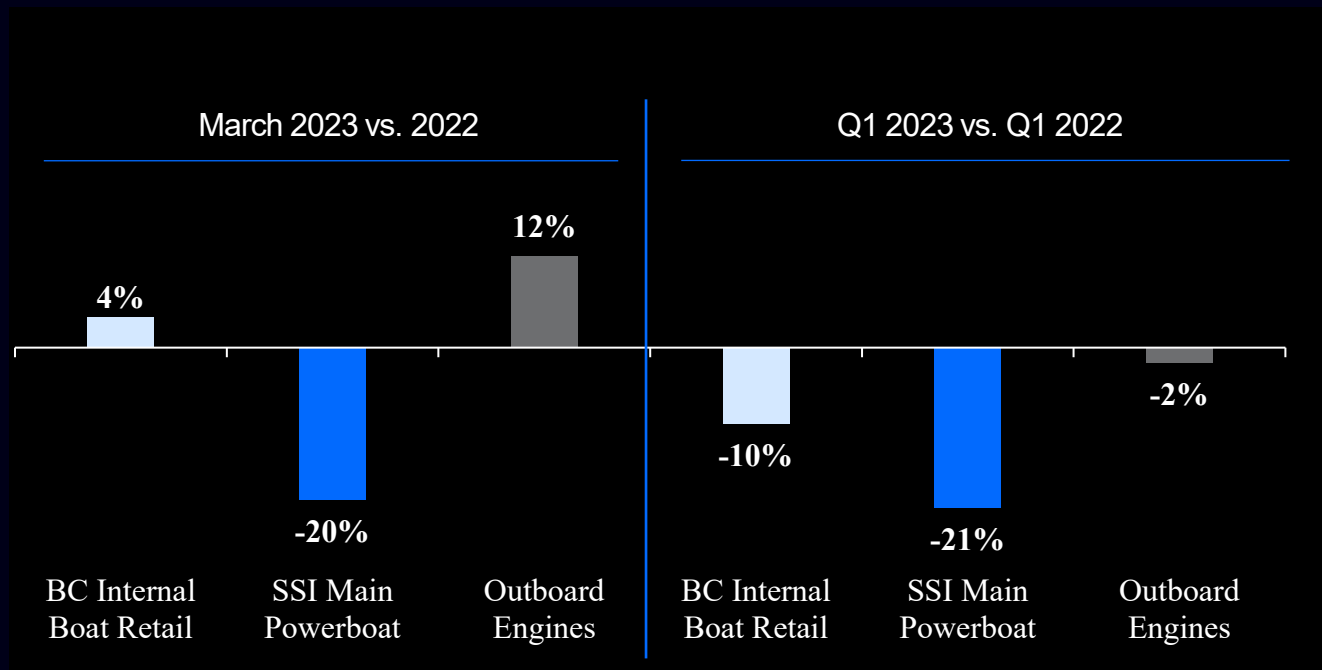


Q1 2023 Revenue Mix¹ & Growth Rates

- Q1'23 sales grew 3 percent on a constant currency basis, excluding acquisitions
- Sales growth led by U.S., Europe, and Rest-of-World



U.S. Retail – Percentage Change in Retail Units

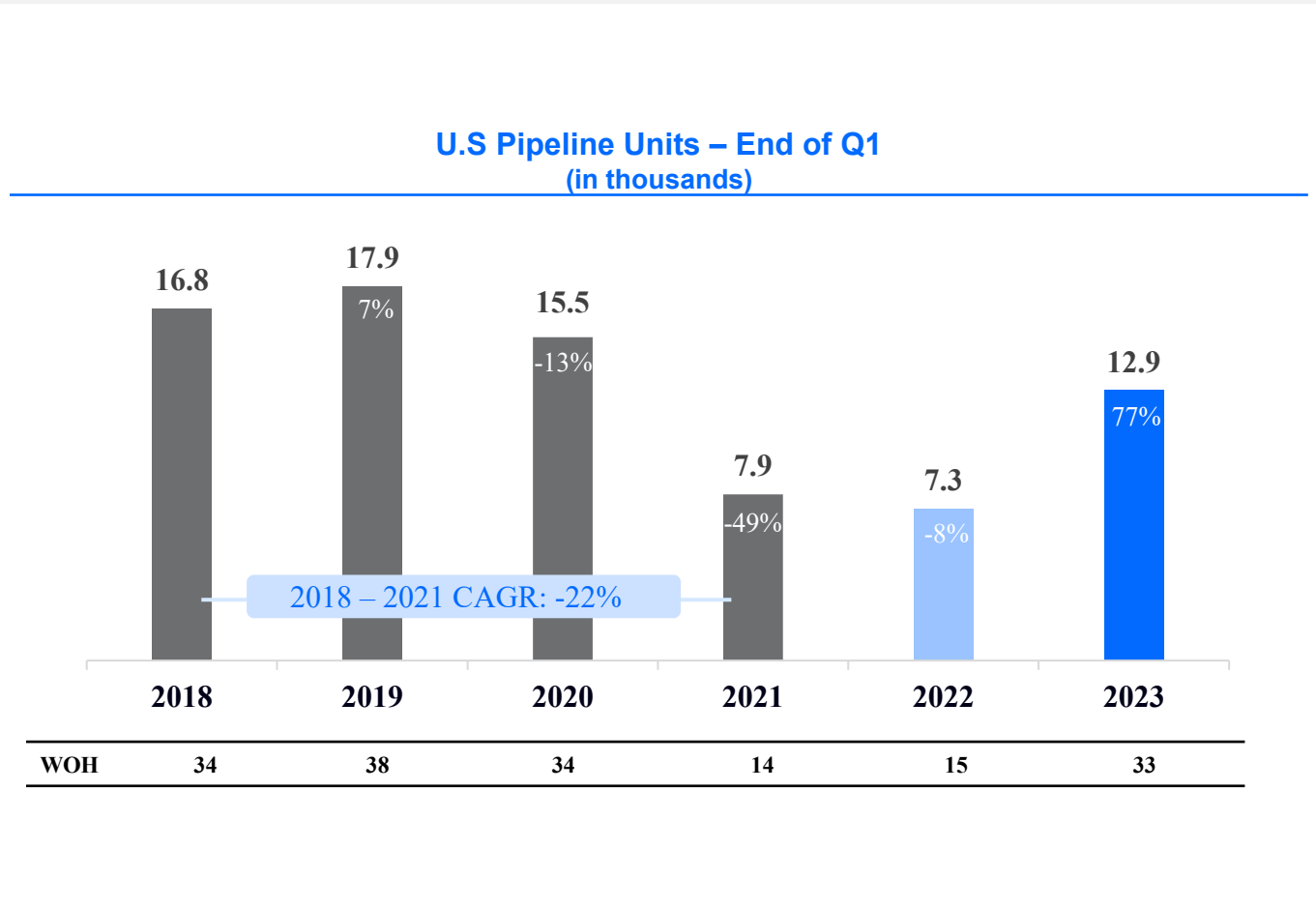


- March Brunswick internal boat retail strong at 4% increase above prior year
- Q1 2023 Brunswick internal retail down 10% vs. prior year
- Q1 2023 outboard engine industry retail down 2% vs. prior year

SOURCE: NMMA STATISTICAL SURVEYS, INC.: PRELIMINARY DATA IS SHOWN ON A COMPARATIVE BASIS USING STATES REPORTING TO DATE FOR 2023: 69.5% OF THE U.S. BOAT MARKET, COAST GUARD DATA THROUGH 3/2023.

U.S. Pipeline Metrics

- U.S. pipeline units ahead of prior year, however, well below historical levels
- Global pipeline levels at 21.5 thousand units at the end of first quarter 2023

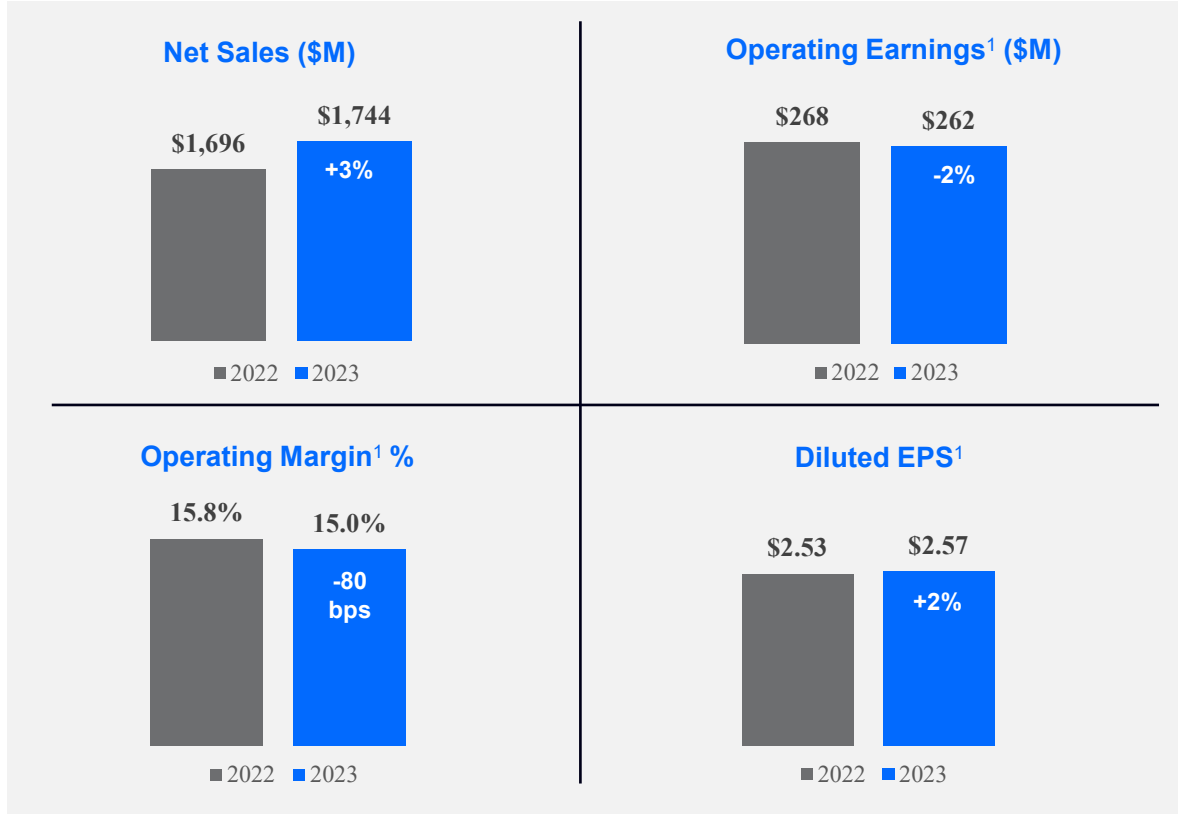


02

Financial Overview – Ryan Gwillim, CFO



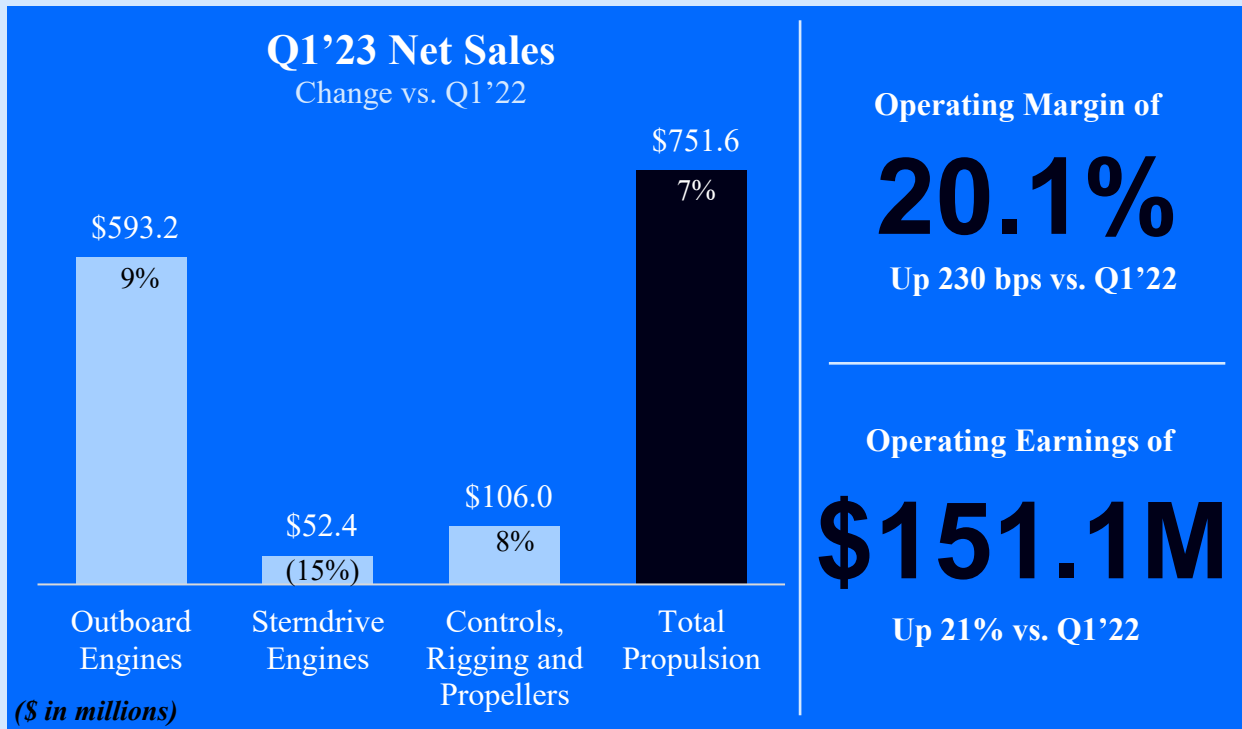
Overview of First Quarter 2023 Adjusted Results



- Delivered record revenue and EPS for any first quarter in Brunswick history
- Free Cash Flow improvement of \$135M from Q1 2022

Propulsion Segment – Q1'23 Performance

Strong sales in high-horsepower outboards and controls and rigging coupled with operational excellence driving significant earnings growth

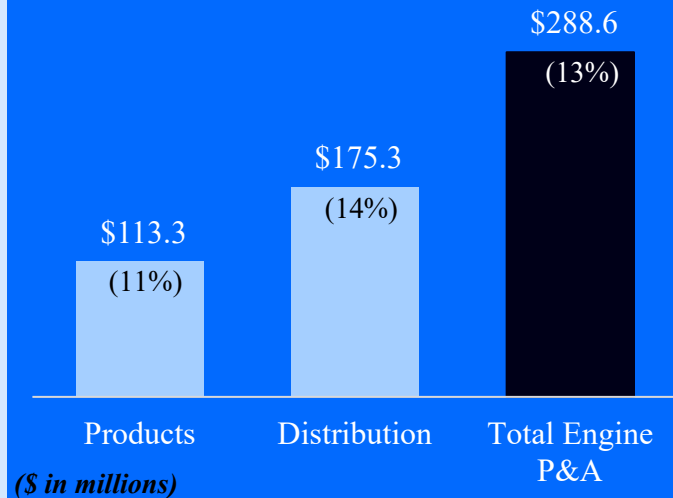


Engine P&A Segment – Q1'23 Performance¹

Steady performance by U.S. Products business offset by headwinds in international markets and third-party Distribution



Q1'23 Net Sales Change vs. Q1'22



Adjusted Operating Margin of

16.8%

Down 170 bps vs. Q1'22

(GAAP Operating Margin of 16.6%
down 190 bps vs. Q1'22)

Adjusted Operating Earnings of

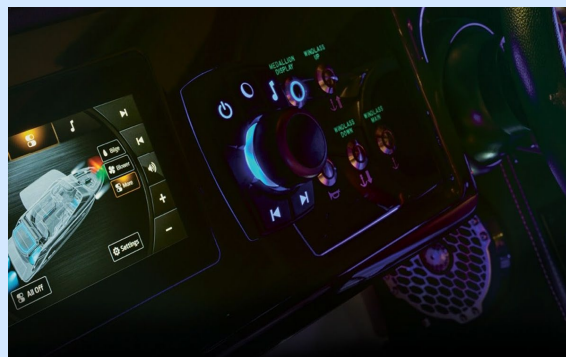
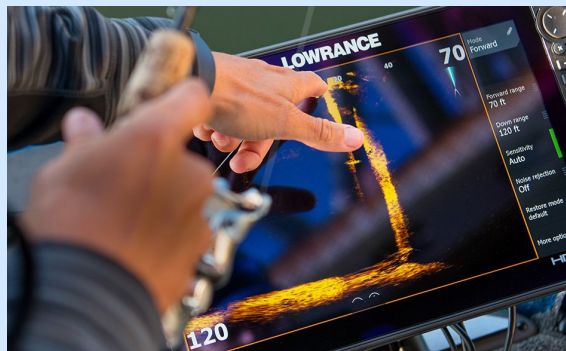
\$48.5M

Down 21% vs. Q1'22

(GAAP Operating Earnings of \$47.8M
down 22% vs. Q1'22)

Navico Group Segment – Q1'23 Performance¹

Marine OEM channel resilient, with major integration and restructuring actions completed in support of go-forward margin improvement



Q1'23 Navico Group Net Sales

\$277.3M

Down 11% vs. Q1'22

Adjusted Operating Margin of

11.0%

Down 680 bps vs. Q1'22

*(GAAP Operating Margin of 4.6%
down 520 bps vs. Q1'22)*

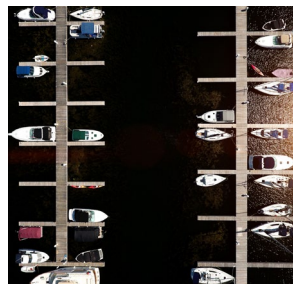
Adjusted Operating Earnings of

\$30.5M

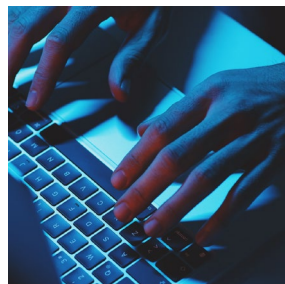
Down 45% vs. Q1'22

*(GAAP Operating Earnings of \$12.8M
down 58% vs. Q1'22)*

Rest of Year Earnings Headwinds - Engine P&A and Navico Group



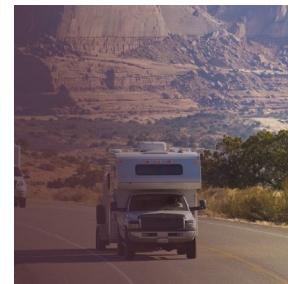
Retail/Dealer Restocking



Input Costs



Currency



RV Softness



Distribution Center

Rest of Year Consideration

Engine P&A



Navico Group



N/A



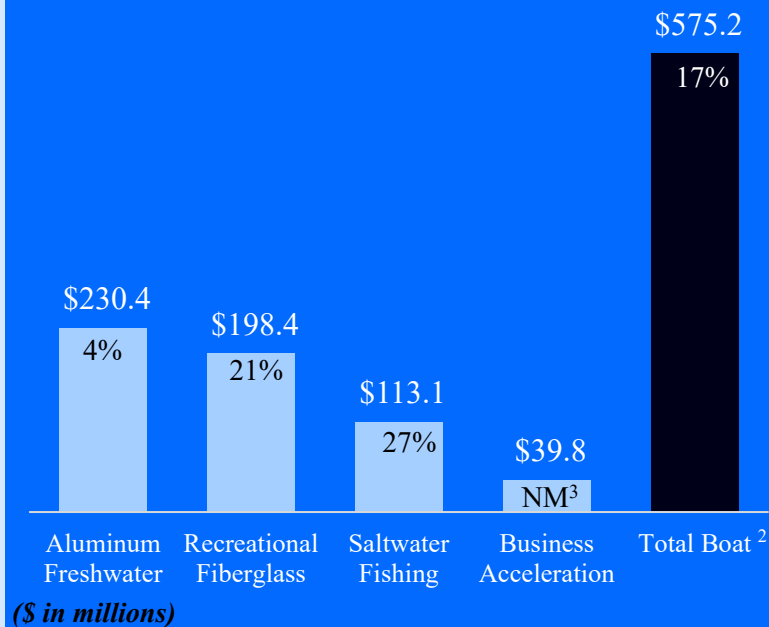
Boat Segment – Q1'23 Performance¹

Strong top-line and earnings growth – fourth straight quarter of double-digit adjusted operating margins



Q1'23 Net Sales

Change vs. Q1'22



Adjusted Operating Margin of

10.6%

Up 80 bps vs. Q1'22

(GAAP Operating Margin of 10.0% up 80 bps vs. Q1'22)

Adjusted Operating Earnings of

\$61.1M

Up 27% vs. Q1'22

(GAAP Operating Earnings of \$57.8M up 28% vs. Q1'22)

¹SEE THE APPENDIX TO THIS PRESENTATION AND TODAY'S FORM 8-K FOR RECONCILIATIONS TO GAAP FIGURES.

²TOTAL BOAT NET SALES INCLUDES \$6.5M OF BOAT ELIMINATIONS

³NM = NO MEASURE

2023 Guidance¹

**Full Year
Revenue**

**\$6.8 to
\$7.2B**

No Change

**Operating
Margin**

~15%

No Change

**Operating Expenses
as % of Sales**

**Flat to Up
Slightly**

No Change

**Full Year
EPS**

**\$9.50 to
\$11.00**

No Change

**Free Cash
Flow**

\$375M+

No Change

**Quarter 2
Revenue**

**Flat to Up
Slightly**

**Quarter 2
EPS**

**\$2.60 to
\$2.70**

2023 Outlook Segment Guide¹



Propulsion



Engine P&A



Navico Group



Boat

	Propulsion	Engine P&A	Navico Group	Boat
Net Sales Growth	<p>Up</p> <p>Mid to High Single Digit Percent</p> <p>No Change</p>	<p>Flat to Down</p> <p>Low Single Digit Percent</p>	<p>Flat to Up</p> <p>Low Single Digit Percent</p>	<p>-3% to +3%</p> <p>Previously -5% to +3%</p>
Operating Margin Target	<p>Flat to Up 30 bps</p> <p>Previously +/- 30 bps</p>	<p>+/- 30 bps</p>	<p>+/- 30 bps</p>	<p>~10%</p> <p>No Change</p>



2023 Outlook – Other Assumptions

Share Repurchases

\$200M+

Previously \$150M+

Quarterly Dividends

\$0.40 Per Share

Previously \$0.365 Per Share

Average Diluted Shares Outstanding

~71M

Previously ~71.5M

03

Wrap-Up Dave Foulkes, CEO



Exceptional Recognition

Record number of first quarter company, talent, and product awards



New Products, Synergies, and Innovation Differentiating Our Business

Commercialization of ACES strategy and cross-business synergies coming to life



MERCURY
AVATOR



Sea Ray
SLX 280



FREEDOM BOAT CLUB
Australia Expansion



MERCURY
400R V10



LOWRANCE
HDS Pro



BAYLINER
Element M19

THANK YOU

+

Q&A

Appendix



2023 Outlook – P&L and Cash Flow Assumptions

Working Capital Usage

~\$100M

No Change

Depreciation & Amortization¹

~\$190M

No Change

Effective Book Tax Rate- As Adjusted²

~23%

No Change

Acquisition Amortization

~\$55M

No Change

¹EXCLUDES PURCHASE ACCOUNTING AMORTIZATION FROM ACQUISITIONS.

²TAX PROVISION, AS ADJUSTED, EXCLUDES \$51.8 MILLION AND \$0.3 MILLION OF NET PROVISIONS FOR SPECIAL TAX ITEMS FOR Q1 2023 AND Q1 2022 PERIODS, RESPECTIVELY



2023 Outlook – Capital Strategy and Other Assumptions

**Capital
Expenditures**

~\$350M

No Change

Debt Retirement

~\$80M

No Change

**Net Interest
Expense**

~\$100M

No Change

**Foreign Currency
Earnings Headwind**

~\$35 - \$40M

No Change

**Combined Equity Earnings
and Other Income**

Slightly Higher
vs 2022

No Change

GAAP to Non-GAAP Reconciliations – Q1 2023

(in millions, except per share data)	Operating Earnings		Diluted Earnings per Share	
	Q1 2023	Q1 2022	Q1 2023	Q1 2022
GAAP	\$236.1	\$239.5	\$1.56	\$2.25
Restructuring, exit and impairment charges	9.5	—	0.10	—
Purchase accounting amortization	14.2	23.0	0.16	0.23
Acquisition, integration and IT related costs	2.6	5.0	0.03	0.05
Special tax items	—	—	0.72	—
As Adjusted	\$262.4	\$267.5	\$2.57	\$2.53
GAAP operating margin	13.5%	14.1%		
Adjusted operating margin	15.0%	15.8%		

Net Sales and Growth – Q1 2023

Net Sales increased by \$47.9 million, or 3 percent

**NET
SALES**
(in millions)

Segments	Q1 2023	Q1 2022	% Change
Propulsion	\$751.6	\$705.9	7%
Engine Parts & Accessories	288.6	330.3	(13%)
Navico Group	277.3	311.6	(11%)
Boat	575.2	492.8	17%
Segment Eliminations	(149.1)	(144.9)	
Total	\$1,743.6	\$1,695.7	3%

**SALES
GROWTH**

Region	Q1 2023 % of Sales	% Change	Constant Currency % Change
United States	68%	6%	6%
Europe	15%	(3%)	2%
Asia-Pacific	6%	(11%)	(7%)
Canada	6%	(7%)	(3%)
Rest-of-World	5%	18%	19%
Total International	32%	(3%)	1%
Consolidated		3%	4%

Net Sales Growth Drivers

**Q1 2023
VS. Q1
2022**

	% Change - GAAP	Currency Impact	Acquisitions Impact
Propulsion	7%	(2%)	-
Engine Parts & Accessories	(13%)	(1%)	-
Navico Group	(11%)	(2%)	-
Boat	17%	(1%)	3%
Brunswick	3%	(1%)	1%

Tax Rate

Q1 2023 Effective Tax Rate at ~47%

Quarter 1

	Q1 2023	Q1 2022
Effective Tax Rate - GAAP ¹	46.8%	21.1%
Effective Tax Rate - As Adjusted ²	22.5%	21.1%

¹INCREASE IN THE EFFECTIVE TAX RATE IS DUE TO THE DISCRETE INCOME TAX EXPENSE RECORDED IN CONNECTION WITH THE INTERCOMPANY SALE OF INTELLECTUAL PROPERTY RIGHTS DURING THE QUARTER

²TAX PROVISION, AS ADJUSTED, EXCLUDES \$51.8 MILLION AND \$0.3 MILLION OF NET PROVISIONS FOR SPECIAL TAX ITEMS FOR Q1 2023 AND Q1 2022 PERIODS, RESPECTIVELY

Free Cash Flow

(in millions)	Q1 2023	Q1 2022
Net cash (used for) operating activities from continuing operations	(\$14.5)	(\$140.9)
Net cash (used for) provided by:		
Capital expenditures	(93.5)	(100.9)
Proceeds from sale of property, plant, equipment	2.7	2.2
Effect of exchange rate changes	1.7	0.6
Free Cash Flow	(\$103.6)	(\$239.0)