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Brunswick Earnings Conference Call Q3, 2018

October 25, 2018

Brunswick Corporation - Earnings Release

Forward-Looking Statements

Certain statements in this presentation are forward-looking 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," "expect," "anticipate," "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: adverse general economic conditions, including reductions in consumer discretionary spending; our ability to implement our strategic plan and growth initiatives; the risk that strategic acquisitions or divestitures may not provide business benefits; the possibility that the proposed Fitness business separation will not be consummated within the anticipated time period or at all; our ability to integrate acquisitions, including the Global Marine & Mobile Business of Power Products; the potential for disruption to our business in connection with the Fitness business separation or Global Marine & Mobile Business of Power Products acquisition, making it more difficult to maintain business and operational relationships; the risk that unexpected costs will be incurred in connection with these transactions; the possibility that the expected synergies and value creation from these transactions will not be realized or will not be realized within the expected time period; changes to U.S. trade policy and tariffs; actual or anticipated increases in costs, disruptions of supply, or defects in raw materials, parts, or components we purchase from third parties, including as a result of new tariffs on raw materials; negative currency trends; fiscal policy concerns; adequate financing access for dealers and customers and our ability to access capital and credit markets; maintaining effective distribution; loss of key customers; inventory reductions by dealers, retailers, or independent boat builders; requirements for us to repurchase inventory; attracting and retaining skilled labor and implementing succession plans for key leadership; our ability to meet supply objectives; higher energy and fuel costs; our ability to protect our brands and intellectual property; absorbing fixed costs in production; managing expansion or consolidation of manufacturing facilities; outages or breaches of technology systems, which could result in lost or stolen information and associated remediation costs; our ability to meet pension funding obligations; managing our share repurchases; competitive pricing pressures; our ability to develop new and innovative products and services at a competitive price, in legal compliance with existing rules; maintaining product quality and service standards; product liability, warranty, and other claims risks; legal and regulatory compliance, including increased costs, fines, and reputational risks; changes in income tax legislation or enforcement; having to record an impairment to the value of goodwill and other assets; certain divisive shareholder activist actions; international business risks; and weather and catastrophic event risks.

Additional risk factors are included in the Company's Annual Report on Form 10-K for 2017 and the Quarterly Reports on Form 10-Q for subsequent periods. 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 or for changes by wire services or Internet service providers.

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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 (including those that are non-GAAP financial 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 the Power Products acquisition.

For additional information and reconciliations of GAAP to non-GAAP measures, please see Brunswick's Current Report on Form 8-K issued on October 25, 2018, 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 pension settlement charges, restructuring, exit, integration, and impairment costs, special tax items, costs related to the planned Fitness business separation, acquisition-related costs, and certain other unusual adjustments.

For purposes of comparison, 2018 net sales growth is also shown using 2017 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.

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Presentation of Sea Ray Sport Yacht and Yacht Results

- As a result of the June 25, 2018 announcement regarding Sea Ray, the results of the entire Sea Ray business are again being reported in continuing operations for GAAP purposes, which matches the basis of reporting used in comparable 2017 periods. However, as adjusted, non-GAAP results exclude the Sea Ray Sport Yacht and Yacht operations that are being wound down. Therefore, for all periods presented in this release, all figures and outlook statements incorporate these changes unless otherwise noted. For more information, please see the Form 8-K dated July 19, 2018, which includes metrics on a GAAP and as adjusted basis reflecting these changes.

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Mark Schwabero – Chairman and Chief Executive Officer

Bill Metzger – Chief Financial Officer

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Overview of Third Quarter 2018

- Global marine market remained steady as we concluded the primary retail selling season
- Outstanding execution of marine strategy leads to extremely strong financial results
 - Combined marine business with 18 percent adjusted¹ top-line growth and 160 bps of adjusted operating margin expansion vs. Q3 2017
 - Unprecedented levels of demand for new Mercury outboard engines
 - Power Products integration proceeding as planned
 - Strong revenue growth and margin expansion in Boat Group
- Fitness performance -- solid top-line growth and sequential gross margin weakness
- Successful execution of capital strategy

¹See the Appendix to this presentation and today's Form 8-K for reconciliations to GAAP figures.

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Overview of Third Quarter 2018

On an adjusted¹ basis:

- Diluted EPS of \$1.28 is up 30.6 percent over Q3 2017
- Revenue increased by 15.1 percent, up 11.7 percent ex-acquisitions
- Operating margin of 11.9 percent, up 20 bps
 - Combined marine business margins up 160 bps
- Operating earnings up 17.2 percent
 - Marine business operating earnings increased 31.3 percent
 - YTD marine business operating earnings up 12.7 percent vs. YTD 2017
- Effective tax rate of 21.0 percent vs. 29.9 percent in Q3 2017

¹See the Appendix to this presentation and today's Form 8-K for reconciliations to GAAP figures.

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U.S. Powerboat Industry - Percentage Change in Retail Units

	Q1-18	Q2-18	Q3-18	YTD-18	YTD-17
AL – Fish	2%	6%	8%	6%	4%
AL - Pontoon	4%	2%	11%	5%	7%
FG - Saltwater (<23 ft)	(9)%	(4)%	(5)%	(6)%	0%
FG - Saltwater (>23 ft)	12%	1%	10%	7%	13%
FG - Freshwater	10%	3%	6%	6%	7%
Outboard Boats ⁽¹⁾	3%	3%	7%	4%	6%
FG – SD/IB (14-30 ft.)	(14)%	(7)%	3%	(6)%	(5)%
FG – SD/IB (31-40 ft.)	(3)%	(14)%	(2)%	(8)%	(7)%
FG – SD/IB (41-65 ft.)	9%	(22)%	24%	0%	(9)%
FG SD/IB Boats	(11)%	(8)%	3%	(6)%	(5)%
Main Powerboat Segments	2%	2%	7%	3%	5%
Total Industry (NMMA) ⁽²⁾	1%	1%	6%	2%	6%
Outboard Engines (NMMA)	(3)%	8%	3%	3%	5%

Year-to-date industry unit volume for the main powerboat segments is up 3 percent

Source: NMMA Statistical Surveys, Inc.: 2017 data is final and 2018 preliminary data is based on 98% of Q1 and Q2, 92% of July, 84% of Aug. and 51% of Sept. market reporting; Coast Guard data updated through 9/2018.

1) For the full-year 2017, outboard powered boats represented 92% of the total units.

2) Total Industry (NMMA) also includes fiberglass and aluminum lengths outside the ranges stated above, as well as ski boats, but excludes house and jet boats.

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Review of Brunswick Boat segment retail unit sales metrics¹

	Retail Boat (units) Growth Rates	
	U.S.	Global
Q3 2018	(8)%	(3)%
Q3 2018 ex-Lowe²	(2)%	1%
Q3 2017	9%	4%
YTD 2018	(1)%	0%
YTD 2018 ex-Lowe	3%	3%
YTD 2017	4%	3%
FY 2017	6%	5%
FY 2016	8%	3%

YTD retail growth rates are 3 percent for both the U.S. and globally excluding the results of Lowe (Cabela's impact), which is generally in line with industry growth rates

¹ Growth rates determined through internal US retail unit boat registrations.

² Figures shown excluding the results of the Lowe boat brand as unit sales comparisons are negatively affected by Bass Pro's acquisition of Cabela's, which was a meaningful channel for Lowe up through Q3 2017.

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Year-to-date Revenue By Region - Marine segments

Region	YTD 2018 vs. 2017 Growth Rates ¹	2017 Mix ²
U.S.	10%	70%
Europe	3%	12%
Canada	7%	7%
Asia-Pacific	2%	7%
Rest-of-World	(0%)	4%
Total	8%	100%

YTD global revenue in our combined marine segments grew 11 percent, with 8 percent growth on a constant currency, ex-acquisitions basis

¹On a constant currency basis, excluding acquisitions and Sea Ray Sport Yacht and Yachts.

²Mix for the full-year 2017, on a constant currency basis, excluding acquisitions and Sea Ray Sport Yacht and Yachts.

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Year-to-date Revenue By Region - Fitness segment

Region	YTD 2018 vs. 2017 Growth Rates ¹	2017 Mix ²
U.S.	(1)%	54%
Europe	6%	18%
Asia-Pacific	8%	15%
Canada	(1)%	3%
Rest-of-World	3%	10%
Total	2%	100%

YTD global revenue in our Fitness segment grew by 3 percent,
with 2 percent growth on a constant currency basis

¹On a constant currency basis.

²Mix for the full-year 2017, on a constant currency basis.

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Mark Schwabero – Chairman and Chief Executive Officer

Bill Metzger – Chief Financial Officer

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Q3 Adjusted¹ Net Sales increased by \$168.8 million, or 15.1%

Third Quarter 2018 vs. Third Quarter 2017

Sales Growth Drivers

	Engine	Boat	Marine	Fitness	Brunswick
Organic (constant currency)	15 %	9 %	15 %	5%	13 %
Acquisitions	6 %	—	4 %	—	3 %
Currency	(1)%	—	(1)%	—	(1)%
2018 Adjusted Net Sales	20 %	9 %	18 %	5%	15 %

Sales Growth by Region

	Engine	Boat	Marine	Fitness	Brunswick
US	22 %	15 %	22 %	2%	19 %
International	14 %	(12)%	8 %	7%	8 %
Constant Currency	21 %	9 %	19 %	5%	16 %

¹Excludes net sales related to Sea Ray Sport Yacht and Yacht operations, see Appendix to this presentation and today's Form 8-K for reconciliation to GAAP figures and for information on marine eliminations.

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YTD Adjusted¹ Net Sales increased by \$325.8 million, or 9.2%

Year-to-date 2018 vs. Year-to-date 2017

Sales Growth Drivers

	Engine	Boat	Marine	Fitness	Brunswick
Organic (constant currency)	9%	5%	8%	2 %	7%
Acquisitions	3%	—	2%	—	1%
Currency	—	1%	1%	1 %	1%
2018 Adjusted Net Sales	12%	6%	11%	3 %	9%

Sales Growth by Region

	Engine	Boat	Marine	Fitness	Brunswick
US	13%	6%	11%	(1)%	9%
International	11%	5%	9%	7 %	9%
Constant Currency	12%	5%	10%	2 %	8%

¹Excludes net sales related to Sea Ray Sport Yacht and Yacht operations, see Appendix to this presentation and today's Form 8-K for reconciliation to GAAP figures and for information on marine eliminations.

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Marine Business Adjusted Gross Margins¹ Improving

	Adjusted Gross Margin Percentage			
	Q3 2018	Q3 2017	YTD 2018	YTD 2017
Total Marine	28.1%	27.4%	27.0%	27.1%
Fitness	26.2%	32.5%	27.1%	31.6%
Total Brunswick	27.8%	28.5%	27.1%	28.0%

Marine business adjusted gross margin percentage expanded by 70 basis points in Q3

¹See the Appendix to this presentation and today's Form 8-K for reconciliations to GAAP figures.

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Q3 Adjusted Operating Earnings increased by \$22.5 million, or 17%

Segment (\$'s in millions)	Operating Earnings		
	Three Months Ended		
	Sept. 29 2018	Sept. 30 2017	Change
Marine Engine	\$ 148.0	\$ 115.2	\$ 32.8
Boat	16.3	9.9	6.4
Total Marine	164.3	125.1	39.2
Fitness	11.9	26.2	(14.3)
Corp/Other	(22.9)	(20.5)	(2.4)
Adjusted operating earnings	153.3	130.8	22.5
Restructuring, exit, integration and impairment charges	(17.7)	(6.8)	(10.9)
Sport yacht & yacht operations	(11.9)	(9.8)	(2.1)
Acquisition-related costs	(10.5)	—	(10.5)
Purchase accounting amortization	(9.4)	—	(9.4)
Separation costs	(8.7)	—	(8.7)
Other non-recurring charges - Fitness	(3.8)	—	(3.8)
GAAP operating earnings	\$ 91.3	\$ 114.2	\$ (22.9)
Operating margin - excluding charges	11.9%	11.7%	20 bps
Operating margin - including charges	7.0%	10.0%	(300) bps

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YTD Adjusted Operating Earnings increased by \$21.9 million, or 5%

Segment (\$'s in millions)	Operating Earnings Nine Months Ended		
	Sept. 29 2018	Sept. 30 2017	Change
Marine Engine	\$ 395.3	\$ 352.1	\$ 43.2
Boat	70.1	60.8	9.3
Total Marine	465.4	412.9	52.5
Fitness	40.6	69.9	(29.3)
Corp/Other	(58.5)	(57.2)	(1.3)
Adjusted operating earnings	447.5	425.6	21.9
Restructuring, exit, integration and impairment charges	(56.3)	(27.7)	(28.6)
Sport yacht & yacht operations	(47.4)	(21.2)	(26.2)
Acquisition-related costs	(13.0)	—	(13.0)
Separation costs	(12.9)	—	(12.9)
Purchase accounting amortization	(9.4)	—	(9.4)
Other non-recurring charges - Fitness	(5.4)	—	(5.4)
GAAP operating earnings	\$ 303.1	\$ 376.7	\$ (73.6)
Operating margin - excluding charges	11.6%	12.0%	(40) bps
Operating margin - including charges	7.8%	10.3%	(250) bps

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Marine Engine segment - Q3 sales



Q3 2018 revenue by region: U.S. 71%, Europe 11%, Asia-Pacific 8%, Canada 6%, Rest-of-World 4%

	Q3 - 2018	GAAP	Ex-Acq.
Product Category	% of Sales	% Change	% Change
Propulsion	49%	24%	24%
P&A Businesses	51%	16%	5%
Total	100%	20%	14%

- Strong growth in both propulsion, driven by outboard engines, and the parts and accessories businesses
- Acquisitions, led by Power Products, contributed approximately 6 percent to the segment's sales growth rate

Sales for the third quarter increased by 20 percent, with a 6 percent benefit from acquisitions

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Factors affecting Marine Engine segment's Q3 operating earnings¹



Key Factors

- Higher sales
- Favorable impact from changes in sales mix, including benefits from new products
- Power Products acquisition

Q3 adjusted operating margin of 18.4 percent; on GAAP basis, 16.0 percent

¹As adjusted, excluding acquisition-related costs and purchase accounting amortization; see the Appendix to this presentation and today's Form 8-K for reconciliations to GAAP figures.

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Boat segment - Q3 sales¹



Q3 2018 revenue by region: U.S. 82%, Europe 7%, Canada 6%, Asia-Pacific 3%, Rest-of-World 2%

Product Category	Q3 - 2018	% Change
	% of Sales	
Aluminum Freshwater	42%	2%
Recreational Fiberglass	30%	2%
Saltwater Fishing	28%	32%
Total	100%	9%

- Robust top-line growth for the saltwater fishing category
- Strong sales growth for Sea Ray Sport Boats and Cruisers
- Solid growth in pontoons and Lund
- Exports to Canada and Europe affected by tariffs

Adjusted sales for the third quarter increased by 8.9 percent

¹ As adjusted, excludes net sales related to Sea Ray Sport Yacht and Yacht operations; see Appendix to this presentation and today's Form 8-K for reconciliation to GAAP figures.

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Review of Brunswick Boat segment sales metrics versus prior year

	Q3 18 ¹		YTD 2018	
	Global	U.S.	Global	U.S.
Wholesale (units)	(6)%	(2)%	(4)%	(4)%
Net Sales (dollars)	9%	15%	5%	6%

	Q3 17		YTD 2017	
	Global	U.S.	Global	U.S.
Wholesale (units)	6%	8%	7%	8%

Increases in average selling prices continue to augment top-line growth

¹Growth in constant currency, all figures exclude the Sea Ray Sport Yacht and Yacht operations.

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Review of Brunswick Boat segment pipeline metrics

Pipeline Levels	Ending Weeks on Hand	Change Versus Prior Year	% Change in Wholesale Units	% Change in Retail Units
YTD 15	27.0	Flat	4%	4%
YTD 16	26.4	-0.6 weeks	2%	4%
YTD 17	27.4	+1 week	7%	3%
YTD 18	27.5	+0.1 weeks	(4)%	0%
FY 15	35.2	No change	2%	3%
FY 16	35.4	+0.2 weeks	3%	3%
FY 17	35.8	+0.4 weeks	7%	5%
FY 2018	Slight decrease vs. FY 2017		Consistent with YTD results	

Pipelines are well-positioned at this point in the marine retail selling season

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Factors affecting Boat segment's Q3 operating earnings¹



Key Factors

- Higher sales
- Favorable impact from changes in product mix

Q3 adjusted operating margin of 5.2 percent; on GAAP basis, (1.5) percent

¹As adjusted, excluding restructuring, exit, integration, and impairment charges, and Sea Ray Sport Yacht and Yacht operations; see the Appendix to this presentation and today's Form 8-K for reconciliations to GAAP figures.

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Fitness segment - Q3 sales



Product Category	Q3 - 2018	
	% of Sales	% Change
Commercial Cardio	58%	2%
Commercial Strength	36%	14%
Consumer Fitness	6%	(17)%
Total	100%	5%

- Continued strong sales growth in global commercial strength category
- Slight increase in commercial cardio sales

Q3 2018 revenue by region: U.S. 52%, Europe 18%, Asia-Pacific 18%, Canada 3%, Rest-of-World 9%

Sales for the third quarter increased by 4.6 percent

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Factors affecting Fitness segment's Q3 operating earnings¹



Key Factors

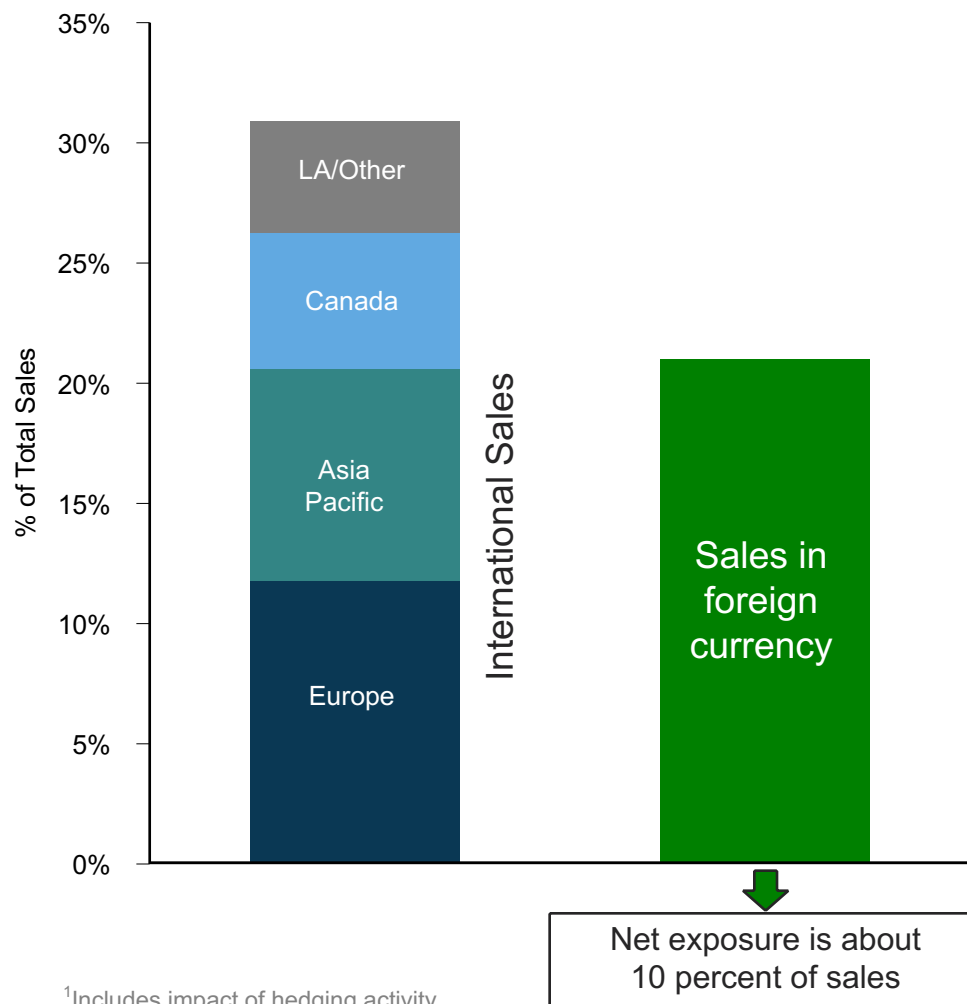
- Higher sales
- Lower margins reflecting several factors including:
 - Higher freight costs
 - Unfavorable impact from changes in sales mix
 - Inventory cost adjustments
 - Cost inflation and inefficiencies

Q3 adjusted operating margin of 4.7 percent; on GAAP basis, (0.1) percent;
Sequential gross margin weakness

¹As adjusted, excluding restructuring, exit, integration, and impairment charges, and other non-recurring charges; see the Appendix to this presentation and today's Form 8-K for reconciliations to GAAP figures.

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Review of foreign currency impact¹



¹Includes impact of hedging activity.

²Estimates for the full-year assume that rates remain consistent with current rates.

Q3 2018:

- Unfavorable impact on sales of approximately 1 percent
- Unfavorable impact on operating earnings of approximately \$6 million

Outlook for Full-Year 2018:

- Favorable impact on consolidated sales of less than 1 percent
- Minimal impact on operating earnings² (unfavorable vs. previous guidance)

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Other factors affecting GAAP pre-tax earnings

\$ in millions	Q3		Year-to-date	
	2018	2017	2018	2017
Restructuring, exit, integration and impairment charges ¹	\$ 17.7	\$ 6.8	\$ 56.3	\$ 27.7
Acquisition-related costs	15.6	—	18.1	—
Sport Yacht & Yacht operations	11.9	9.8	47.4	21.2
Purchase accounting amortization	9.4	—	9.4	—
Separation costs	8.7	—	12.9	—
Other non-recurring charges - Fitness	3.8	—	5.4	—
Total	\$ 67.1	\$ 16.6	\$ 149.5	\$ 48.9

¹ Restructuring, exit, integration and impairment charges for the three months ended September 29, 2018 consist of \$9.4 million of charges within the Boat segment and \$8.3 million of charges within the Fitness segment. Restructuring, exit, integration and impairment charges for the three months ended September 30, 2017 consist of \$6.8 million of charges within the Fitness segment.

Restructuring, exit, integration and impairment charges for the nine months ended September 29, 2018 consist of \$45.5 million of charges within the Boat segment, \$10.1 million of charges within the Fitness segment and \$0.7 million of charges within Corporate/Other. For the nine months ended September 30, 2017, Restructuring, exit, integration and impairment charges consist of \$13.7 million of charges within the Fitness segment, \$11.6 million of charges within the Boat segment and \$2.4 million of charges within Corporate/Other.

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Tax Provision

	Q3		Year-to-date	
	2018	2017	2018	2017
Effective tax rate - GAAP	6.5%	27.5%	18.7%	27.3%
Effective tax rate, as adjusted ⁽¹⁾	21.0%	29.9%	20.9%	28.1%

Estimated full-year 2018 effective book tax rate, as adjusted, is approximately 21 percent based on tax guidance issued to date; cash tax rate expected to be in the low-single digit percent range

¹Tax provision, as adjusted, excludes a \$10.4 million net benefit and a \$0.7 million net benefit for special tax items for Q3 2018 and 2017 periods, respectively, and excludes a \$4.7 million net benefit and a \$1.4 million net benefit for special tax items for the first nine months of 2018 and 2017, respectively.

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Free Cash Flow

(\$'s in millions)	Nine Months Ended	
	2018	2017
Net cash provided by operating activities	\$ 234.0	\$ 255.1
Net cash provided by (used for):		
Plus: Capital expenditures	(124.8)	(153.4)
Plus: Proceeds from sale of property, plant and equipment	6.5	8.0
Plus: Effect of exchange rate changes	(3.6)	9.0
Less: Cash paid for Fitness business separation costs, net of tax	(4.7)	—
Less: Cash impact of Sport Yacht & Yacht operations, net of tax	(32.3)	(19.9)
Free cash flow	\$ 149.1	\$ 138.6

YTD free cash flow improved versus YTD 2017

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2018 Outlook - P&L

	2018 Estimate	Change from Prior Conference Call
Depreciation and amortization ¹	~\$145 - \$150 million	Higher
Combined equity earnings and other income (excluding pension expense)	~\$5 - \$10 million	No Change
Pension expense	~\$8 million	No Change
Net interest expense	~\$40 - \$45 million	No Change
Effective book tax rate ²	Approximately 21.0 percent	Slightly Lower
Average diluted shares outstanding	~88.2 million	No Change

¹Including the impact of approximately \$22 million of purchase accounting amortization related to the acquisition of Power Products, excludes Sea Ray Sport Yacht and Yacht operations.

²As adjusted to exclude the net impact of special tax items.

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2018 Outlook: Cash Flow Assumptions

	2018 Estimate	Change from Prior Conference Call Estimate
Free cash flow ¹	Exceeding \$220 million	Higher
Free cash flow ex-pensions ²	Exceeding \$320 million	Higher
Capital expenditures	~\$200 - \$220 million	Lower
Working capital usage	~\$10 - \$30 million	Lower
Pension cash contributions	~\$160 million	No Change
Cash taxes	Low-single digit percentage	No Change
Share repurchases	~\$75 million	No Change
Quarterly dividends	Increased to \$0.21 per share	Higher

¹Excluding the after-tax impacts associated with Sea Ray Sport Yacht and Yacht operations and wind down and the planned Fitness business separation.

²Excluding the after tax impacts associated with Sea Ray Sport Yacht and Yacht operations and wind down and the planned Fitness business separation, along with the after-tax impacts of all pension contributions (using 35% 2017 federal tax rate).

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Mark Schwabero – Chairman and Chief Executive Officer

Bill Metzger – Chief Financial Officer

Outlook for Brunswick - Full-Year 2018

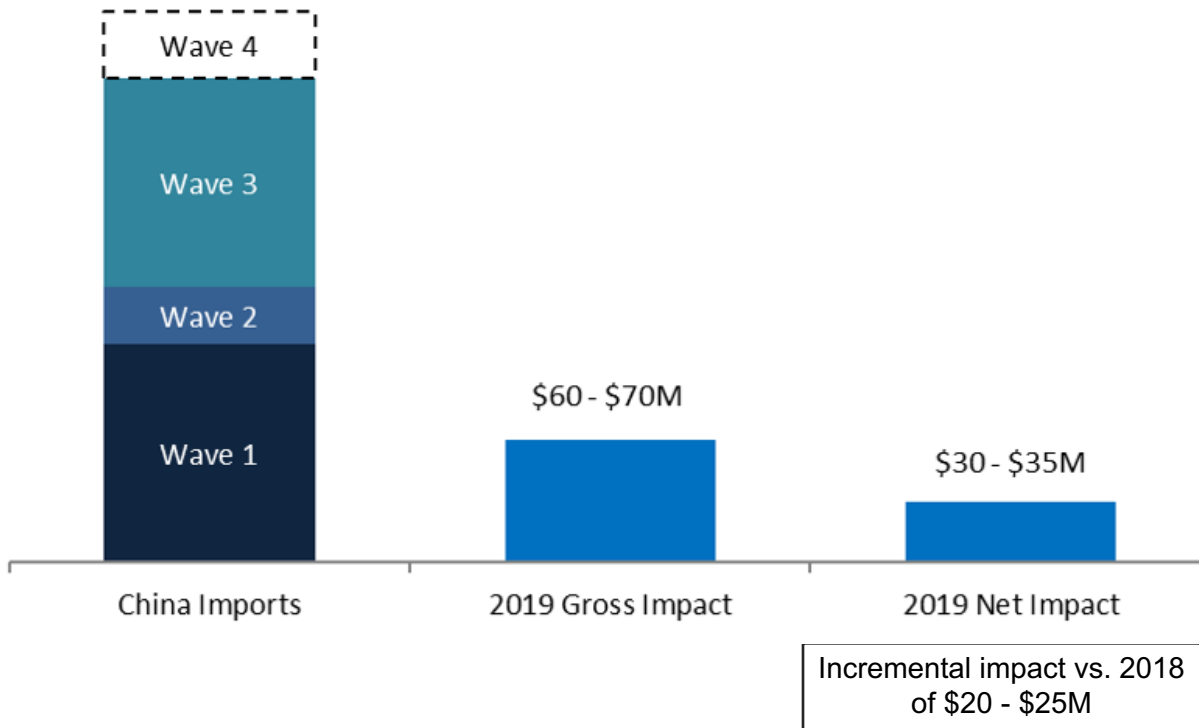
2018 Financial Targets¹

- Diluted EPS, as adjusted, guidance range increased and narrowed to \$4.65 - \$4.70
- Revenue growth of approximately 9 percent
- Solid improvement in marine business adjusted gross and operating margins
- Operating expenses, as a percentage of sales, to be comparable to 2018 YTD levels
- Operating leverage
 - Marine business - high-teens percentage
 - Consolidated - high-single digit percentage

¹ Excludes impact of purchase accounting amortization the for Power Products acquisition; excludes Sea Ray Sport Yacht and Yacht operations.

Updated Tariff Impact

Estimated Tariff Impact¹



- No change in 2018 estimate of \$10 to \$15 million of net impact
- Applied for exemption on 40 - 60 horsepower engines (Wave 1)
- Wave 3 tariffs to move from 10% to 25% on January 1, 2019
- Continue to evaluate estimated net impact and additional mitigation options
- Retaliatory tariffs on boat exports into Canada and EU assumed to be lifted, benefit offset by likely higher commodity costs

¹Preliminary estimates as of October 25, 2018, subject to change; 2019 impacts do not include potential Wave 4 of China tariffs

Marine Engine Segment

Strong Revenue Growth and Solid Margin Improvement



2018 Financial Targets

- Revenue growth of approximately 14 percent, with acquisitions contributing 4 percent to the growth rate
- 30-50 bps improvement in operating margins

Boat Group Segment

Solid Revenue Growth and Margin Improvement



2018 Financial Targets

- Revenue growth slightly below YTD rates
- Solid improvement in operating margins

Fitness Segment

Stable Revenue with Consistent Gross Margins



2018 Financial Targets

- Revenue consistent with 2017 levels
- Gross margin percentage consistent with YTD performance

Fitness Segment - Separation Update



Recent Initiatives/Updates

- Reaffirm commitment to separate Fitness business from portfolio in timely fashion
- Creation of Management Board consisting of two Brunswick directors to directly oversee Fitness management team and completion of separation
- Evaluating full range of separation outcomes to maximize shareholder returns
- Form 10 to be filed in the first half of November



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Appendix

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GAAP to Non-GAAP Reconciliations

	QTD		YTD	
	Q3 2018	Q3 2017	Q3 2018	Q3 2017
(in millions, except per share data)				
Net sales	\$ 1,298.0	\$ 1,141.5	\$ 3,910.3	\$ 3,653.8
Sport Yacht & Yacht operations	(9.0)	(21.3)	(44.0)	(113.3)
Net sales, as adjusted	\$ 1,289.0	\$ 1,120.2	\$ 3,866.3	\$ 3,540.5
Gross margin - Consolidated Brunswick	\$ 344.9	\$ 314.4	\$ 1,004.6	\$ 985.5
Sport Yacht & Yacht operations	8.2	5.0	35.1	6.5
Purchase accounting amortization	4.6	—	4.6	—
Other non-recurring charges - Fitness	—	—	1.6	—
Gross margin, as adjusted	\$ 357.7	\$ 319.4	\$ 1,045.9	\$ 992.0
Gross margin percentage	26.6%	27.5%	25.7%	27.0%
Gross margin percentage, as adjusted	27.8%	28.5%	27.1%	28.0%
Gross margin - Marine segments	\$ 278.4	\$ 235.5	\$ 802.6	\$ 755.1
Purchase accounting amortization	4.6	—	4.6	—
Sport Yacht & Yacht operations	8.2	5.0	35.1	6.5
Gross margin, as adjusted	\$ 291.2	\$ 240.5	\$ 842.3	\$ 761.6
Gross margin - Fitness segment	\$ 66.5	\$ 78.9	\$ 202.0	\$ 230.4
Other non-recurring charges - Fitness	—	—	1.6	—
Gross margin, as adjusted	\$ 66.5	\$ 78.9	\$ 203.6	\$ 230.4
Operating earnings	\$ 91.3	\$ 114.2	\$ 303.1	\$ 376.7
Restructuring, exit, integration and impairment charges	17.7	6.8	56.3	27.7
Sport Yacht & Yacht operations	11.9	9.8	47.4	21.2
Acquisition-related costs	10.5	—	13.0	—
Purchase accounting amortization	9.4	—	9.4	—
Separation costs	8.7	—	12.9	—
Other non-recurring charges - Fitness	3.8	—	5.4	—
Operating earnings, as adjusted	\$ 153.3	\$ 130.8	\$ 447.5	\$ 425.6
Operating margin percentage	7.0%	10.0%	7.8%	10.3%
Operating margin percentage, as adjusted	11.9%	11.7%	11.6%	12.0%

Brunswick Corporation - Earnings Release

GAAP to Non-GAAP Reconciliations (continued)

	QTD		YTD	
	Q3 2018	Q3 2017	Q3 2018	Q3 2017
(in millions, except per share data)				
Earnings before income taxes	\$ 74.9	\$ 109.0	\$ 273.0	\$ 362.4
Restructuring, exit, integration and impairment charges	17.7	6.8	56.3	27.7
Acquisition-related costs	15.6	—	18.1	—
Sport Yacht & Yacht operations	11.9	9.8	47.4	21.2
Purchase accounting amortization	9.4	—	9.4	—
Separation costs	8.7	—	12.9	—
Other non-recurring charges - Fitness	3.8	—	5.4	—
Adjusted pretax earnings	\$ 142.0	\$ 125.6	\$ 422.5	\$ 411.3
Net earnings	\$ 70.0	\$ 79.0	\$ 221.9	\$ 263.3
Restructuring, exit, integration and impairment charges	13.2	3.7	43.3	20.6
Acquisition-related costs	12.0	—	14.0	—
Sport Yacht & Yacht operations	9.8	6.1	37.5	13.3
Separation costs	7.5	—	10.8	—
Purchase accounting amortization	7.2	—	7.2	—
Other non-recurring charges - Fitness	2.9	—	4.1	—
Special tax items	(10.4)	(0.7)	(4.7)	(1.4)
Net earnings, as adjusted	\$ 112.2	\$ 88.1	\$ 334.1	\$ 295.8
Diluted earnings (loss) per share	\$ 0.80	\$ 0.88	\$ 2.51	\$ 2.91
Restructuring, exit, integration and impairment charges	0.15	0.04	0.51	0.22
Acquisition-related costs	0.14	—	0.16	—
Sport Yacht & Yacht operations	0.11	0.07	0.42	0.15
Separation costs	0.09	—	0.12	—
Purchase accounting amortization	0.08	—	0.08	—
Other non-recurring charges - Fitness	0.03	—	0.04	—
Special tax items	(0.12)	(0.01)	(0.05)	(0.01)
Diluted earnings per share, as adjusted	\$ 1.28	\$ 0.98	\$ 3.79	\$ 3.27

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Q3 Adjusted¹ Net Sales increased by \$168.8 million, or 15.1%

Segments (in millions)	Net Sales - GAAP			Net Sales - As Adjusted ¹		
	Q3 2018	Q3 2017	% Change	Q3 2018	Q3 2017	% Change
Marine Engine	\$ 802.7	\$ 669.2	19.9%	\$ 802.7	\$ 669.2	19.9%
Boat	322.6	309.3	4.3%	313.6	288.0	8.9%
Marine eliminations	(81.3)	(79.8)		(81.3)	(79.8)	
Total Marine	1,044.0	898.7	16.2%	1,035.0	877.4	18.0%
Fitness	254.0	242.8	4.6%	254.0	242.8	4.6%
Total	\$ 1,298.0	\$ 1,141.5	13.7%	\$ 1,289.0	\$ 1,120.2	15.1%

Region	Sales Growth			Sales Growth		
	Q3 2018 % of Sales	% Change	Constant Currency	Q3 2018 % of Sales	% Change	Constant Currency
United States	69%	17%	17%	69%	19%	19%
Europe	12%	15%	16%	12%	15%	16%
Asia-Pacific	9%	12%	15%	9%	13%	16%
Canada	6%	(6)%	(3)%	6%	(3)%	(1)%
Rest-of-World	4%	(3)%	3%	4%	(4)%	2%
Total International	31%	7%	10%	31%	8%	11%
Consolidated		14%	15%		15%	16%

¹Excludes net sales related to Sea Ray Sport Yacht and Yacht operations.

Brunswick Corporation - Earnings Release

YTD Adjusted¹ Net Sales increased by \$325.8 million, or 9.2%

Segments (in millions)	Net Sales - GAAP			Net Sales - As Adjusted ¹		
	Q3 2018 YTD	Q3 2017 YTD	% Change	Q3 2018 YTD	Q3 2017 YTD	% Change
Marine Engine	\$ 2,324.1	\$ 2,067.2	12.4%	\$ 2,324.1	\$ 2,067.2	12.4%
Boat	1,094.0	1,104.1	(0.9)%	1,050.0	990.8	6.0%
Marine eliminations	(258.4)	(246.4)		(258.4)	(246.4)	
Total Marine	3,159.7	2,924.9	8.0%	3,115.7	2,811.6	10.8%
Fitness	750.6	728.9	3.0%	750.6	728.9	3.0%
Total	\$ 3,910.3	\$ 3,653.8	7.0%	\$ 3,866.3	\$ 3,540.5	9.2%

Region	Sales Growth			Sales Growth		
	Q3 2018 YTD % of Sales	% Change	Constant Currency	Q3 2018 YTD % of Sales	% Change	Constant Currency
United States	67%	7%	7%	67%	9%	9%
Europe	14%	16%	10%	14%	16%	10%
Asia-Pacific	8%	5%	5%	8%	5%	5%
Canada	6%	3%	2%	6%	7%	7%
Rest-of-World	5%	(2)%	2%	5%	(2)%	1%
Total International	33%	8%	6%	33%	9%	7%
Consolidated		7%	6%		9%	8%

¹Excludes net sales related to Sea Ray Sport Yacht and Yacht operations.