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Brunswick Earnings Conference Call Q4, 2016

January 26, 2017

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," "intend," "target," "plan," "seek," "estimate," "believe," "predict," "outlook" and similar expressions are intended to identify forward-looking statements. Such 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; negative currency trends; our ability to make targeted acquisitions and successfully integrate acquisitions; successfully implementing our strategic plan and growth initiatives; adequate financing access for dealers and customers and our ability to access capital and credit markets; our relationships with dealers, distributors and independent boat builders; managing distribution channels and pipeline inventories; credit and collections risks; retaining key customers and critical suppliers; protecting our brands and intellectual property; absorbing fixed costs in production and managing expansion of our manufacturing footprint; meeting supply objectives; meeting pension funding obligations; managing our share repurchases; higher energy and fuel costs; competitive pricing pressures; developing new and innovative products at a competitive price, in legal compliance; maintaining product quality and service standards; legacy information technology systems; risks of technology breaches or attacks; competitor activity; product liability, warranty and other claims risks; responding to government reforms and legislative developments; having to record an impairment to the value of goodwill and other assets; international business risks; attracting and retaining key contributors; weather and catastrophic event risks.

Additional risk factors are included in the Company's Annual Report on Form 10-K for 2015. 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. For additional information, please see Brunswick's Current Report on Form 8-K issued on January 26, 2017, which is available at www.brunswick.com.

For purposes of comparison, 2016 net sales growth is also shown using 2015 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.

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 and integration costs, special tax items and certain other unusual adjustments.

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Mark Schwabero – Chairman and Chief Executive Officer

Bill Metzger – Chief Financial Officer

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Overview of 2016

- Revenue increased 9 percent -- on a constant currency basis¹, sales increased by 10 percent. Strong growth in fitness, fiberglass outboard boats and marine parts & accessories as well as solid growth in aluminum boats, outboard engines and fiberglass sterndrive/inboard boats
- Gross margin of 27.3 percent
- Operating expenses increased by 8 percent²
- Adjusted operating earnings² increased by 13 percent compared to prior year, with operating margins up 30 basis points
- Adjusted pretax earnings² increased by 12 percent
- Diluted EPS, as adjusted², of \$3.48, up \$0.55, or 19 percent
- Full-year free cash flow of \$234 million reflected an improvement of \$41 million versus prior year

¹For purposes of comparison, 2016 net sales growth is also shown using 2015 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.

²Excludes pension settlement, restructuring, integration and impairment charges, as well as special tax items, as applicable.

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U.S. Powerboat Industry – Percentage Change in Units

| | Q1-16 | Q2-16 | Q3 - 16 | Q4 - 16 | 2016 |
|--------------------------------|-------|-------|---------|---------|------|
| AL – Fish | 12% | 1% | -0% | 3% | 3% |
| AL - Pontoon | 24% | 10% | 3% | -1% | 9% |
| FG - Outboard | 11% | 6% | 2% | -2% | 5% |
| Outboard Boats | 14% | 6% | 2% | 0% | 6% |
| FG – SD/IB (14-30 ft.) | 9% | -3% | -11% | -13% | -4% |
| FG – SD/IB (31-40 ft.) | -3% | 7% | 12% | 20% | 8% |
| FG – SD/IB (41-65 ft.) | 27% | -2% | -2% | -6% | 3% |
| FG SD/IB Boats | 9% | -2% | -9% | -6% | -3% |
| Main Powerboat Segments | 14% | 5% | 1% | -1% | 5% |
| Total Industry (NMMA) | 14% | 4% | 0% | -1% | 4% |

2016 preliminary U.S. total industry (NMMA) shipments increased 4.4 percent versus 2015

Source: Statistical Surveys, Inc.: 2016 preliminary data is based on 97% of Jan. – Sept., 96% of October, 75% of Nov. and 58% of Dec. market reporting; Coast Guard data updated through 12/2016.

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

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2016 Revenue By Region – Marine Segments

| Region | 2016 vs. 2015 Growth Rates* | 2016 Mix** |
|----------------------|-----------------------------|------------|
| U.S. | +7% | 71% |
| Europe | +12% | 11% |
| Canada | +0% | 7% |
| Asia Pacific | +5% | 7% |
| Latin America | -22% | 3% |
| Africa & Middle East | -27% | 1% |
| Total | +5% | 100% |

Global revenue in our combined marine segments experienced 5 percent* gains - - outperforming the global market

*On a constant currency basis, excluding acquisitions.

**On a constant currency basis.

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2016 Revenue By Region – Fitness Segment

| Region | 2016 vs. 2015 Growth Rates* | 2016 Mix** |
|----------------------|-----------------------------|------------|
| U.S. | +4% | 55% |
| Europe | +9% | 19% |
| Asia Pacific | +15% | 13% |
| Latin America | -5% | 5% |
| Africa & Middle East | -2% | 4% |
| Canada | -3% | 4% |
| Total | +5% | 100% |

Global revenue in our fitness segment experienced 5 percent* growth

*On a constant currency basis, excluding acquisitions.

**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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Net Sales increased by \$382.8 million, or 9%

| Segment (\$'s in millions) | Net Sales | | | | Acquisition Contribution |
|----------------------------|---------------------|--------------|-------------------|-------------------|-----------------------------|
| | Twelve Months Ended | | | | |
| | December 31, | December 31, | % Change | | |
| | 2016 | 2015 | GAAP ¹ | Constant Currency | |
| Marine Engine | \$ 2,441.1 | \$ 2,314.3 | 5 % | 6 % | 1 % |
| Boat | 1,369.9 | 1,274.6 | 7 % | 8 % | 1 % |
| Marine eliminations | (302.9) | (277.8) | | | |
| Total Marine | 3,508.1 | 3,311.1 | 6 % | 6 % | 1 % |
| Fitness | 980.4 | 794.6 | 23 % | 24 % | 19 % |
| Total | \$ 4,488.5 | \$ 4,105.7 | 9 % | 10 % | 5 % |

Net sales increased by 10 percent, on a constant currency basis

¹Consolidated GAAP net sales reflected an 11% increase in the U.S., an increase of 6% in international markets versus prior year.

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Adjusted Operating Earnings increased by \$53.3 million, or 13%

| Segment (\$'s in millions) | Operating Earnings - Excluding Charges | | |
|---|--|----------------------|---------|
| | Twelve Months Ended | | |
| | December 31, 2016 | December 31, 2015 | Change |
| Marine Engine | \$ 378.0 | \$ 350.4 | \$ 27.6 |
| Boat | 61.4 | 45.3 | 16.1 |
| Total Marine | 439.4 | 395.7 | 43.7 |
| Fitness | 130.0 | 116.5 | 13.5 |
| Pension | (14.7) | (11.7) | (3.0) |
| Corp/Other | (75.0) | (74.1) | (0.9) |
| Adjusted operating earnings | 479.7 | 426.4 | 53.3 |
| Pension settlement and other charges ¹ | (70.7) | (94.7) | 24.0 |
| GAAP operating earnings | \$ 409.0 | \$ 331.7 | \$ 77.3 |
| Operating margin - excluding charges | 10.7% | 10.4% | 30 bps |
| Operating margin - including charges | 9.1% | 8.1% | 100 bps |

¹Other charges reflect restructuring, integration and impairment charges.

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Q4 Net Sales increased by \$96.9 million, or 10%

| Segment (\$'s in millions) | Net Sales | | | | Acquisition Contribution |
|----------------------------|--------------------|--------------|-------------------|-------------------|-----------------------------|
| | Three Months Ended | | | | |
| | December 31, | December 31, | % Change | | |
| | 2016 | 2015 | GAAP ¹ | Constant Currency | |
| Marine Engine | \$ 500.2 | \$ 474.7 | 5 % | 4 % | 1 % |
| Boat | 358.0 | 336.0 | 7 % | 6 % | 1 % |
| Marine eliminations | (69.9) | (62.3) | | | |
| Total Marine | 788.3 | 748.4 | 5 % | 5 % | 1 % |
| Fitness | 294.7 | 237.7 | 24 % | 25 % | 21 % |
| Total | \$ 1,083.0 | \$ 986.1 | 10 % | 10 % | 6 % |

Net sales increased by 10 percent,
on a constant currency basis

¹Consolidated GAAP net sales reflected an 11% increase in the U.S., and an increase of 7% in international markets versus prior year.

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Q4 Adjusted Operating Earnings increased by \$22.8 million, or 34%

| Segment (\$'s in millions) | Operating Earnings - Excluding Charges | | |
|---|--|----------------------|---------|
| | Three Months Ended | | |
| | December 31, 2016 | December 31, 2015 | Change |
| Marine Engine | \$ 51.2 | \$ 41.9 | \$ 9.3 |
| Boat | 15.5 | 10.3 | 5.2 |
| Total Marine | 66.7 | 52.2 | 14.5 |
| Fitness | 47.9 | 39.9 | 8.0 |
| Pension | (3.7) | (2.9) | (0.8) |
| Corp/Other | (20.4) | (21.5) | 1.1 |
| Adjusted operating earnings | 90.5 | 67.7 | 22.8 |
| Pension settlement and other charges ¹ | (61.9) | (94.7) | 32.8 |
| GAAP operating earnings | \$ 28.6 | \$ (27.0) | \$ 55.6 |
| Operating margin - excluding charges | 8.4% | 6.9% | 150 bps |
| Operating margin - including charges | 2.6% | -2.7% | 530 bps |

¹Other charges reflect restructuring, integration and impairment charges.

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Marine Engine segment – Q4 sales by region



2016 FY revenue by region*: U.S. 68%, Europe 13%, Asia Pacific 9%, Canada 5%, Latin America 3% and Africa & Middle East 2%

*Excluding sales to the Boat segment.

| Region | Q4 - 2016 % of Sales* | % Change | |
|---------------|--------------------------|----------|--------------------|
| | | GAAP* | Constant Currency* |
| United States | 63% | 5 % | 5 % |
| Europe | 12% | 5 % | 7 % |
| Rest-of-World | 25% | 3 % | 1 % |
| Total | 100% | 4 % | 4 % |

Based on Constant Currency

- U.S. sales increased in parts and accessories and sterndrive engines; outboard demand was stable
- European sales experienced growth in all major product categories
- Rest-of-World revenue was up slightly on a net basis

For the fourth quarter, sales on a constant currency basis, excluding acquisitions, increased by 3 percent

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Q4 Outboard and Sterndrive Engines



Outboard

- Slight growth in Q4 sales reflecting the timing of wholesale demand and a less favorable market environment
- Market share gains in targeted saltwater, repower and commercial markets reflecting recently launched products



Sterndrive

- Unfavorable global retail demand trends continue
- Market share remains strong; growing adoption of recently introduced purpose-built engines

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Q4 Marine Engine segment's Parts & Accessories

Boating Accessories



Service Parts



Propellers



- Revenue benefited from market share gains, recent acquisitions and new product launches
- Lower fuel costs a positive factor

Oil & Lubes



Trolling Motors



Controls/Rigging



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Factors affecting Marine Engine segment's Q4 operating earnings



Key Factors

- Higher sales
- Cost reductions, including benefits from lower commodity costs and savings related to sourcing initiatives
- Foreign exchange had an unfavorable impact

Q4 operating margin at 10.2%

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Boat segment – Q4 sales by region



2016 FY revenue by region: U.S. 75%, Canada 11%, Europe 9%, Asia Pacific 2%, Latin America 2%, Africa & Middle East 1%

| Region | Q4 - 2016 % of Sales | % Change | |
|---------------|-------------------------|----------|-------------------|
| | | GAAP | Constant Currency |
| United States | 75% | 10% | 10% |
| Europe | 8% | 26% | 27% |
| Rest-of-World | 17% | (11)% | (12)% |
| Total | 100% | 7% | 6% |

Based on Constant Currency

- In addition to the favorable retail demand for the year, U.S. sales continue to benefit from dealer inventory restocking, recently introduced new products and market share gains
- Sales growth in Europe benefited from recent product introductions and solid retail growth
- Rest-of-World sales declined due to lower demand in Latin America and Africa and Middle East

For the fourth quarter, sales on a constant currency basis increased by 6 percent

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Review of Brunswick Boat segment sales metrics versus prior year

| | U.S | | Global | |
|----------------------|------|-----|--------|----|
| | Q4 | FY | Q4 | FY |
| Retail (units) | (1)% | 8% | (8)% | 3% |
| Wholesale (units) | 8% | 6% | 3% | 2% |
| Net Sales (dollars)* | 10% | 12% | 6% | 8% |

Wholesale unit growth rate in balance with retail unit growth rate for full-year

*Growth in constant currency

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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 |
|-----------------|----------------------|--------------------------|-----------------------------|--------------------------|
| FY 14 | 35 | +1 week | 1% | 2% |
| FY 15 | 35 | Flat | 2% | 4% |
| FY 16 | 35 | Flat | 2% | 3% |
| | | | | |
| Q1 16 | 38 | -2 weeks | (6)% | 10% |
| Q2 16 | 29 | -2 weeks | 3% | 4% |
| Q3 16 | 26 | -1 week | 12% | 1% |
| Q4 16 | 35 | Flat | 3% | (8)% |

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Factors affecting Boat segment's Q4 operating earnings*



Key Factors

- Higher sales
- Favorable change in product mix

Q4 adjusted operating margin at 4.3%;
On a GAAP basis at 4.2%

*As adjusted, see slide 25 for discussion of restructuring charges.

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Fitness segment – Q4 sales by region



| Region | Q4 - 2016 % of Sales | GAAP | % Change | |
|---------------|-------------------------|------|----------------------|--------------------|
| | | | Constant Currency | Ex. Acquisition |
| United States | 58% | 27% | 27% | 2% |
| Europe | 17% | 7% | 14% | 6% |
| Rest-of-World | 25% | 32% | 29% | 6% |
| Total | 100% | 24% | 25% | 4% |

Based on Constant Currency, Excluding Acquisitions

- Sales in the U.S. reflects modest growth in commercial fitness revenues including the impact of declines from local and federal governments
- Growth in international regions led by gains in Asia Pacific and Europe

2016 FY revenue by region: U.S. 55%, Europe 18%, Asia Pacific 14%, Latin America 5%, Africa & Middle East 4% and Canada 4%

For the fourth quarter, sales on a constant currency basis, excluding acquisitions, increased by 4 percent

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Factors affecting Fitness segment's Q4 operating earnings*



Key Factors

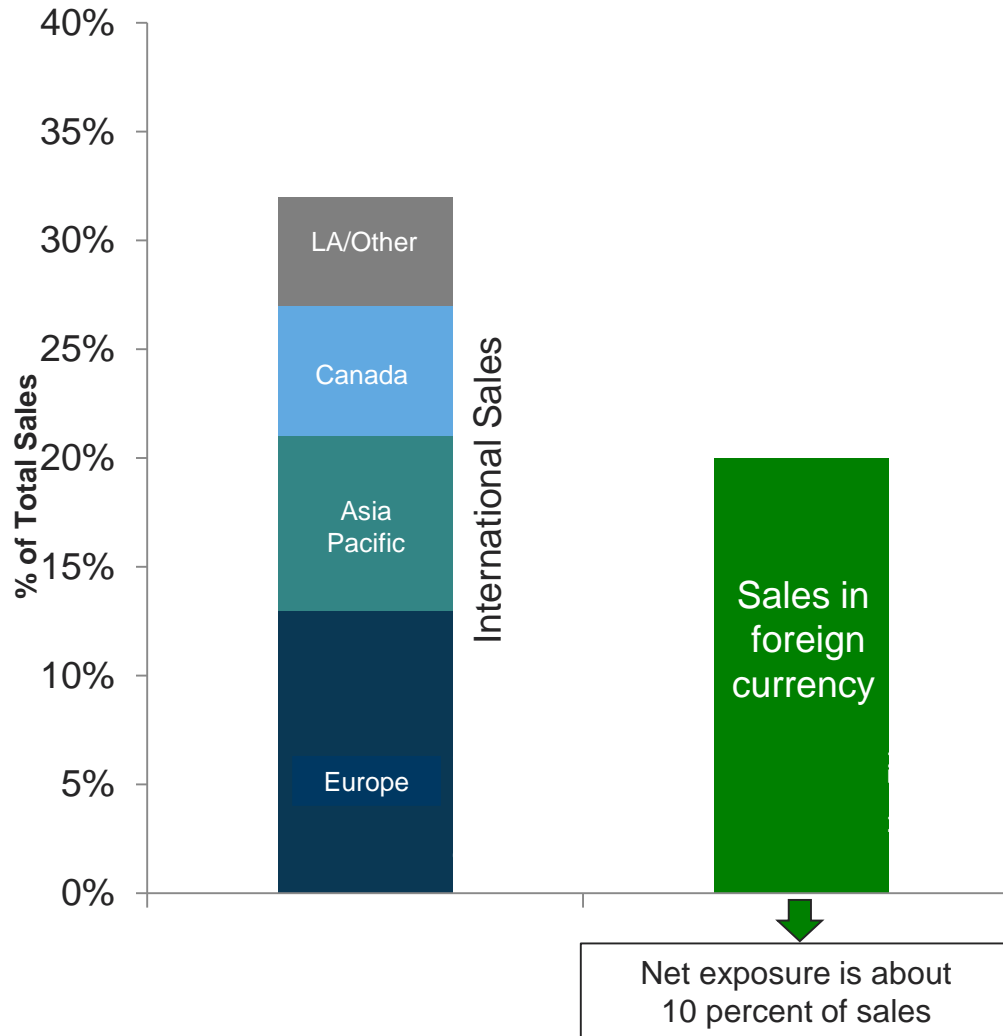
- Contribution from Cybex acquisition
- Higher sales
- Net unfavorable impact of change in sales mix

Q4 adjusted operating margin at 16.3%;
On a GAAP basis at 14.9%

*As adjusted, see slide 25 for discussion of restructuring and integration charges.

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Review of foreign currency impact¹



FY 2016:

- Unfavorable impact on sales of approximately one half of one percent
- Unfavorable impact on operating earnings of approximately \$14 million

Outlook 2017:

- Minimal impact on sales²
- Minimal impact on operating earnings comparisons²

¹Includes the impact of hedging activity.

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

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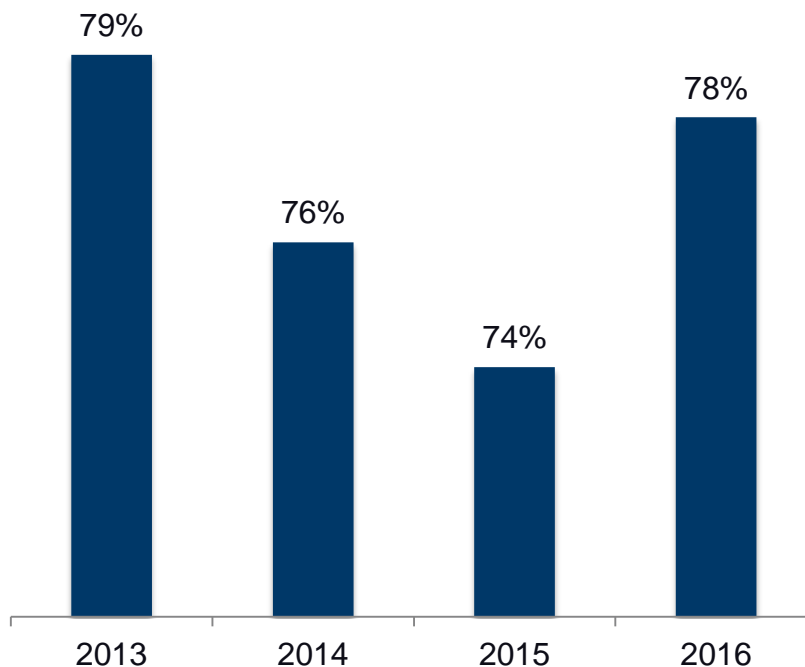
Other factors affecting GAAP pre-tax earnings

| <u>\$ in millions</u> | <u>Q4</u> | | <u>Full Year</u> | |
|---|-------------|-------------|------------------|-------------|
| | <u>2016</u> | <u>2015</u> | <u>2016</u> | <u>2015</u> |
| Restructuring, integration and impairment charges | \$ 6.8 | \$ 12.4 | \$ 15.6 | \$ 12.4 |

In 2017, we are planning to incur \$11 to \$13 million of restructuring and integration costs associated with the Fitness segment. These costs have not been included in our earnings guidance, as adjusted, or related metrics

Pension Plan Update

Percent Funded*



- De-risking plan continues
- Pension expense in 2017 is expected to be lower due to de-risking actions
- Goal to achieve full-funding by 2020; contributions over planning period of \$70 million per year (pre tax)

| | | | | |
|-------------------------------|-----------------|-----------------|---------------|---------------|
| Unfunded Liabilities | \$255M | \$310M | \$262M | \$199M |
| Total Plan Liabilities | \$1,211M | \$1,276M | \$999M | \$887M |
| Cash Contributions | \$50M | \$70M | \$70M | \$70M |
| Settlement Charges | N/A | \$28M | \$82M | \$55M |

* Percentages and amounts reflect qualified benefit plans only. New mortality table implemented in 2014 increased liability by approximately \$70 million in 2014
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Tax provision

| | Q4 | | Full-Year | |
|----------------------------------|-------|-------|-----------|-------|
| | 2016 | 2015 | 2016 | 2015 |
| Effective tax rate - GAAP | 25.8% | 71.7% | 29.6% | 27.9% |
| Effective tax rate, as adjusted* | 29.1% | 23.1% | 30.5% | 32.6% |

Change in full year effective tax rate, as adjusted, between years includes benefits from optimizing international legal entity and cash management structures

2016 effective book tax rate, as adjusted, was approximately 30.5 percent; cash taxes of \$33 million

*Tax provision, as adjusted, excludes \$4.4 million of net charges and \$3.7 million of net benefits for special tax items for Q4 2016 and Q4 2015, respectively. Tax provision, as adjusted, excludes \$1.1 million of net charges and \$12.1 million of net benefits for special tax items for 2016 and 2015, respectively.

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Cash Flow – Continuing Operations

| (\$'s in millions) | 2016 | 2015 |
|---|-----------------|-----------------|
| Net earnings* | \$ 274.4 | \$ 227.4 |
| Depreciation and amortization | 103.9 | 88.9 |
| Pension (funding), net of expense | (4.8) | 20.4 |
| Changes in certain current assets and current liabilities | (30.4) | (63.7) |
| Income taxes | 82.7 | 55.0 |
| Other, net | (0.1) | 10.3 |
| Net cash provided by operating activities* | \$ 425.7 | \$ 338.3 |

Net cash provided by operating activities*
improved by \$87 million

*Continuing operations only.

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Free Cash Flow – Continuing Operations

| (\$'s in millions) | 2016 | 2015 |
|---|-----------------|-----------------|
| Net cash provided by operating activities* | \$ 425.7 | \$ 338.3 |
| Net cash provided by (used for): | | |
| Capital expenditures | (193.9) | (132.5) |
| Proceeds from sale of property, plant and equipment | 1.9 | 2.4 |
| Effect of exchange rate changes on cash balances | 0.1 | (15.6) |
| Total free cash flow | \$ 233.8 | \$ 192.6 |

Free cash flow higher by \$41 million in 2016

* Continuing operations only.

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2017 Outlook – P&L

- Depreciation and amortization estimate of approximately \$120 million
- Pension expense of approximately \$10 million
- Net interest expense of approximately \$26 million
- Combined equity earnings and other income slightly higher than 2016
- Effective book tax rate, as adjusted, of approximately 31 percent
- Average diluted shares outstanding of between 90 million and 90.5 million

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2017 Outlook: Cash Flow Assumptions

- Current plan anticipates working capital changes to result in a usage of cash of \$30 million to \$50 million
- Capital expenditure levels of between \$185 million and \$195 million
- Pension cash contributions of approximately \$75 million
- Cash taxes anticipated to be in the low-to-mid-teens percentage
- Free cash flow expected to be in excess of \$250 million
- Share repurchases on an annual basis of approximately \$100 million
- Quarterly dividend payments remain at current levels

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Mark Schwabero – Chairman and Chief Executive Officer

Bill Metzger – Chief Financial Officer

Outlook for Brunswick 2017

2017 Financial Targets

- Revenue growth of 6 percent to 8 percent
- Improvement in gross margin levels
- Operating expenses, as a percent of sales, to be slightly lower than prior year
- Gains in operating margins
- Operating leverage of high-teen percentage
- Diluted EPS, as adjusted, of \$3.90 to \$4.05

Marine Engine Segment

Solid Revenue and Strong Margins



2017 Financial Targets

- Revenue growth in the mid-single digits
- Solid improvement in operating margin

Boat Group Segment

Strong Revenue Growth with Improved Profitability

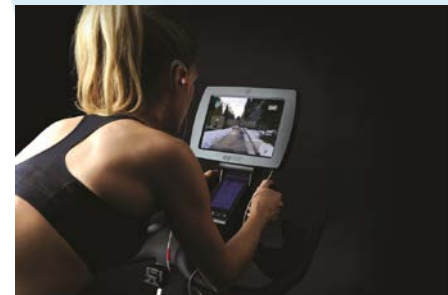


2017 Financial Targets

- Revenue growth in the high-single-digits
- Improvement in operating margin of approximately 110 - 130 basis points

Fitness Segment

Strong Revenue Growth with Strong Margins



2017 Financial Targets

- Revenue growth in the high-single digits
- Improved operating margins



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Appendix

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Q4 Adjusted Pretax Earnings increased by \$23.0 million, or 37%

| (\$'s in millions) | Adjusted Pretax Earnings | | |
|---|--------------------------|----------------------|-------------|
| | Three Months Ended | | |
| | December 31, 2016 | December 31, 2015 | Change |
| Adjusted operating earnings | \$ 90.5 | \$ 67.7 | \$ 22.8 |
| Net interest expense | (6.1) | (6.3) | (0.2) |
| Other income | 1.5 | 1.5 | 0.0 |
| Adjusted pretax earnings | 85.9 | 62.9 | 23.0 |
| Pension settlement and other charges ¹ | (61.9) | (94.7) | 32.8 |
| GAAP pretax earnings | \$ 24.0 | \$ (31.8) | \$ 55.8 |

¹Other charges reflect restructuring, integration and impairment charges.

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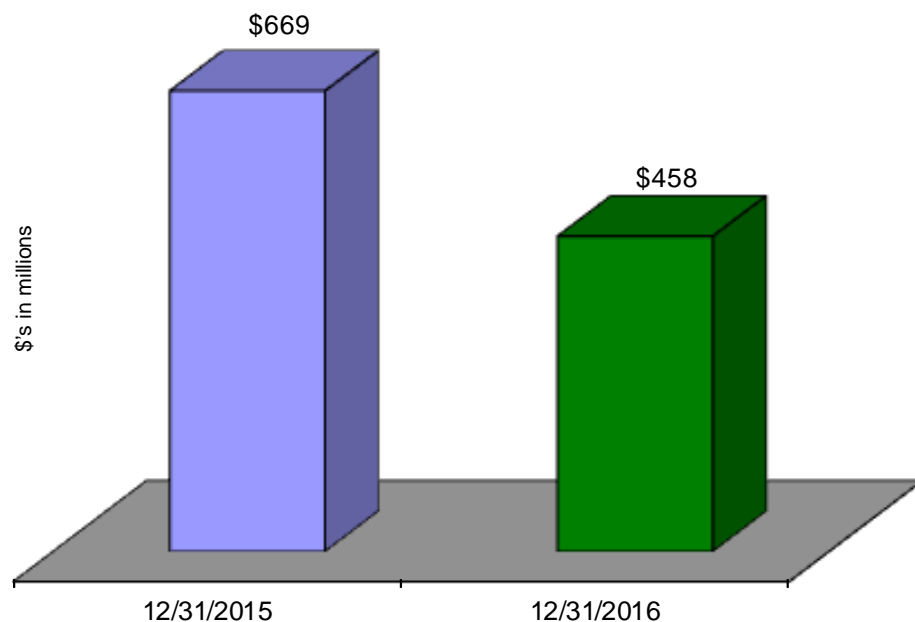
Adjusted Pretax Earnings increased by \$50.5 million, or 12%

| (\$'s in millions) | Adjusted Pretax Earnings | | |
|---|--------------------------|----------------------|----------------|
| | Twelve Months Ended | | |
| | December 31, 2016 | December 31, 2015 | Change |
| Adjusted operating earnings | \$ 479.7 | \$ 426.4 | \$ 53.3 |
| Net interest expense | (25.7) | (25.6) | (0.1) |
| Other income | 6.4 | 9.1 | (2.7) |
| Adjusted pretax earnings | 460.4 | 409.9 | 50.5 |
| Pension settlement and other charges ¹ | (70.7) | (94.7) | 24.0 |
| GAAP pretax earnings | <u>\$ 389.7</u> | <u>\$ 315.2</u> | <u>\$ 74.5</u> |

¹Other charges reflect restructuring, integration and impairment charges.

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Cash and Marketable Securities



Main Factors Affecting Changes in Cash Balances

- Free cash flow of \$234 million
- Share repurchases of \$120 million (approximately 2.7 million shares)
- Dividends paid of \$55 million
- Acquisition expenditures of \$276 million

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Diluted EPS, as adjusted, increased by \$0.55, or 19%

| | Earnings Per Share | |
|---|----------------------|----------------------|
| | Twelve Months Ended | |
| | December 31, 2016 | December 31, 2015 |
| Diluted EPS from continuing operations | \$ 2.98 | \$ 2.41 |
| Pension settlement charges | 0.38 | 0.54 |
| Restructuring, integration and impairment charges | 0.11 | 0.11 |
| Special tax items | 0.01 | (0.13) |
| Diluted EPS from continuing operations, as adjusted | <u>\$ 3.48</u> | <u>\$ 2.93</u> |

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Q4 Diluted EPS, as adjusted, increased by \$0.15, or 29%

| | Earnings Per Share | |
|---|----------------------|----------------------|
| | Three Months Ended | |
| | December 31, 2016 | December 31, 2015 |
| Diluted EPS from continuing operations | \$ 0.19 | \$ (0.10) |
| Pension settlement charges | 0.38 | 0.55 |
| Restructuring, integration and impairment charges | 0.05 | 0.11 |
| Special tax items | 0.05 | (0.04) |
| Diluted EPS from continuing operations, as adjusted | <u>\$ 0.67</u> | <u>\$ 0.52</u> |