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Brunswick Earnings Conference Call Q1, 2018

April 26, 2018

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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," "goal," "seek," "estimate," "believe," "predict," "outlook," "anticipates" 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 complete and integrate targeted acquisitions; our ability to implement our strategic plan and growth initiatives; adequate financing access for dealers and customers and our ability to access capital and credit markets; maintaining effective distribution; retaining our relationships with dealers, distributors and independent boat builders; credit and collections risks; retaining key customers; protecting our brands and intellectual property; absorbing fixed costs in production; managing expansion or consolidation of manufacturing facilities; 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; outages or breaches of technology systems; competitor activity; product liability, warranty and other claims risks; increased costs of legal and regulatory compliance; 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; the possibility that the proposed fitness spin-off will not be consummated within the anticipated time period or at all, including as the result of regulatory, market or other factors; the potential for disruption to our business in connection with the proposed spin-off; and the potential that the fitness business and Brunswick do not realize all of the expected benefits of the separation.

Additional risk factors are included in the Company's Annual Report on Form 10-K for 2017. 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 and reconciliations of GAAP to non-GAAP measures, please see Brunswick's Current Report on Form 8-K issued on April 26, 2018, which is available at www.brunswick.com.

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 Fitness separation, 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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Discontinued Operations

- On December 5, 2017, Brunswick announced its intention to sell its Sea Ray businesses, including the Meridian brand. Starting with the fourth quarter of 2017, Brunswick is reporting the historical and future results of these businesses as discontinued operations. Therefore, for all periods presented in this release, all figures and outlook statements incorporate this change and reflect continuing operations only, unless otherwise noted.

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Mark Schwabero – Chairman and Chief Executive Officer

Bill Metzger – Chief Financial Officer

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Overview of First Quarter 2018

- First quarter performance was an excellent start to 2018
- Marine businesses had revenue growth of 8 percent in the quarter, with a very strong increase in operating earnings versus first quarter 2017
- Our current outlook on the global marine market is in line with our initial expectations
- Continued focus on product leadership:
 - Mercury's launch of the 175-225 horsepower V6 outboard engines and new products within our other marine categories
 - Fitness launch of the Halo software platform
- Continue to make progress on both Sea Ray sale and Fitness separation

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Overview of First Quarter 2018

- Revenue increased 6.8 percent over Q1 2017
- Gross margin of 26.6 percent
 - Marine businesses' gross margin increased 60 bps over Q1 2017
- Adjusted¹ operating earnings up 6 percent
- Adjusted¹ effective tax rate of 20.9% vs. 25.2% in Q1 2017
- Diluted EPS, as adjusted¹, of \$1.01, up \$0.13, or 15 percent

¹See slides 14, 24, and the Appendix for reconciliations to GAAP figures

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

	Q1-17	Q2-17	Q3-17	Q4-17	2017	Q1-18
AL – Fish	4%	4%	4%	6%	4%	(0)%
AL - Pontoon	6%	10%	4%	14%	8%	1%
FG - Saltwater (<23 ft)	9%	3%	(9)%	0%	0%	(9)%
FG - Saltwater (>23 ft)	15%	15%	8%	12%	13%	12%
FG - Freshwater	6%	8%	7%	6%	7%	4%
Outboard Boats ⁽¹⁾	6%	8%	3%	7%	6%	1%
FG – SD/IB (14-30 ft.)	(6)%	(3)%	(6)%	(6)%	(5)%	(15)%
FG – SD/IB (31-40 ft.)	(4)%	(12)%	(2)%	(16)%	(9)%	(7)%
FG – SD/IB (41-65 ft.)	(11)%	(17)%	6%	(3)%	(8)%	3%
FG SD/IB Boats	(6)%	(5)%	(5)%	(7)%	(5)%	(12)%
Main Powerboat Segments	5%	6%	2%	6%	5%	(0)%
Total Industry (NMMA) ⁽²⁾	6%	7%	3%	5%	6%	(2)%
Outboard Engines (NMMA)	9%	6%	2%	13%	6%	(0)%

Industry unit volume growth for the main powerboat segments was flat in the first quarter

Source: NMMA Statistical Surveys, Inc.: 2017 data is final and 2018 preliminary data is based on 89% of Jan., 80% of Feb. and 63% of Mar. market reporting; Coast Guard data updated through 3/2018.

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 ¹	
	U.S.	Global
Q1 2018	3%	(1)%
Q1 2017	12%	13%
FY 2017	6%	5%
FY 2016	10%	4%
FY 2015	9%	3%

Brunswick's internal boat registrations continue to show year-over-year retail growth in the U.S. versus a strong Q1 2017

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

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Q1 2018 Revenue By Region - Marine segments

Region	2018 vs. 2017 Growth Rates ¹	2017 Mix ²
U.S.	6%	70%
Europe	(1)%	12%
Canada	8%	7%
Asia-Pacific	3%	7%
Rest-of-World	(2)%	4%
Total	5%	100%

Global revenue in our combined marine segments grew 8 percent, with 5 percent growth on a constant currency, ex-acquisitions basis

¹On a constant currency basis, excluding acquisitions.

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

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Q1 2018 Revenue By Region - Fitness segment

Region	2018 vs. 2017 Growth Rates ¹	2017 Mix ²
U.S.	(5)%	54%
Europe	17%	18%
Asia-Pacific	14%	15%
Canada	25%	3%
Rest-of-World	(16)%	10%
Total	1%	100%

Global revenue in our Fitness segment grew by 4 percent, with 1 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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Q1 Net Sales increased by \$73.3 million, or 7%

Segments (\$'s in millions)	Net Sales		
	Three Months Ended		
	Mar 31, 2018	Apr 1, 2017	% Change GAAP
Marine Engine	\$ 687.1	\$ 631.8	8.8%
Boat	304.0	284.9	6.7%
Marine eliminations	(80.1)	(70.2)	
Total Marine	911.0	846.5	7.6%
Fitness	244.4	235.6	3.7%
Total	\$ 1,155.4	\$ 1,082.1	6.8%

Region	Q1 2018 % of Sales	Sales Growth %	
		GAAP	Constant Currency
United States	64%	4%	4%
Europe	16%	21%	9%
Asia-Pacific	9%	11%	8%
Canada	6%	12%	9%
Rest-of-World	5%	(8)%	(8)%
Total International	36%	12%	6%

Net sales increased by 7 percent

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Q1 Adjusted Operating Earnings increased by \$6.6 million, or 6%

Segment (\$'s in millions)	Operating Earnings		
	Three Months Ended		
	March 31, 2018	April 1, 2017	Change
Marine Engine	\$ 95.7	\$ 87.7	\$ 8.0
Boat	24.7	19.7	5.0
Total Marine	120.4	107.4	13.0
Fitness	12.2	20.7	(8.5)
Corp/Other	(14.3)	(16.4)	2.1
Adjusted operating earnings	118.3	111.7	6.6
Restructuring, exit, integration and impairment charges	(1.2)	(8.3)	7.1
Separation costs	(1.7)	—	(1.7)
GAAP operating earnings	\$ 115.4	\$ 103.4	\$ 12.0
Operating margin - excluding charges	10.2%	10.3%	-10 bps
Operating margin - including charges	10.0%	9.6%	40 bps

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Marine Engine segment - Q1 sales



Q1 2018 revenue by region: U.S. 71%, Europe 13%, Asia-Pacific 7%, Canada 4%, Rest-of-World 5%

Product Category	Q1 - 2018	
	% of Sales	% Change
Propulsion	55%	11%
P&A Businesses	45%	6%
Total	100%	9%

- Strong growth in propulsion, driven by outboard engines, along with solid growth in parts and accessories businesses

Sales for the first quarter increased by 9 percent

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Factors affecting Marine Engine segment's Q1 operating earnings



Key Factors

- Higher sales
- Favorable movements in foreign exchange rates
- Unfavorable impact from planned spending increases stemming from new product introductions, capacity expansion, and product development

Q1 operating margin of 13.9 percent

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Boat segment - Q1 sales



Q1 2018 revenue by region: U.S. 73%, Canada 14%, Europe 10%, Asia-Pacific 2%, Rest-of-World 1%

Product Category	Q1 - 2018	% Change
	% of Sales	
Aluminum Freshwater	53%	6%
Fiberglass Freshwater	19%	20%
Fiberglass Saltwater	28%	0%
Total	100%	7%

- Strong sales growth in the fiberglass freshwater boat businesses, along with solid growth in our aluminum freshwater boat businesses
- Revenue for the fiberglass saltwater business comparable to a very strong Q1 2017

Sales for the first quarter increased by 7 percent

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Review of Brunswick Boat segment sales metrics versus prior year

	Q1 18		Q1 17	
	Global	U.S.	Global	U.S.
Wholesale (units)	(2)%	(5)%	13%	13%
Net Sales (dollars) ¹	5%	4%	18%	19%

Gains in average selling prices contributed to sales increases in Q1

¹Growth 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 15	35.1	+0.2 weeks	1%	3%
FY 16	35.2	+0.1 weeks	3%	4%
FY 17	35.5	+0.3 weeks	8%	5%
Q1 17	37.7	+0.1 weeks	13%	13%
Q2 17	30.4	+1.3 weeks	5%	1%
Q3 17	27.1	+0.9 weeks	7%	4%
Q4 17	35.5	+0.3 weeks	6%	11%
Q1 18	38.7	+1.0 weeks	(2)%	(1)%

Pipelines are well-positioned entering the prime marine retail selling season

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Factors affecting Boat segment's Q1 operating earnings



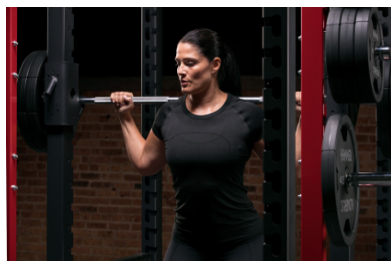
Key Factors

- Higher sales
- Timing benefits from adoption and implementation of new revenue recognition standard

Q1 operating margin of 8.1 percent

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Fitness segment - Q1 sales



Q1 2018 revenue by region: U.S. 51%, Europe 20%, Asia-Pacific 17%, Canada 3%, Rest-of-World 9%

Product Category	Q1 - 2018	
	% of Sales	% Change
Commercial Cardio	54%	(3)%
Commercial Strength	37%	17%
Consumer Fitness	9%	0%
Total	100%	4%

- The slight decrease in commercial cardio revenue reflects strong sales to health clubs, more than offset by declines in sales of Cybex product and sales to certain vertical markets
- Continued strong sales growth in global commercial strength category

Sales for the first quarter increased by 4 percent

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Factors affecting Fitness segment's Q1 operating earnings¹



Key Factors

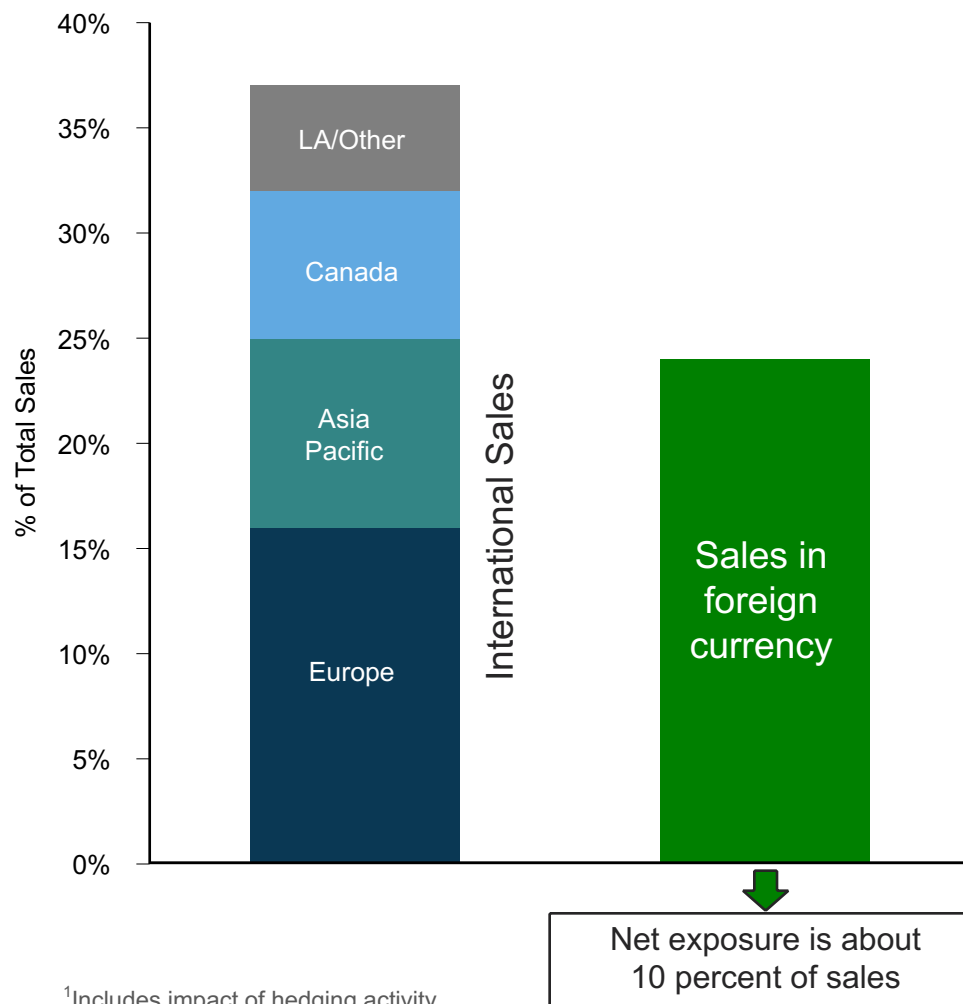
- Higher sales
- Lower margins reflecting several factors including:
 - Higher freight costs
 - Challenging pricing dynamics in certain international markets
 - Unfavorable changes in product and customer mix
 - Cost inflation

Q1 adjusted operating margin of 5.0 percent; on GAAP basis, 4.5 percent

¹As adjusted, excluding restructuring, exit, integration, and impairment charges

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Review of foreign currency impact¹



Q1 2018:

- Favorable impact on sales of approximately 2 percent
- Favorable impact on operating earnings of \$3 million

Outlook 2018:

- Favorable impact on consolidated sales of approximately 1 percent
- Favorable impact on operating earnings² of \$10 to 15 million

¹Includes impact of hedging activity.

²Estimates for the full-year assume that rates remain consistent with average rates for the last three months.

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Tax Provision

	Q1	
	2018	2017
Effective tax rate - GAAP	27.0%	24.6%
Effective tax rate, as adjusted ⁽¹⁾ ⁽²⁾	20.9%	25.2%

Estimated 2018 effective book tax rate, as adjusted, is approximately 22 to 23 percent based on tax guidance issued to date; cash tax rate to be in the high-single digit percent range

¹ Tax provision, as adjusted, excludes a \$6.7 million net charge and a \$0.6 million net benefit for special tax items for Q1 2018 and 2017 periods, respectively.

² The Company recorded \$1.3 million and \$5.0 million of net excess tax benefits related to share-based compensation activity for Q1 2018 and 2017 periods, respectively.

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Free Cash Flow - Continuing Operations

(\$'s in millions)	Year Ended	
	2018	2017
Net cash used for operating activities	\$ (43.1)	\$ (66.3)
Net cash provided by (used for):		
Capital expenditures	(34.5)	(56.6)
Proceeds from sale of property, plant and equipment	0.1	7.6
Effect of exchange rate changes	4.3	3.0
Total free cash flow	<u>\$ (73.2)</u>	<u>\$ (112.3)</u>

Free cash flow improved versus 2017

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2018 Outlook - P&L

	2018 Estimate	Change from Prior Conference Call
Depreciation and amortization	~\$105 - \$115 million	Slightly Higher
Pension expense	~\$8 million	No Change
Net interest expense	~\$25 million	No Change
Combined equity earnings and other income	~\$5 - \$10 million	Slightly Lower
Effective book tax rate ¹	22.0 - 23.0 percent	Lower
Average diluted shares outstanding	88.0 - 88.5 million	Slightly Lower

¹As adjusted to exclude net charges for special tax items.

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2018 Outlook: Cash Flow Assumptions

	2018 Estimate	Change from Prior Conference Call Estimate
Free cash flow	Exceeding \$275 million	No Change
Capital expenditures	~\$215 - \$225 million	No Change
Working capital usage	~\$20 - \$40 million	No Change
Pension cash contributions	~\$70 - \$75 million	No Change
Cash taxes	High-single digit percentage	No Change
Share repurchases	~\$100 million	No Change
Quarterly dividends	\$0.19 per share	No Change

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Mark Schwabero – Chairman and Chief Executive Officer

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Outlook for Brunswick - Full-Year 2018

2018 Financial Targets

- Revenue growth of 6 percent to 7 percent
- Improvements in gross margins and operating margins
- Operating expenses, as a percentage of sales, to be consistent with 2017 levels
- Operating leverage
 - Marine businesses - high-teens percentage
 - Consolidated - low-to-mid-teens percentage
- 2018 diluted EPS, as adjusted, narrowed to \$4.50 - \$4.65

Outlook for Brunswick - Second Quarter 2018

Q2 2018 Financial Targets

- Revenue growth at the top end of the annual guidance range
- Higher spending levels on new product introductions and product development
- Adjusted EPS for Q2 2018 increases by mid-teens percent over Q2 2017

Marine Engine Segment

Strong Revenue Growth with Solid Margin Improvement



2018 Financial Targets

- Revenue growth in the high-single digits
- Solid improvement in operating margins

Boat Group Segment

Strong Revenue Growth with Margin Improvement

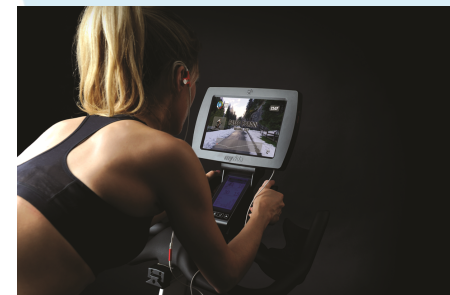


2018 Financial Targets

- Revenue growth in the high-single digits
- Modest increase in operating margins

Fitness Segment

Modest Revenue Growth with Stabilizing Margins



2018 Financial Targets

- Revenue growth in the low-single digits
- Operating margins decline but year-over-year comparisons stabilize towards the end of 2018



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Appendix

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Q1 Diluted EPS, as adjusted, increased 15%

Diluted EPS from continuing operations
Restructuring, exit, integration and impairment charges
Separation costs
Special tax items
Diluted EPS from continuing operations, as adjusted

Earnings Per Share			
Three Months Ended			
March 31,		April 1,	
2018		2017	
\$	0.91	\$	0.81
	0.01		0.07
	0.01		—
	0.08		(0.00)
\$	1.01	\$	0.88