

BRUNSWICK



Brunswick Announces Plans to Spin-Off Fitness Business

March 1, 2018

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. 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; our ability to complete and integrate targeted acquisitions; that strategic divestitures may not provide business benefits; 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 of manufacturing facilities; outages or breaches of technology systems; 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; the possibility that the proposed 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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Spin Transaction Creating Two Focused Companies

Competitive Position

Sales Base FY 2017 Results

Brand Portfolio

Marine

A global leader in marine engines and P&A, along with strong boat brands, each with an extensive record of product leadership

\$3.48B
Net Sales



Fitness

A global leader in commercial fitness equipment with leading brands and share leveraging strong relationships in commercial clubs and vertical markets

\$1.03B
Net Sales



Compelling Strategic Rationale

-  Consistent with our proven track record of regularly assessing our portfolio and strategy to ensure the company is best positioned to deliver long-term shareholder value
-  Capitalizes on the leadership positions of Marine and Fitness to establish two focused companies, each well-positioned with enhanced strategic opportunities and flexibility to drive growth
-  Allows shareholders to value and invest in two different and compelling investment opportunities based on each company's market, competitive, operational and financial characteristics
-  Also drives value for customers, employees, and other key stakeholders

Transaction will create independent, market-leading companies in Marine and Fitness with enhanced abilities to execute distinct growth strategies and deliver long-term shareholder value

Overview of Go-Forward Brunswick

- Focused Marine company comprised of the current Engine and Boat segments
- Consistent strategy:
 - ✓ Product leadership
 - ✓ Operational excellence
 - ✓ Customer lifecycle management
 - ✓ Marine strategy alignment
- Well positioned to capitalize on favorable global marine consumer and market trends
- Strong management team led by Brunswick Chairman and CEO Mark Schwabero



Financial Profile**

	2015	2016	2017
Revenue	\$3.0B	\$3.2B	\$3.5B
Op. Margins	13.0%	13.8%	13.9%
CapEx/Sales	3.2%	4.3%	4.4%
R&D/Sales	3.0%	3.1%	3.0%

2018 Financial Targets – Engine Segment

Revenue Growth	Mid-to-high-single digits
Operating Margin	Solid Improvement

2018 Financial Targets – Boat Segment

Revenue Growth	High-single digits
Operating Margin	Modest Increase

Our Marine Position Is A Unique Advantage



- Largest marine equipment installed base built through years of engine and boat leadership
- Drives additional revenue streams including significant P&A
- Less cyclical as earnings more heavily tied to boat usage versus new boat demand
- Enhanced consumer experience generates repeat purchases

We will have the opportunity to bring even greater focus to our marine strategy

Attractive Position in Marine Engine

Strategic Focus

Propulsion

1. Continued product leadership led by outboard engine technology
2. Engineered system solutions
3. Underserved markets for growth opportunities
4. Operational excellence to drive quality and margins

Parts & Accessories

1. Leverage and expand the largest marine installed base
2. Systems integration drives OEM and customer satisfaction
3. Channel expansion into new regions and markets
4. Grow P&A products both organically and through M&A



Key Enablers

Global leader in outboard propulsion

Robust pipeline of world-class, technology-driven products

Largest marine installed base allows for strong P&A pull-through

Growth through organic investment along with M&A

Continued investments in capacity expansions and upgrades

Mercury Marine is positioned for sustained, industry-leading performance and growth

Attractive Position in Boats

Strategic Focus

1. Product Leadership focused on high return opportunities
2. Drive margin expansion through institutionalizing Lean Six Sigma
3. Winning long term consumer loyalty
4. Maximize Brunswick marine value



Key Enablers

Strong technology leadership and robust product pipeline growth

Industry leading brands

Enhanced consumer experience generating repeat purchases

Positive consumer and market trends support future new boat sales growth

Strong distribution and service channels

Boat business is healthy and positioned for continued growth, while providing strong returns on invested capital

Overview of Fitness Business

- Global leader in commercial fitness equipment with strong brands, broad product mix and deep customer relationships
- Consistent strategy:
 - ✓ Product leadership
 - ✓ Operational excellence
 - ✓ Technology development
 - ✓ Digital advancements
- Taking actions to improve operating efficiencies, while also focusing on new products and digital solutions
- Strong management team led by Jaime Irick

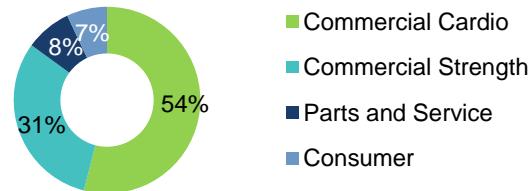
Financial Profile*

	2015	2016	2017
Revenue	\$795M	\$980M	\$1.03B
Op. Margins	14.7%	13.3%**	10.4%**
CapEx/Sales	2.1%	3.7%	2.4%
R&D/Sales	3.1%	3.4%	3.4%

2018 Financial Targets

Revenue Growth	Low-single digits
Operating Margin	Consistent with 2017 levels

FY 2017 Revenue Mix



*Reflects historical results of current fitness segment

** These are adjusted figures – reconciliations to GAAP figures can be found in Brunswick's Form 8-K dated February 1, 2018

Attractive Position in Evolving Fitness Marketplace

Strategic Focus

1. Extend leadership position in global commercial fitness equipment market using strong brands and technology
2. Continue to enhance operating capabilities and improve margins
3. Deepen customer intimacy and build customer solutions offering



Key Enablers

Largest global footprint of any commercial fitness equipment manufacturer

Strong brand profile and broadest product mix

Technology leadership

Capitalizing on positive industry fundamentals

Expansive global customer relationships

The fitness business is well positioned to sharpen focus on product leadership, operational excellence and technology development to address the evolving fitness marketplace

Transaction Details

Transaction Structure	<ul style="list-style-type: none">• Executive Committee of the Board of Directors will oversee the spin process• Expected to be a tax-free distribution to Brunswick shareholders of publicly-traded stock of the new Fitness company• Stock distribution ratio to be determined at a later date
Financial Implications	<ul style="list-style-type: none">• Both companies are expected to be well-capitalized, with strong balance sheets, and disciplined and balanced capital strategies• Transaction will not impact Brunswick's 2018 financial guidance
Key Steps to Completion	<ul style="list-style-type: none">• Develop separate organizational structures• Determine capital structure• Complete SEC requirements, including filing of Form-10 registration statement with separate financial statements for Fitness company• Engage investment community through road shows of each company
Closing Conditions	<ul style="list-style-type: none">• Projected completion by the end of Q1 2019, subject to:<ul style="list-style-type: none">○ Final approval from Brunswick's Board of Directors;○ Effectiveness of Form-10 registration statement to be filed with the SEC; and○ Other customary conditions

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