Brunswick Corporation

Fourth Quarter and Full Year – 2011

Earnings Conference Call



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Dusty McCoy – Chairman and Chief Executive Officer

Peter Hamilton – Chief Financial Officer

Bruce Byots – Vice President, Investor Relations

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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. Such statements are based on current expectations, estimates and projections about Brunswick's business. These statements are not guarantees of future performance and involve certain risks and uncertainties that may cause actual results to differ materially from expectations as of the date of this presentation. These risks include, but are not limited to: the effect of adverse general economic conditions, including the amount of disposable income available to consumers for discretionary purchases, tight consumer credit markets, and the level of consumer confidence on the demand for marine, fitness, billiards and bowling equipment, products and services; the ability of dealers to secure adequate access to financing and the Company's ability to access capital and credit markets; the ability to maintain strong relationships with dealers, distributors and independent boat builders; the ability to maintain effective distribution and develop alternative distribution channels without disrupting incumbent distribution partners; the ability to successfully manage pipeline inventories and respond to any excess supply of repossessed and aged boats in the market; the potential obligation to repurchase dealer inventory; the risk of losing a key account or a critical supplier; the protection of the Company's brands and other intellectual property; the ability to spread fixed costs while establishing a smaller manufacturing footprint; the ability to successfully complete restructuring efforts in accordance with projected timeframes and costs; the ability to obtain components, parts and raw materials from suppliers in a timely manner and for a reasonable price; the need to meet pension funding obligations; the effect of higher energy costs, interest rates and fuel prices on the Company's results; competitive pricing pressures, including increased competition from Asian competitors; the ability to develop new and innovative products that are differentiated for the global marketplace at a competitive price and in compliance with applicable laws; the effect of competition from other leisure pursuits on the level of participation in boating, fitness, bowling and billiards activities; the risk of product liability, warranty and other claims in connection with the manufacture and sale of products; the ability to respond to and minimize the negative financial impact of legislative and regulatory developments, including those related to environmental restrictions, climate change, taxes and employee benefits; the ability to maintain market share, particularly in high-margin products; fluctuations in the Company's stock price due to external factors; the ability to maintain product quality and service standards expected by customers; the ability to increase manufacturing operations and meet production targets within time and budgets allowed; negative currency trends, including shifts in exchange rates; competition from new technologies; the ability to complete environmental remediation efforts and resolve claims and litigation at the cost estimated; the uncertainty and risks of doing business in international locations, including international political instability, civil unrest and other risks associated with operations in emerging markets; the risk of having to record an impairment to the value of goodwill and other assets; the effect that catastrophic events may have on consumer demand and the ability to manufacture products, including hurricanes, floods, earthquakes, and environmental spills; the effect of weather conditions on demand for marine products and retail bowling center revenues; the risk of losing individuals who are key contributors to the organization; and the risk of experiencing a failure of the Company's information technology systems. Additional factors are included in the Company's Annual Report on Form 10-K for 2010 and its Quarterly Report on Form 10-Q for the quarter ended July 2, 2011. Such forward-looking statements speak only as of the date on which they are made and Brunswick does not undertake any obligation to update any forward-looking statements to reflect events or circumstances after the date of this presentation, or for changes made to this document by wire services or Internet service providers.

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Review of 2011

- Retail marine market unfolded generally as expected – flat to up slightly when compared to 2010
- Successfully executed our core strategy of generating free cash flow, performing better than the market and demonstrating outstanding operating leverage
- Market share gains, combined with improved production and operating efficiencies, generated 10 percent revenue growth and increased operating earnings by $176 million
- Net income also benefited from marine plant consolidations and asset sales, lower restructuring costs, reductions in interest, lower warranty, depreciation and pension expenses, as well as from a lower tax provision

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2011 Net sales increased 10%

	Net Sales		
	Twelve Months Ended		
Segment ($'s in millions)	December 31, 2011	December 31, 2010	% Change
Marine Engine	$ 1,979.5	$ 1,807.4	10%
Boat	1,016.3	913.0	11%
Marine eliminations	(208.2)	(182.2)	
Total Marine	2,787.6	2,538.2	10%
Fitness	635.2	541.9	17%
Bowling & Billiards	325.2	323.3	1%
Total	$ 3,748.0	$ 3,403.3	10%

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2011 Operating earnings, excluding restructuring charges, increased by $136.5 million

Segment ($'s in millions)	Operating Earnings (Loss) Twelve Months Ended December 31, 2011	December 31, 2010	Change
Marine Engine	$ 189.3	$ 147.3	$ 42.0
Boat	(40.7)	(145.9)	105.2
Total Marine	148.6	1.4	147.2
Fitness	93.4	59.6	33.8
Bowling & Billiards	19.5	12.5	7.0
Corp/Other	(69.1)	(57.2)	(11.9)
Total - with charges	192.4	16.3	176.1
Restructuring charges	22.7	62.3	(39.6)
Total - excluding charges	$ 215.1	$ 78.6	$ 136.5
Operating margin - excluding charges	5.7%	2.3%	+340 bps

Operating leverage (excluding charges) of 40%

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2011 Diluted EPS, as adjusted, increased by $1.63

	Twelve Months Ended	
	December 31, 2011	December 31, 2010
Diluted earnings (loss) per share	**$ 0.78**	$ (1.25)
Restructuring, exit and impairment charges (1)	**0.25**	0.70
Loss on early extinguishment of debt (1)	**0.21**	0.06
Special tax items	**(0.07)**	0.03
Diluted earnings (loss) per share, as adjusted	**$ 1.17**	$ (0.46)

(1) Assumes no tax benefit

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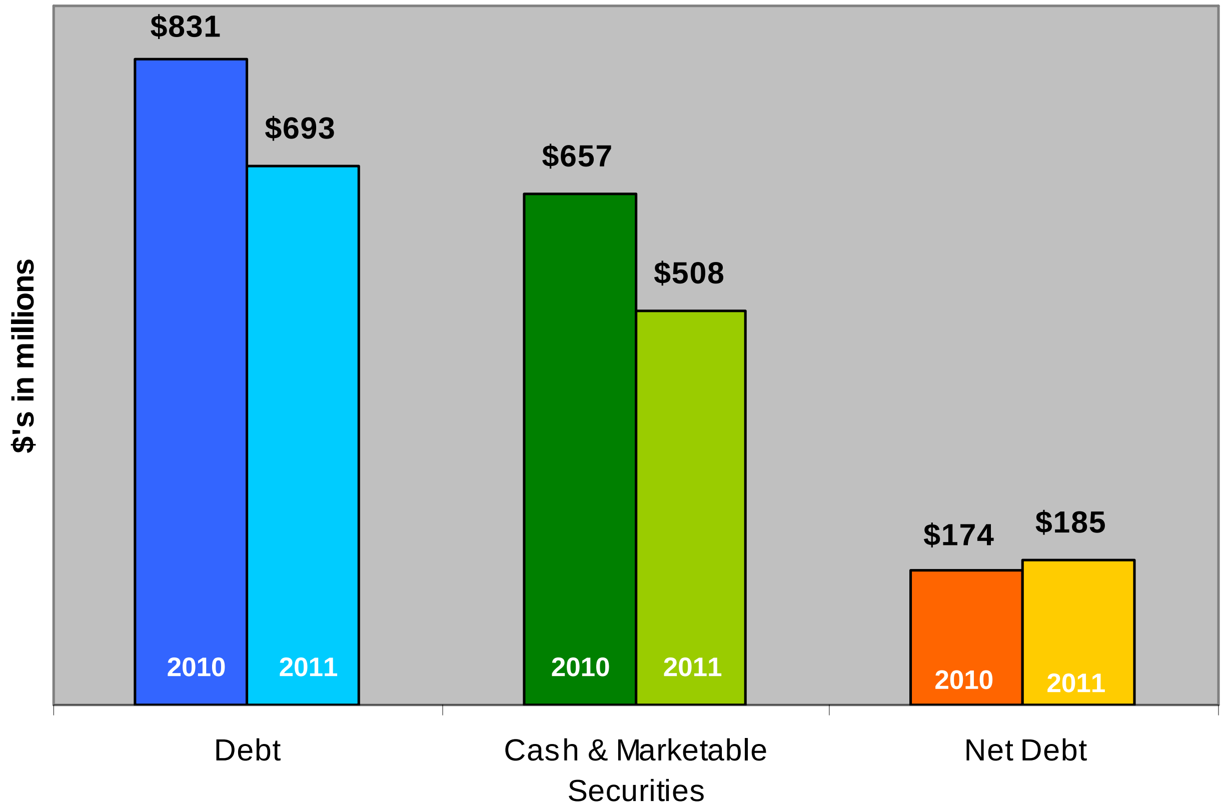
Total debt outstanding reduced by $138 million during 2011



Lowest level of debt since Q1 - 2004

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Q4 – 2011 Overview

- Solid performances across all business segments
- Results benefited from higher sales, company wide cost reductions, and lower warranty costs, partially offset by higher variable compensation expense
- Best fourth quarter operating performance since Q4 - 2007
- Strong operating leverage consistent with previous 7 quarters

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Q4 Net sales increased 8%

	Net Sales		
	Three Months Ended		
Segment ($'s in millions)	December 31, 2011	December 31, 2010	% Change
Marine Engine	$ 373.3	$ 353.3	6%
Boat	196.8	163.6	20%
Marine eliminations	(41.9)	(29.5)	
Total Marine	528.2	487.4	8%
Fitness	180.0	162.0	11%
Bowling & Billiards	80.9	79.5	2%
Total	$ 789.1	$ 728.8	8%

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Q4 Operating losses, excluding restructuring charges, reduced by $42.6 million

Segment ($'s in millions)	Operating Earnings (Loss) Three Months Ended December 31, 2011	December 31, 2010	Change
Marine Engine	$ (2.3)	$ (17.4)	$ 15.1
Boat	(28.4)	(69.3)	40.9
Total Marine	(30.7)	(86.7)	56.0
Fitness	28.3	24.4	3.9
Bowling & Billiards	3.0	0.2	2.8
Corp/Other	(18.7)	(12.6)	(6.1)
Total - with charges	(18.1)	(74.7)	56.6
Restructuring charges	4.5	18.5	(14.0)
Total - excluding charges	$ (13.6)	$ (56.2)	$ 42.6
Operating margin - excluding charges	(1.7)%	(7.7)%	+600 bps

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Q4 Diluted EPS, as adjusted, increased by $0.64

	Three Months Ended	
	December 31, 2011	**December 31, 2010**
Diluted loss per share	**$ (0.33)**	$ (1.17)
Restructuring, exit and impairment charges [1]	**0.05**	0.21
Loss on early extinguishment of debt [1]	**0.03**	-
Special tax items	**(0.05)**	0.02
Diluted loss per share, as adjusted	**$ (0.30)**	$ (0.94)

[1] Assumes no tax benefit

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Q4 Marine Engine segment – sales by region

Region	Q4 - 2011 % of sales	Change vs prior year
U.S. Markets	52%	+10%
Non-U.S. Markets	48%	(2)%
	100%	+6%

- U.S. and Canada markets continued to experience growth from outboard and P&A segments
- European markets mixed, with overall trends challenging throughout region; Asian markets continue to be strong
- 2011 FY revenue by region: U.S. 58%, Europe 18%, Asia Pacific 10%, Latin America 7%, Canada 5%, Africa & Middle East 2%

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Q4 - Outboard engines:

- Experienced solid global growth, reflecting improving aluminum and fiberglass outboard boat marketplace, as well as market share gains

Q4 - Sterndrive engines:

- Sales decreased modestly compared to year-ago levels
- Global declines in overall sterndrive boat market partially offset by market share gains

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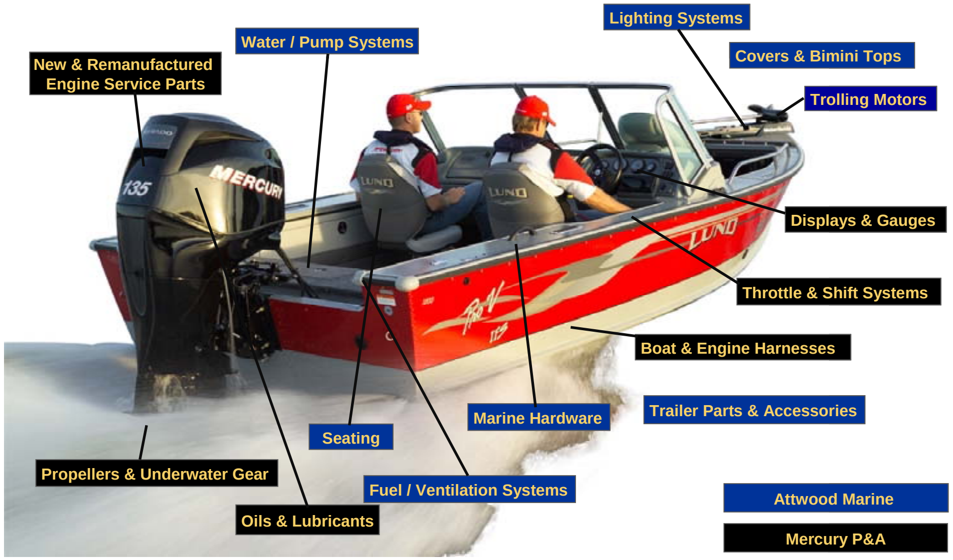
Q4 – Marine Engine segment's Parts & Accessories



- Solid increase in revenues in both domestic and non-U.S. markets

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Factors affecting Marine Engine segment's Q4 operating earnings

Positive Factors

- Sales growth
- Cost reductions and improved operating efficiencies
- Lower warranty costs
- Lower restructuring charges

Negative Factors

- Higher material and variable compensation costs

Excluding charges, Marine Engine segment above break-even for the quarter

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Q4 Boat segment – sales by region

Region	Q4 - 2011 % of sales	Change vs prior year, as reported	Change vs prior year, as adjusted*
U.S. Markets	69%	+34%	+34%
Non-U.S. Markets	31%	(10)%	+17%
	100%	+20%	+32%

- U.S. and Canada continue to be relatively stable with growth experienced in certain segments
- European marine markets under pressure due to lower consumer confidence levels resulting from macroeconomic concerns
- 2011 FY revenue* by region: U.S. 68%, Canada 19%, Europe 6%, Latin America 3%, Asia 3%, Africa & Middle East 1%

*Adjusted to exclude sales from divested brand - Sealine (8/30/11)

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

Source: Statistical Surveys, Inc. [a]

	2011P(a)					2010				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Fiberglass - SD/IB	-17%	-5%	-9%	-16%	-9%	-21%	-29%	-35%	-34%	-30%
Fiberglass - OB	-2%	+4%	+4%	+1%	+2%	-18%	-13%	-22%	-13%	-16%
Aluminum >16'	+7%	+9%	+8%	-3%	+8%	-7%	+5%	-3%	+2%	+1%
Total Industry - NMMA[b]	-1%	+2%	+0%	-4%	+0%	-14%	-7%	-16%	-9%	-10%

[a] Preliminary data is based on 98% of Q1 and Q2, 97% of Q3, 90% of October, 79% of November and 63% of December market reporting.

[b] Total Industry also includes fiberglass and aluminum lengths outside the ranges stated above, as well as ski boats, but excludes jet boats.

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Key Brunswick Global Boat segment metrics

	Q4 - 2011	FY - 2011
Change in retail unit sales*	+21%	+9%
Ending weeks-on-hand	32	32
Inventory - pipeline units	17K	17K
Change in pipeline*	+12%	+12%

Pipelines at stocking levels appropriate for market

- Units for fiberglass <24’ and aluminum are up over Q4 - 2011
- Units for fiberglass >24’ are down and remain at record low levels

* Year-over-year growth

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Factors affecting Boat segment's Q4 operating earnings

Positive Factors

- Sales growth
- Increased fixed-cost absorption and cost reductions
- Lower restructuring charges

Negative Factors

- Unfavorable shift in product mix
- Higher variable compensation costs

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Life Fitness segment completed another outstanding quarter

- Q4 sales up 11% vs. prior year; increased by 17% for the year
  - Strong commercial product revenues across all major distribution channels
  - Non-U.S. revenue growth
- Q4 operating earnings grew by $4 million, resulting in an all-time high annual operating margin of 14.7%
  - Increased unit volumes and a more favorable product mix

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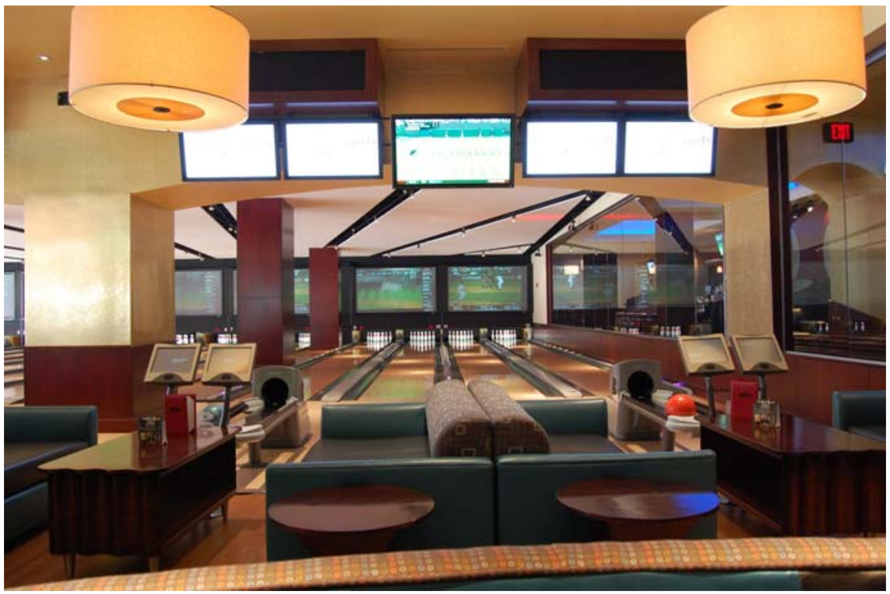
Bowling & Billiards segment sales and operating earnings growth



- Q4 sales up 2%
  - Bowling products business experienced solid domestic growth
  - Same-store retail bowling revenues up slightly versus prior year
- Q4 operating earnings increased by about $3 million
  - Higher sales, improved operating efficiencies, and lower bad debt expense

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Restructuring charges

Restructuring ($'s in millions)	Q4 - 2011	Q4 - 2010	FY - 2012 Current Plan
Restructuring charges	$ 4.5	$ 18.5	
JV Dissolution charges*	3.8	0.0	
Total	$ 8.3	$ 18.5	$ 10.0

Majority of Q4 - 2011 charges pertain to actions at marine operations

* Charges pertain to the announced dissolution of a marine engine segment joint venture. Amount is reflected on “equity loss” line in Consolidated Statement of Operations

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Net interest expense

Net Interest ($'s in millions)	Q4 - 2011	Q4 - 2010	FY - 2012 Current Plan
Interest expense	$ 18.0	$ 23.5	$70.0 - $ 68.0
Interest income	(1.3)	(1.1)	(4.0) - (3.0)
Loss on early extinguishment of debt	2.9	0.2	10.0 - 15.0
Net interest expense	$ 19.6	$ 22.6	$ 76.0 - $ 80.0

Q4 - 2011 expense lower due to reduced debt levels

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Debt levels ($'s in millions)

Description	12/31/10	10/1/11	12/31/11	2011 Debt Reduction
11.75% due 2013	$ 117.2	$ 73.5	$ 73.0	$ (44.2)
11.25% due 2016	341.6	300.9	287.9	(53.7)
7.375% due 2023	124.6	114.4	114.4	(10.2)
7.125% due 2027	199.2	167.2	167.3	(31.9)
Other	48.0	47.3	50.2	2.2
	$ 830.6	$ 703.3	$ 692.8	$ (137.8)

Current debt outstanding at lowest level since 2004

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Foreign currency impact*

Fourth quarter 2011:

- Negligible effect on sales and operating earnings

Full year 2011:

- Modest favorable effect on sales
- Negligible effect on operating earnings

2012 plan:

- Modest unfavorable effect on sales and earnings

* Includes the impact of hedging activity

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Tax provision

Taxes ($'s in millions)	Q4 - 2011	Q4 - 2010	Full Year 2011	Full Year 2010
Tax (benefit)/provision	$ (13.4)	$ 5.1	$ 17.4	$ 25.9
Effective tax rate	31.2%	(5.2%)	19.5%	(30.6%)

2012 effective tax rate estimate = 20%

Note:

Due to the Company's three years of cumulative "book" losses in various taxing jurisdictions, GAAP requires that the realization of the related deferred tax assets be considered uncertain. Consequently, we continue to adjust our deferred tax valuation allowance – resulting in effectively no recorded federal tax benefit or provision associated with our losses or income from U.S. operations.

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2011 Cash flow from operations

Cash Flow ($'s in millions)	Twelve Months Ended December 31, 2011	Twelve Months Ended December 31, 2010	Twelve Months Ended December 31, 2012E
Net earnings (loss)	$ 71.9	$ (110.6)	$
Depreciation and amortization	**104.5**	**129.3**	**95.0**
Pension expense, net of contributions	**(47.4)**	**1.7**	**(51.0) to (61.0)**
(Gains) losses on sale of property, plant and equipment, net	(12.7)	1.4	
Long-lived asset impairment charges	1.5	23.2	
Deferred income taxes	(3.3)	5.6	
Loss on early extinguishment of debt	19.8	5.7	
Changes in certain current assets and current liabilities	**(77.5)**	**14.5**	**see slide 29**
Income taxes	4.1	112.8	
Other	28.2	21.8	
Net cash provided by operating activities	89.1	205.4	

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2011 Cash flow from operations – primary working capital accounts

- Accounts and notes receivable increased by $17 million
- Inventories increased by $26 million
- Accrued expenses and accounts payable decreased by $33 million

For 2012, we currently believe that changes in working capital should result in a modest usage of cash

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2011 Free Cash Flow

Free Cash Flow ($'s in millions)	Twelve Months Ended December 31, 2011	December 31, 2010	Current Plan December 31, 2012
Net cash provided by operating activities*	$ 89.1	$ 205.4	$
Net cash provided by (used for):			
Capital expenditures	(90.0)	(57.2)	(120.0)
Proceeds from sale of property, plant and equipment	30.8	6.7	
Other, net	13.2	8.3	
Total free cash flow	$ 43.1	$ 163.2	

* In 2010, amount reflects approximately $109.0 million in tax refunds

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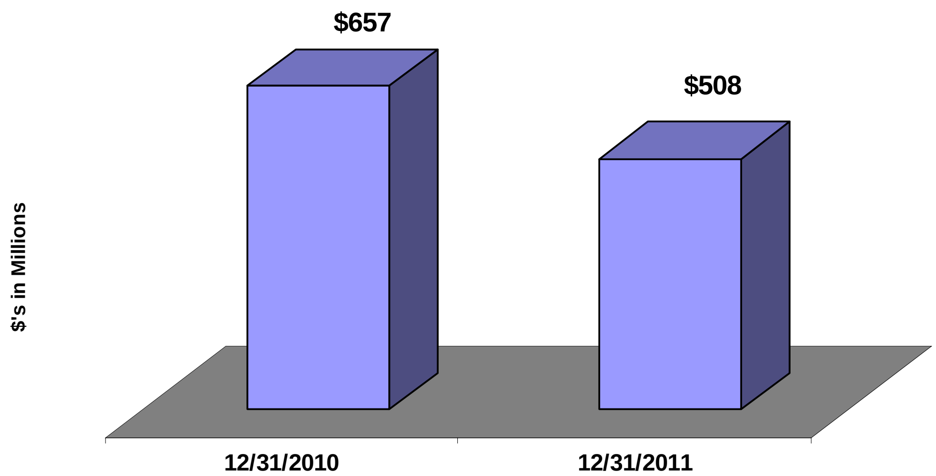
2011 Cash and marketable securities[1]



Factors affecting cash balances

- $43 million free cash flow
- $163 million used to reduce debt, including premium paid on debt retirement
- $20 million transferred to restricted cash to collateralize workers' compensation obligations (in lieu of letters of credit)

➢ Cash and marketable securities lower by $149 million

➢ Total available liquidity[2] of $739 million

[1] Excludes restricted cash

[2] Includes cash and marketable securities plus available, unused borrowing capacity under the Company's revolving credit facility

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Management Outlook: 2012

- Continuation of challenging marine markets – comparable to 2011
- 2012 plan reflects mid-single digit revenue growth delivering strong increases in operating earnings

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Management Outlook: 2012

- 2012 gross margin target is approximately 24%
- SG&A percentage of sales expected to be consistent with 2011
- R&D percentage of sales expected to be in the 2.5 to 3.0% range
- 2012 net income will benefit from lower restructuring costs and reductions in interest

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Management Outlook: 2012

- Continue to generate positive free cash flow
- Expect 2012 GAAP EPS to be in the range of $1.20 - $1.50 per share

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Management outlook: 2012 - 2014 Plan*

- Mid-single digit revenue CAGR
- Double-digit operating earnings CAGR
- Strong free cash flow
- Marine market improvements would accelerate growth

*Plan assumption: Global economic and marine market outlook will continue to be challenging and comparable to 2011.