

(Amounts in millions, except percent and per share amounts)	2004	2003	2003-2004 % Change	2002	2002-2003 % Change
Corporate Highlights					
Net sales	\$5,229.3	\$4,128.7	27%	\$3,711.9	11%
Operating earnings ⁽¹⁾	\$ 400.7	\$ 221.4	81%	\$ 196.6	13%
Net earnings ⁽²⁾	\$ 269.8	\$ 135.2	100%	\$ 103.5	31%
Diluted earnings per share ⁽²⁾	\$ 2.77	\$ 1.47	88%	\$ 1.14	29%
Diluted shares	97.3	91.9	6%	90.7	1%
Operating margin ⁽¹⁾	7.7%	5.4%		5.3%	
Total debt-to-capitalization ratio	30.2%	31.5%		35.9%	
Market capitalization at year end	\$4,791.6	\$2,931.5	63%	\$1,791.4	64%
Share price at year end	\$ 49.50	\$ 31.83	56%	\$ 19.86	60%
Shares outstanding at year end	96.8	92.1	5%	90.2	2%
Segment Highlights⁽³⁾					
<i>Marine Engine</i>					
Net sales	\$2,353.2	\$1,908.9	23%	\$1,705.2	12%
Operating earnings	\$ 243.2	\$ 171.1	42%	\$ 170.9	—
Operating margin	10.3%	9.0%		10.0%	
<i>Boat</i>					
Net sales	\$2,271.1	\$1,616.9	40%	\$1,405.3	15%
Operating earnings	\$ 149.3	\$ 63.9	NM	\$ 19.0	NM
Operating margin	6.6%	4.0%		1.4%	
<i>Fitness</i>					
Net sales	\$ 558.3	\$ 486.6	15%	\$ 456.7	7%
Operating earnings ⁽¹⁾	\$ 45.2	\$ 29.8	52%	\$ 44.9	NM
Operating margin ⁽¹⁾	8.1%	6.1%		9.8%	
<i>Bowling & Billiards</i>					
Net sales	\$ 442.4	\$ 392.4	13%	\$ 377.7	4%
Operating earnings	\$ 41.7	\$ 25.6	63%	\$ 21.4	20%
Operating margin	9.4%	6.5%		5.7%	

(1) Operating earnings and operating margin in 2003 include a \$25.0 million litigation charge recorded in the first quarter.

(2) Represents results before the cumulative effect of after-tax accounting change of \$25.1 million (\$0.28 per diluted share) in 2002.

(3) Segment net sales exclude intercompany eliminations. See Note 4, Segment Information.

NM=Not Meaningful

Corporate Overview

Brunswick Corporation is the world leader in marine products and electronics, fitness equipment and bowling and billiards. Marking 160 years in business during 2005, Brunswick today boasts some of the world's most recognizable and respected brands and is ever expanding its global and market presence. Built upon a foundation of financial discipline and operations excellence, Brunswick is a leader in innovation and technology in every one of its market segments. Brunswick's 25,000 employees worldwide are dedicated and passionate about instilling "Genuine Ingenuity" in everything they make and do.

Table of Contents

Chairman's Letter 3 Operations Review 19 Management's Discussion and Analysis 34 Reports of Independent Registered Public Accounting Firm 56 Report of Management 58 Financial Statements 59 Financial Footnotes 64 Selected Financial Data 99 Officers and Directors 102 Corporate Information 103 Product Information 104

On the Cover – Patricia Lobdell, a woodshop cabinet laminator at Sea Ray's Sykes Creek plant in Florida, is one of 25,000 Brunswick Corporation employees from around the world who help Brunswick do what others can't.