

Acushnet Holdings Corp

Second Quarter 2017 Results

August 11, 2017

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Tony Takazawa

Vice President, Investor Relations

Disclaimers

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This presentation includes forward-looking statements that reflect our current views with respect to, among other things, our operations and financial performance. These forward-looking statements are included throughout this presentation and relate to matters such as our industry, business strategy, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information such as our anticipated consolidated net sales, consolidated net sales on a constant currency basis and adjusted EBITDA. We use words like “guidance,” “outlook,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “future,” “will,” “seek,” “foreseeable” and similar terms and phrases to identify forward-looking statements in this presentation.

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This presentation includes certain financial measures not presented in accordance with generally accepted accounting principles (“GAAP”) such as Adjusted EBITDA and net sales in constant currency. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing the Company’s financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income or net sales or other measures under GAAP. You should be aware that the Company’s presentation of these measures may not be comparable to similarly-titled measures used by other companies. For a reconciliation of these measures to the most comparable GAAP measures, we refer you to the earnings release that we have made available on our website (www.acushnetholdingscorp.com) in connection with this presentation.

For further information, please see our Annual Report on Form 10-K for the year ended December 31, 2016 and filed with the SEC pursuant to Rule 424(b) and our periodic reports filed with the SEC pursuant to the Securities Exchange Act of 1934 which are available at the SEC’s website (www.sec.gov). Copies of this presentation and the accompanying webcast are publicly available on the our website (www.acushnetholdingscorp.com). This presentation should be read with the accompanying webcast and related earnings release.

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David Maher
Chief Operating Officer

Long Term, Total Return Strategy

- **Consistent playbook**
 - Focus on the Dedicated Golfer
 - Broad product category portfolio
 - Favorable mix of consumables / durables
 - Golf brands that resonate
 - Strong Pyramid of Influence position
 - Concentration in higher margin equipment
- **Quarterly cash dividend**
 - \$0.12 / share

Titleist[®]




SCOTTY CAMERON


VOKEY DESIGN

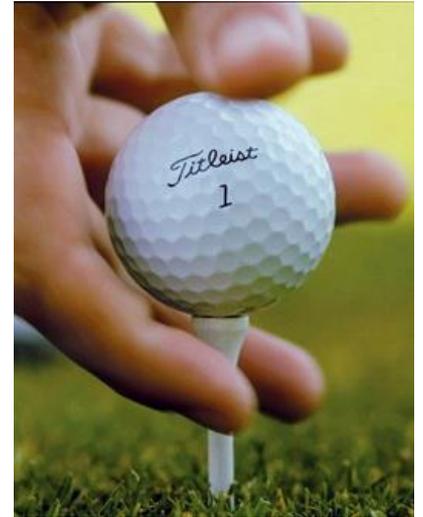
Results Overview

<i>(\$ in millions)</i>	2Q 2017	Growth Y/Y	Growth Y/Y @ CC	1H 2017	Growth Y/Y	Growth Y/Y @ CC
Net Sales	\$428.0	(7.6)%	(6.6)%	\$861.6	(4.6)%	(3.8)%
Adjusted EBITDA*	\$71.8	(13.5)%		\$150.3	(7.4)%	

* See Appendix A for Adjusted EBITDA reconciliation

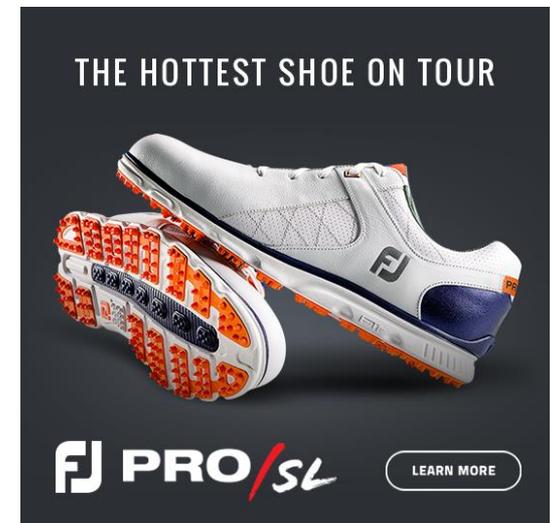
Geographic Results – United States

- **US sales results**
 - 2Q17 \$224.2 million, (8.5%)Y/Y
 - 1H17 \$447.3 million, (5.8%) Y/Y
- **US wet Spring impacted rounds of play**
 - Mid Atlantic, Northeast, Upper Midwest and West Coast 1H17 rounds down 7-13% Y/Y; New York 1H17 rounds down 20%
 - Impact on consumables purchases such as golf balls and gloves
 - Impact on golf shop traffic and ball / club fittings
- **US retail market correction**
 - In 5th quarter of 8-10 quarter cycle
 - Reduction in difficult store compares in 2H17
 - Migration of volume and market shakeout continues into 2018
 - US market approaching healthier state



Geographic Results* – Outside United States

- **EMEA**
 - 2Q17 (3.4%)Y/Y; 1H17 (1.2%)Y/Y
 - Markets holding strong, rounds up low-mid single digits in 1H17
- **Japan**
 - 2Q17 (13.4%)Y/Y; 1H17 (12%)Y/Y
 - Started slowly due to poor weather
 - Soft retail, impacted by fewer visits/less spending by affluent Chinese visitors
- **Korea**
 - 2Q17 up 7.5%Y/Y; 1H17 up 14.7%Y/Y
 - Gains in golf balls, clubs, gear and FootJoy



* All sales year over year percentage change in constant currency

Segment Results*

- **Golf Balls**

- 2Q17 (5.6%)Y/Y; 1H17 (1.7%)Y/Y
- ProV1 franchise had strong results with share gains worldwide
- Performance models down due to 2nd model year and competitive promotional activity
- New Performance models to be launched

- **Golf Clubs**

- 2Q17 (20.3%) Y/Y; 1H17 (15.6%) Y/Y
- Irons, Wedges and Putters performed well and as expected in their 2nd year
- Drivers challenged due to competitive activity, aggressive ad spending and poor weather which limited fittings
- Fall launch new family of 718 irons and 818 hybrids



* All sales year over year percentage change in constant currency

Segment Results*

- **Golf Gear**

- 2Q17 up 6.3% Y/Y; 1H17 up 6.7% Y/Y
- Growth in every category: golf bags, headwear, golf gloves and travel
- Build out of product development and supply chain capabilities is delivering good results

- **FootJoy**

- 2Q17 (4.1%)Y/Y; 1H17 (2%)Y/Y
- Impacted by US weather and reduced store count
- ProSL success; FJ Apparel top 3 US brand
- New DNA Helix footwear, new fall apparel collection and new Tour LTS rainwear collection



* All sales year over year percentage change in constant currency

Highlights

- **Success across the Worldwide Tours**
 - Titleist golf ball usage across the Worldwide Tours is at 72% YTD, up 600bps Y/Y
 - FootJoy shoecount across the Worldwide Tours is 62% YTD
 - Titleist golf balls have won 68% of the events YTD across the Worldwide Tours
 - Highlighted by Jordan Spieth's victory at Royal Birkdale with the new ProV1x and 14 Titleist golf clubs in his bag
- **Looking forward**
 - Excitement around the upcoming new product launches
 - Cautious optimism about global golf markets
 - Field inventories are healthy
 - Looking forward to executing on our strategy

Acushnet Holdings Corp

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Bill Burke
Chief Financial Officer

Income Statement Highlights

<i>(\$ in millions)</i>	2Q 2017	2Q 2016	1H 2017	1H 2016
Net sales*	\$428.0	\$463.3	\$861.6	\$903.2
Gross profit	\$222.9	\$238.0	\$449.3	\$463.8
<i>GM%</i>	<i>52.1%</i>	<i>51.4%</i>	<i>52.1%</i>	<i>51.4%</i>
SG&A	\$151.8	\$158.1	\$299.8	\$313.4
R&D	\$12.1	\$11.7	\$24.6	\$22.8
Income from operations	\$57.4	\$66.4	\$121.7	\$123.6
<i>OM%</i>	<i>13.4%</i>	<i>14.3%</i>	<i>14.1%</i>	<i>13.7%</i>
Interest expense, net	\$4.9	\$14.6	\$7.8	\$28.4
Income tax expense	\$18.2	\$21.9	\$40.7	\$38.7
<i>Effective Tax Rate</i>	<i>34.9%</i>	<i>44.4%</i>	<i>35.6%</i>	<i>42.4%</i>
Net Income attributable to Acushnet Holdings	\$33.0	\$27.1	\$71.1	\$50.7
Adjusted EBITDA**	\$71.8	\$83.0	\$150.3	\$162.3

* 2Q 2017 net sales down 7.6% year over year or down 6.6% in constant currency.

1H 2017 net sales down 4.6% year over year or down 3.8% in constant currency.

** See Appendix A for Adjusted EBITDA reconciliation schedule.

Liquidity & Capital Resources

<i>(\$ in millions)</i>	As of June 30, 2017	Notes
Unrestricted Cash	\$77.7	
Total Debt Outstanding	\$534	~2.47x LTM Adjusted EBITDA
Capital Expenditures	\$8.8	~\$26.0 million in 2017

2017 Outlook

(\$ in millions)

2017 Outlook

Net Sales

\$1,545 - \$1,565

Net Sales @ CC

Decrease by 0.7% to increase of 0.6%
when compared to 2016

Adjusted EBITDA

\$220 - \$230

Appendix

Appendix A: Adjusted EBITDA

<i>(\$ in thousands)</i>	2Q 2017	2Q 2016	1H 2017	1H 2016
Net income attributable to Acushnet Holdings Corp	\$33,016	\$27,055	\$71,130	\$50,717
Income tax expense	18,207	21,941	40,692	38,710
Interest expense, net	4,901	14,563	7,823	28,404
Depreciation and amortization	10,292	10,282	20,453	20,552
Share-based compensation(a)*	4,054	964	7,901	964
One-time executive bonus(b)*	-	-	-	7,500
Restructuring charges(c)*	-	55	-	642
Transaction fees(d)*	52	5,264	146	8,965
Beam indemnification expense (income)(e)*	290	9	197	(485)
Losses on the fair value of our common stock warrants(f)*	-	4,233	-	6,112
Other non-cash gains, net	(12)	(293)	(596)	(295)
Nonrecurring income(g)*	-	(1,467)	-	(1,467)
Net income attributable to noncontrolling interests(h)*	1,022	423	2,538	1,953
Adjusted EBITDA	\$71,822	\$83,029	\$150,284	\$162,272
Adjusted EBITDA margin	16.8%	17.9%	17.4%	18.0%

Appendix A: Adjusted EBITDA Footnotes

- (a) Reflects compensation expense with respect to equity-based grants under the Acushnet Holdings Corp. 2015 Omnibus Incentive Plan.
- (b) In the first quarter of 2016, our President and Chief Executive Officer was awarded a cash bonus in the amount of \$7.5 million as consideration for past performance.
- (c) Reflects restructuring charges incurred in connection with the reorganization of certain of our operations in 2016.
- (d) For the three and six months ended June 30, 2017, reflects legal fees incurred relating to a dispute arising from the indemnification obligations owed to us by Beam Suntory, Inc. (formerly known as Fortune Brands, Inc.) (“Beam”) in connection with our acquisition of Acushnet Company, our operating subsidiary, from Beam on July 29, 2011 (the “Acquisition”). For the three and six months ended June 30, 2016, reflects certain fees and expenses we incurred in connection with our initial public offering as well as legal fees incurred relating to a dispute arising from the indemnification obligations owed to us by Beam in connection with the Acquisition.
- (e) Reflects the non-cash charges related to the indemnification obligations owed to us by Beam that are included when calculating net income (loss) attributable to Acushnet Holdings Corp.
- (f) Fila Korea exercised all of our outstanding common stock warrants in July 2016 and we used the proceeds from such exercise to redeem all of our outstanding 7.5% bonds due 2021.
- (g) Reflects legal judgment in favor of us associated with the Beam value-added tax dispute in other (income) expense.
- (h) Reflects the net income attributable to the interest that we do not own in our FootJoy golf shoe joint venture.

Geographic Results

<i>(\$ in millions)</i>	2Q 2017	Growth Y/Y	Growth Y/Y @ CC	1H 2017	Growth Y/Y	Growth Y/Y @ CC
United States	\$224.2	(8.5)%	(8.5)%	\$447.3	(5.8)%	(5.8)%
EMEA	\$57.9	(10.0)%	(3.4)%	\$125.9	(8.5)%	(1.2)%
Japan	\$44.4	(15.0)%	(13.4)%	\$94.5	(12.2)%	(12.0)%
Korea	\$56.0	10.7%	7.5%	\$105.8	18.8%	14.7%
Rest of World	\$45.5	(11.0)%	(8.6)%	\$88.1	(6.2)%	(5.4)%

Segment Results

<i>(\$ in millions)</i>	2Q 2017	Growth Y/Y	Growth Y/Y @ CC	1H 2017	Growth Y/Y	Growth Y/Y @ CC
Titleist Golf Balls	\$155.0	(6.6)%	(5.6)%	\$289.2	(2.4)%	(1.7)%
Titleist Golf Clubs	\$93.3	(21.1)%	(20.3)%	\$195.3	(16.5)%	(15.6)%
Titleist Golf Gear	\$47.3	5.6%	6.3%	\$89.7	6.4%	6.7%
FootJoy Golf Wear	\$112.5	(5.8)%	(4.1)%	\$254.7	(3.5)%	(2.0)%