

MALIBU BOATS INC.
Investor Presentation
January 2015

SAFE HARBOR STATEMENT

Statements in this presentation that are not purely historical, including statements regarding Malibu Boats, Inc.'s ("Malibu Boats") intentions, hopes, beliefs, expectations, representations, projections, estimates, plans or predictions of the future are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by such words and phrases as "believes," "anticipates," "expects," "intends," "estimates," "may," "should," "continue," and similar expressions, comparable terminology or the negative thereof.

The forward-looking statements involve risks and uncertainties including, but not limited to, the risk that Malibu Boats will not be able to grow its market share in the performance sport boat industry, successfully introduce new products, meet its full-year outlook targets and obtain its expected results from the acquisition of its Australian licensee. It is important to note that Malibu Boats' actual results could differ materially from those in any such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, general economic conditions, demand for Malibu Boats' products, changes in consumer preferences, competition within our industry, reliance on a network of independent dealers, Malibu Boats' ability to manage its manufacturing levels and large fixed cost base, the successful introduction of new products and other factors. Many of these risks and uncertainties are outside Malibu Boats' control, and there may be other risks and uncertainties which Malibu Boats does not currently anticipate because they relate to events and depend on circumstances that may or may not occur in the future. Malibu Boats' business could be affected by a number of other factors, including the risk factors listed from time to time in Malibu Boats' SEC reports including, but not limited to, the Annual Report on Form 10-K for the year ended June 30, 2014. Malibu Boats can give no assurance that its expectations will be achieved. Malibu Boats cautions investors not to place undue reliance on the forward-looking statements contained in this presentation. Malibu Boats disclaims any obligation, and does not undertake to update or revise any forward-looking statements in this presentation. Comparison of results for current and prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

USE AND DEFINITION OF NON-GAAP FINANCIAL MEASURES

This presentation includes the following financial measures defined as non-GAAP financial measures by the SEC: Adjusted EBITDA and Adjusted Fully Distributed Net Income. These measures have limitations as analytical tools and should not be considered as an alternative to, or more meaningful than, net income as determined in accordance with GAAP or as an indicator of our liquidity. Our presentation of these non-GAAP financial measures should also not be construed as an inference that our results will be unaffected by unusual or non-recurring items. Our computations of these non-GAAP financial measures may not be comparable to other similarly titled measures of other companies.

We define Adjusted EBITDA as earnings before interest expense, income taxes, depreciation, amortization and non-cash, non-recurring and non-operating expenses, including management fees and expenses, certain professional fees, acquisition related expenses, non-cash compensation expense and offering related expenses. Management believes Adjusted EBITDA is useful because it allows management to evaluate our operating performance and compare the results of our operations from period to period and against our peers without regard to our financing methods, capital structure and non-recurring and non-operating expenses. We exclude the items listed above from net income in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures, the methods by which assets were acquired and other factors.

We define Adjusted Fully Distributed Net Income as net income attributable to Malibu (i) excluding income tax expense, (ii) excluding the effect of non-recurring and non-cash items, (iii) assuming the exchange of all Units ("LLC Units") of Malibu Boats Holdings, LLC (the "LLC") into shares of Class A common stock, which results in the elimination of noncontrolling interest in the LLC, and reflecting an adjustment for income tax expense on fully distributed net income before income taxes (assuming no income attributable to non-controlling interests) at our estimated effective income tax rate. Adjusted Fully Distributed Net Income is a non-GAAP financial measure because it represents net income attributable to Malibu Boats, Inc, before non-recurring or non-cash items and the effects of noncontrolling interests in the LLC. We use Adjusted Fully Distributed Net Income to facilitate a comparison of our operating performance on a consistent basis from period to period that, when viewed in combination with our results prepared in accordance with GAAP, provides a more complete understanding of factors and trends affecting our business than GAAP measures alone. We believe Adjusted Fully Distributed Net Income assists our board of directors, management and investors in comparing our net income on a consistent basis from period to period because it removes non-cash and non-recurring items, and eliminates the variability of noncontrolling interest as a result of member owner exchanges of LLC Units into shares of Class A Common Stock.

A reconciliation of our net income as determined in accordance with GAAP to Adjusted EBITDA, and of our net income attributable to Malibu Boats, Inc. stockholders to Adjusted Fully Distributed Net Income is provided in the appendix to these slides.

+ 40% MARKET SHARE, NORTH AMERICA + 40% MARKET SHARE, NORTH AMERICA + 40% MARKET SHARE, NORTH AMER

Amber Wing

MALIBU PRO TEAM

Best Women's Rider - 2013



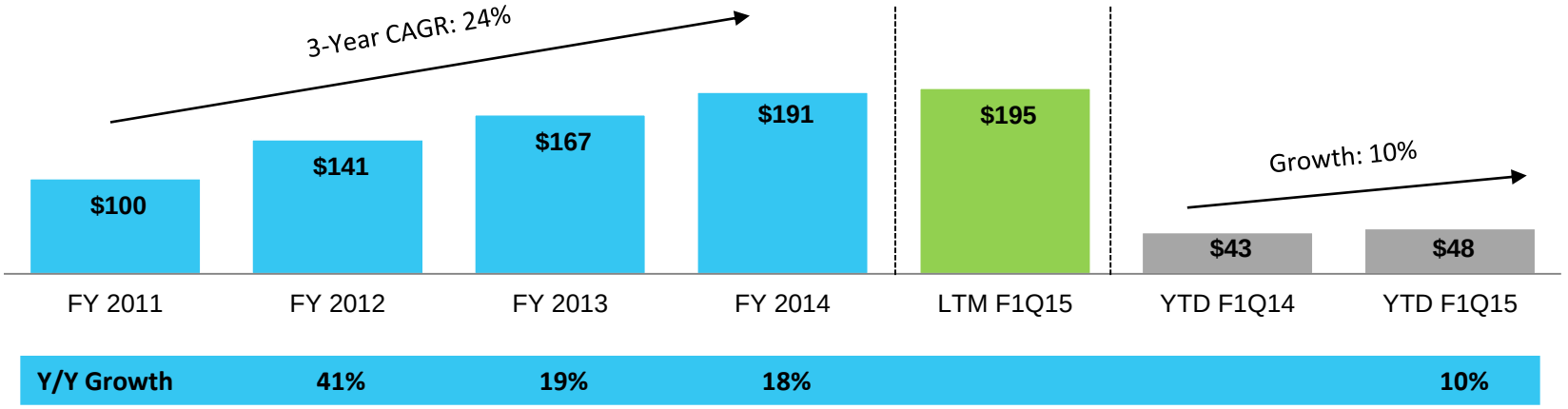
Malibu

INVESTMENT HIGHLIGHTS

- **#1 Market Share in Performance Sport Boats**
- **Poised to Take Advantage of the Boating Market Recovery**
- **Performance Sport Boats Taking Share**
- **Industry-Leading Product Development and Innovation**
- **Strong Dealer Network**
- **Two Highly Recognized Brands**
- **Compelling Margins and Cash Flow**
- **Multiple Growth Opportunities**
- **Highly Experienced Management Team with Proven Track Record**

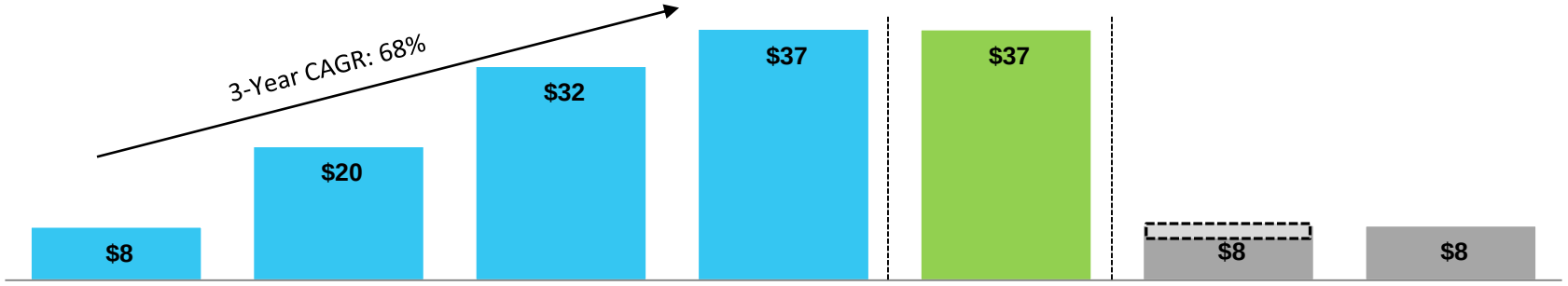
GROWTH COMPANY WITH PROVEN TRACK RECORD

NET SALES ($MM)[1]



Y/Y Growth	41%	19%	18%			10%

ADJUSTED EBITDA ($MM)[1][2]



Margin	14%	19%	20%	19%	19%	17%

1. FYE June 30; F1Q ended Sept. 30
2. The dotted region represents the EBITDA we earned in 1Q14 for public company expenses incurred in 1Q15

+ APPROACHING 40% MARKET SHARE IN NORTH AMERICA + 2015: MOST INDUSTRY INNOVATIONS IN ONE YEAR, EVER +

OVER 30 YEARS OF PERFORMANCE AND INNOVATION

1982 — Robert Alkema launches the Company in Merced, CA with the Malibu brand name



1988 — Introduction of Wakesetter model with Manual Wedge feature

1992 — Introduction of on-board computer system and Fiberglass Engine Chassis



1998 — Opening of second plant in Tennessee to accommodate increased demand



1999 — Introduction of first wakeboard-specific boats



2001 — Inaugural sponsorship of The Malibu Open water ski championships which became a premier competition for three-event skiing

2003 — New executive management team including CEO and CFO

2006 — Introduction of Power Wedge, giving boaters ability to customize size and shape of boats wake



2009 — Acquired by Black Canyon Capital, LLC

2010 — Launch Axis brand of boats to attract entry-level consumers

2012 — Launch largest boat to date, the Malibu Wakesetter 24 MXZ





2013 — Introduce Surf Gate technology that provides greater convenience and wake shaping

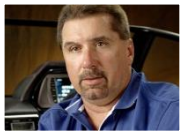
2014 — NASDAQ

Malibu completes its highly successful initial public offering on the NASDAQ exchange

Malibu Boats, Inc. acquires Australian manufacturer Malibu Boats, Proprietary Ltd.

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TALENTED AND EXPERIENCED MANAGEMENT

	**Jack Springer** *CEO and Director*	• Joined Malibu in 2009 and has nine years marine industry experience • Prior experience as C-level executive with several companies • Formerly a partner with Qorval, LLC and served as integration officer for Nautic Global Group, responsible for integrating two manufacturers
	**Ritchie Anderson** *Chief Operating Officer*	• Joined Malibu in 2011 • Thirty-one years of marine industry experience • Previously VP of Operations at MasterCraft
	**Wayne Wilson** *Chief Financial Officer*	• Joined Malibu in 2009 and has eight years of marine industry experience as an executive, investor and board member • Previous experience at Black Canyon Capital LLC and Credit Suisse First Boston
	**Dan Gasper** *VP of Product Design*	• Joined Malibu in 1988 • Experience in manufacturing, quality, and engineering and design • Has led design efforts for over a decade
	**Deborah Kent** *VP of Human Resources*	• Joined Malibu in 2011 as Director of Human Resources

Strong Support Team

- **Deep and established bench strength, with talent recruitment and top-grading capabilities throughout the organization**
- **Aggressive engineering department who are active wake sport and boating enthusiasts**

Board of Directors

- **The Board is composed of nine directors, including five independent directors**
- **Directors bring seasoned, diverse company and board experience from a range of blue-chip companies**

BROAD, DIFFERENTIATED PRODUCT OFFERING







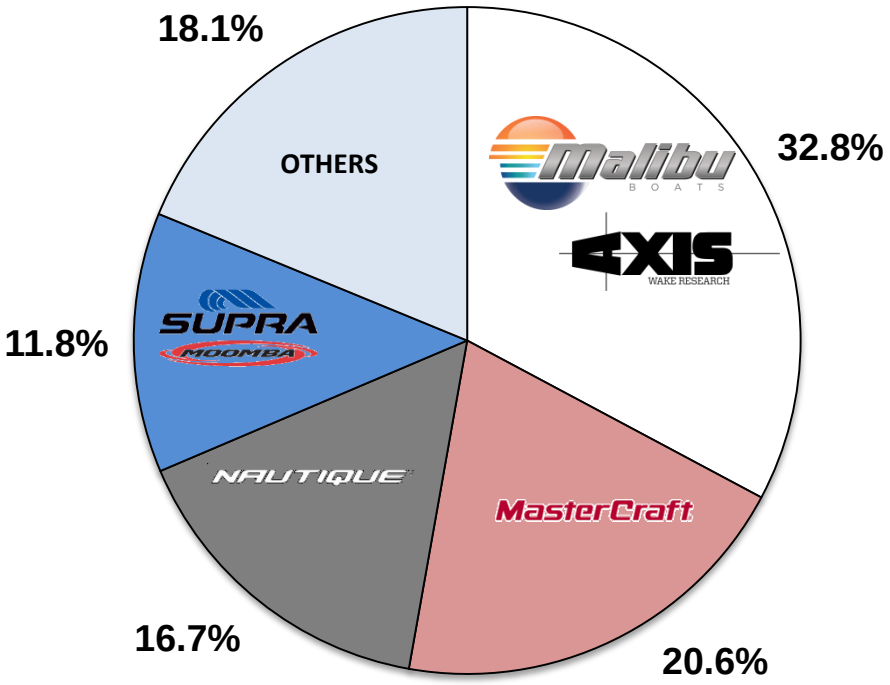
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INVESTMENT HIGHLIGHTS



LEAVING COMPETITORS IN OUR WAKE

#1 U.S. PERFORMANCE SPORT BOAT MARKET SHARE(1)

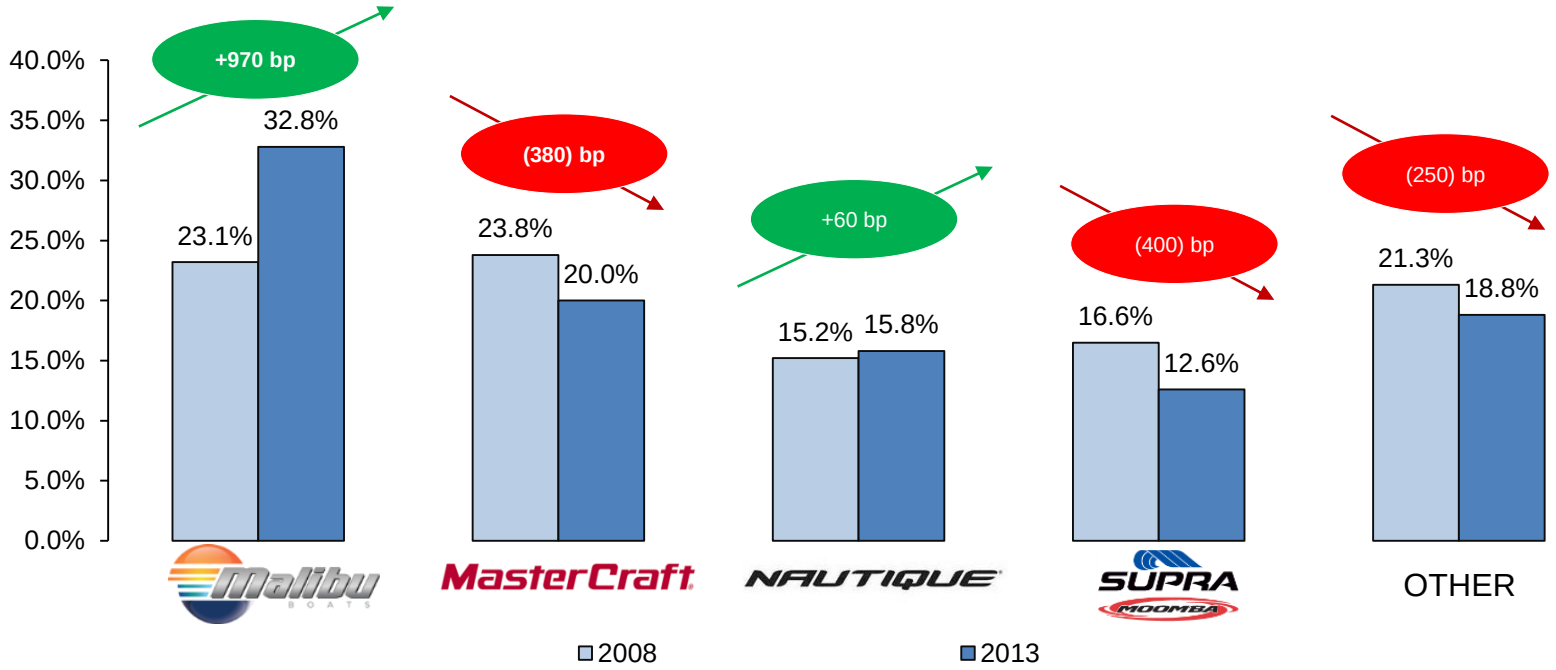


- **Leading U.S. performance sport boat market share from 2010 – 2014**
- **Positions us to capture new boat buyers as the economy strengthens**

Source: Statistical Surveys, Inc. (“SSI”).
1. For the fiscal year ended June 30, 2014.

LEAVE COMPETITORS IN OUR WAKE (CONT.)

CAPTURING SIGNIFICANT SHARE FROM COMPETITORS

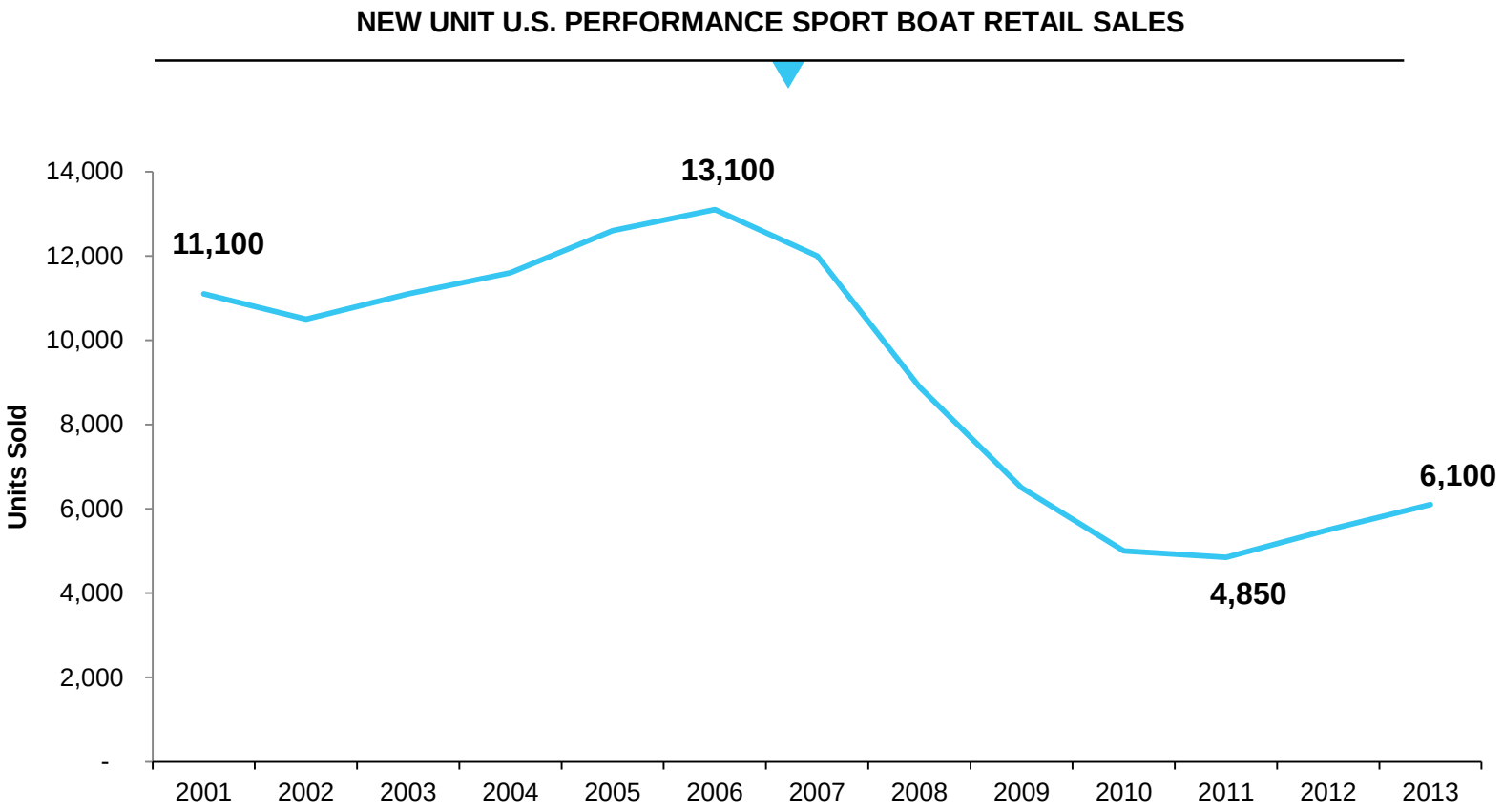


- **Capturing market share from our closest competitors through our innovative and diverse product offering**
- **Key performance sport boat manufacturers have remained relatively stable – making market share gains even more impressive**

Sources: National Marine Manufacturers Association ("NMMA"); SSI.

IN THE EARLY STAGES OF THE MARKET RECOVERY

- **U.S. performance sport boat sales grew 11% in 2013 but remained 48% below average annual new unit sales volume between 2001 and 2007 and 53% below the new units sold at the market peak in 2006**



Source: NMMA.

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LARGE, ADDRESSABLE MARKET OPPORTUNITY

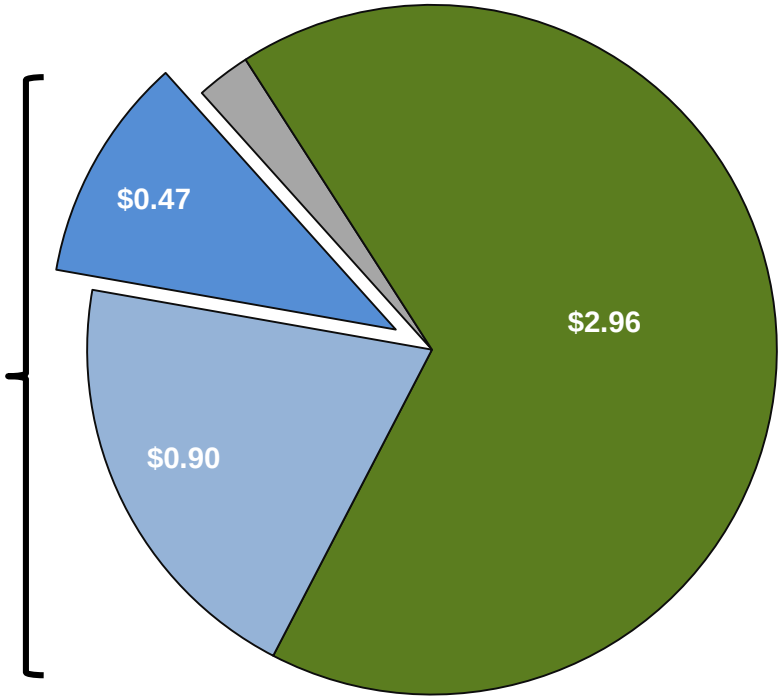
- **+$4 billion addressable U.S. market**
- **Core addressable market includes larger, adjacent powerboat**

+$4 BILLION U.S. MARKET OPPORTUNITY[1] ($B)



$1.48B Core Addressable U.S. Market







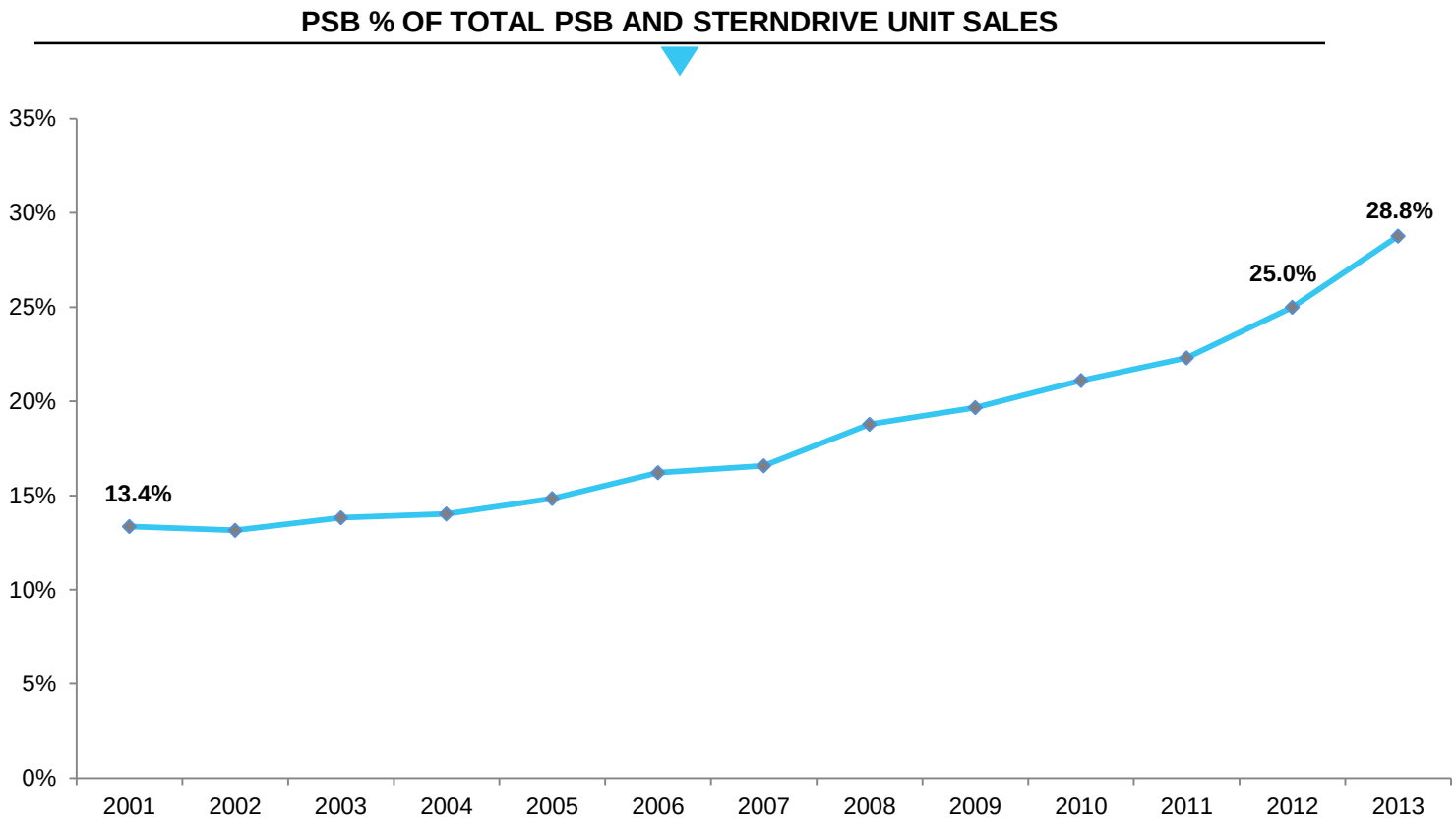




Source: NMMA.
1. Based on 2013 U.S. retail sales.

PERFORMANCE SPORT BOATS TAKING SHARE

- **Performance sport boats are capturing meaningful market share within powerboat segment and the sterndrive category in particular**



Source: NMMA.

VERSATILITY, INNOVATION DRIVING SHARE GAINS

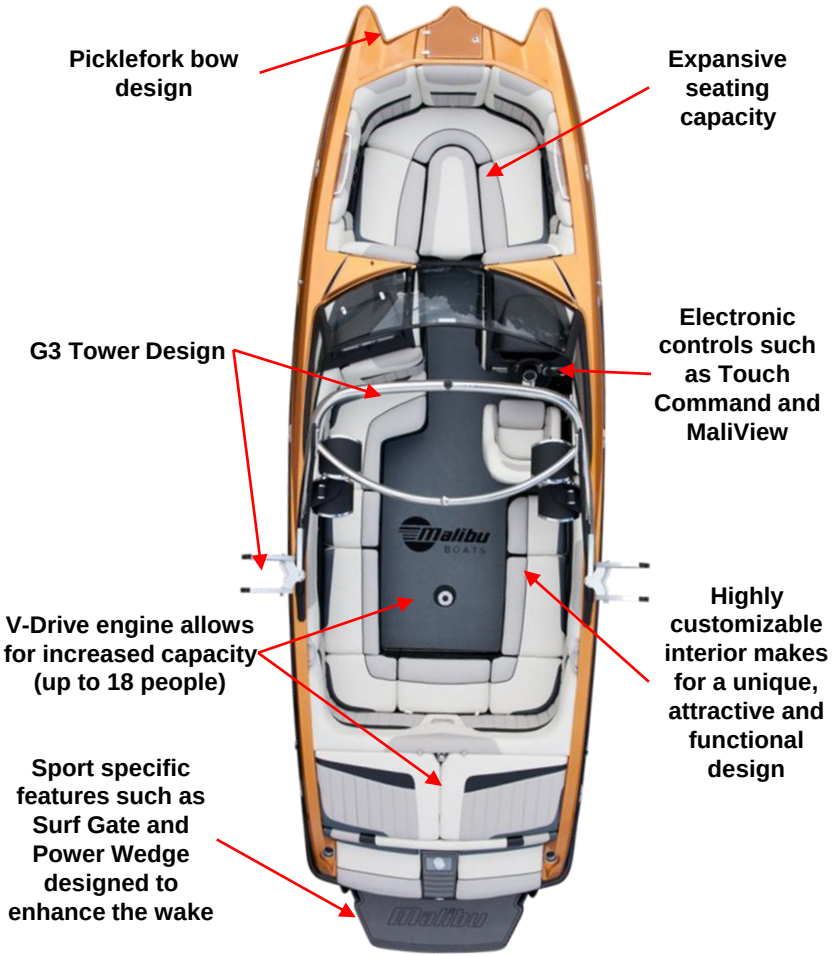
Performance Sport Boats Have All of the Features and Functionality of Sterndrive Boats and More

OUTPERFORMANCE DRIVEN BY

- New engineering and designs (V-drive propulsion, longer lengths and wider beams) which allow for a wide array of family and other water sport activities
- Attractive boat layout
- Superior handling, performance and safety
- Increasing popularity of wake surfing across all age categories
- Appeal to a broader consumer base that values boats for both water sports and general recreational boating

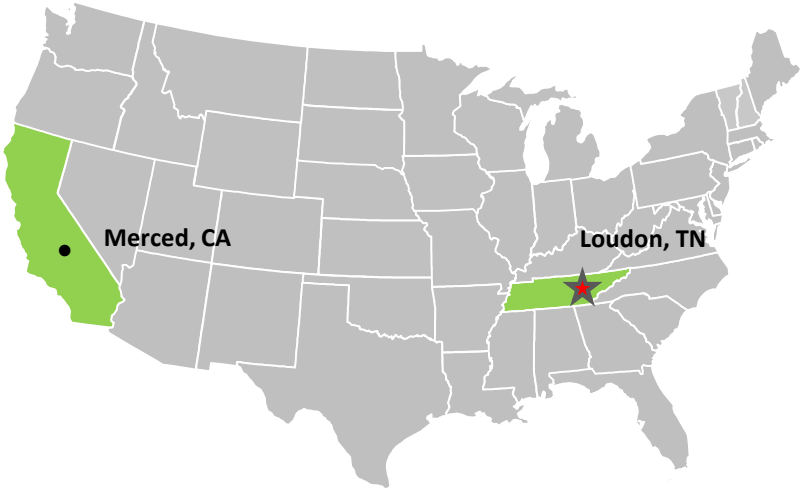
Malibu 24MXZ

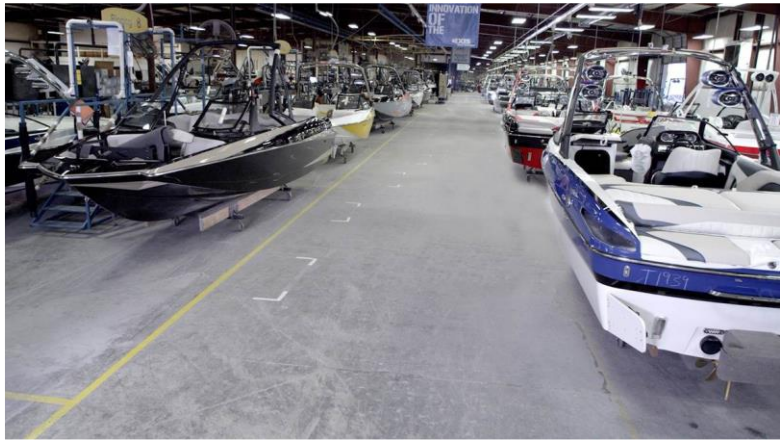
WAKE SETTER



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INTEGRATED DESIGN, ENGINEERING & MANUFACTURING





Focus on Manufacturing Efficiency

- Primary manufacturing facility in Loudon, TN
- Dedicated research and development team and boat tower manufacturing – Merced, CA
- The only vertically integrated tower manufacturer in the industry – distinct margin advantage
- Continuous flow manufacturing process encompassing fabrication, assembly, quality management and testing
- Tight collaboration between engineering team and manufacturing personnel to improve product quality and process efficiencies
- Increased labor efficiency, reduced cost of materials, minimized re-work, and lowered warranty claims through on-going process improvements

Operations Update

Engine Supplier:

- Developed new relationship with secondary supplier of marine engines
- Expect to source 30% of our engines from this second supplier in FY15

Facility Expansion:

- Current capacity of 4,000 units; footprint expansion will increase production to 5,000 units by the end of FY15
- Additional $1mm in CapEx will increase capacity to 6,000 units
- Construction of mezzanine completed early July 2014
- New distribution center operational mid-August 2014

INDUSTRY LEADER IN INNOVATION

Wake Enhancement
(Surf Gate, Wedge, Plug n Play Ballast)





Electronic Controls
(Touch Command, MaliView Presets)





Design
(G4 Tower, Hull, Interior)



- ✓ **New model introductions complemented by innovative new features and options**
- ✓ **Proprietary and first-to-market opportunities**
- ✓ **"Game changing," segment-defining features as well as more targeted enhancements**
- ✓ **Focus on delivering better performance, experience, functionality, convenience and safety**

- ✓ **Creates brand differentiation within segment**
- ✓ **Grows barrier to entry from other segments**
- ✓ **Leads to market share growth**
- ✓ **Drives increased value (ASP, margin) per sale**
- ✓ **Helps optimize base boat vs. option pricing strategy**
- ✓ **Encourages new boat sales vs. used boats**

Dedicated R&D Department

12 Patents

14 Patent Applications Pending

26 Registered Trademarks

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INDUSTRY GAME CHANGER – SURF GATE



SURF GATE



Wake Surfing Opportunity

- **Increasing popularity across age and experience spectrum due to low body impact and ease of learning**
- **Traditional boat preparation for surfing is time-consuming, inconsistent and cumbersome**

Surf Gate Solution

- **We were the first to market with a dedicated surf technology**
- **Proprietary, patented Surf Gate technology released in model year 2013 for Malibu boats**
- **Precisely engineered, electronically controlled, articulating panels produce a high-quality surf wake quickly and easily without leaning the boat**
- **Watersports Industry Association's *Innovation of the Year* in 2013**
- **Offered on both Malibu and Axis brand boats in model year 2014**
- **Multi-year product evolution plan to bolster the functionality and customization of the technology**

MODEL YEAR 2015… INNOVATION IN ACTION

COMPLETELY REMODELED FROM THE HULL UP



Malibu 22 VLX



Axis A22

NEW BOATS



Malibu Response LXR



Axis T23

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MODEL YEAR 2015… INNOVATION IN ACTION

CATEGORY DEFINING FEATURES

Next Generation G4 Tower



Re-engineered, Performance-Enhancing Power Wedge II



State-of-the-Art Touchscreen Command Center



Next Generation AW15 Tower



Upgraded AXIS Vinyl



GLOBAL, HIGH QUALITY DISTRIBUTION NETWORK

#1 market position in 65% of our U.S. markets over five total units, in FY14

143 dealer locations in the U.S. and Canada

52 international dealer locations in Europe, Asia, South America and Africa. Also, acquired Australian licensee in October 2014 that has six additional dealers.

54% market share of performance sport boats sold to international market(1)

35 new North American dealer locations added in the last six years resulting in…

725 additional unit sales over the last six fiscal years

34% top ten dealers as a % of unit volumes in FY14 – no dealer concentration

19 dealer locations converted from selling competitors' products in the last six fiscal years

Sources: Sources: SSI; Port Import Export Reporting Service; Malibu Boats internal volumes

1. For the twelve months ended June 30, 2014.

CONVERTING THE BEST DEALERS – TEXAS SKI RANCH

- Limited historical presence (12% market share) in South Texas region (excluding Austin, TX)
- Texas Ski Ranch ("TSR"), near San Antonio, is the pre-eminent cable park in the nation, drawing ~400,000 people per year
- Significant market opportunity



TSR/Texas Malibu Update

- In MY14, TSR/Texas Malibu boat orders increased +30% from MY13 levels as a result of adding TSR/Texas Malibu to Malibu's distribution network
- TSR/Texas Malibu's FY trailing twelve month market share increased 780 basis points in MY14, from 27.3% to 35.1%
- Corridor south of Austin has increased from 13% to 31.3% in the 2014 model year

TEXAS Malibu

- For 11 years, TSR had an exclusive partnership with a MasterCraft dealer, selling approximately 70 units annually
- Beginning FY14, Malibu displaced our top competitor at the TSR dealer, which now sells Malibu boats exclusively

Malibu Provides an Excellent Manufacturing Partnership for Dealers

Source: SSI.

GROWTH STRATEGIES



MULTIPLE GROWTH OPPORTUNITIES

Strong Industry Fundamentals

- Industry sales 53% below peak volume[1]
- Rapidly expanding
- Well-positioned to capitalize

New & Innovative Products

- New boat models
- New features
- Drive consumer interest and margin growth

SURF GATE®

Capture Additional Share

- Take share from other boating segments (e.g. sterndrive)
- Take share from other performance sport boat manufacturers
- Driven by innovation, features, design and performance



Optimize Dealer Network

- Identify locations for expansion
- Convert dealers from competitors' products
- Penetrate underserved markets



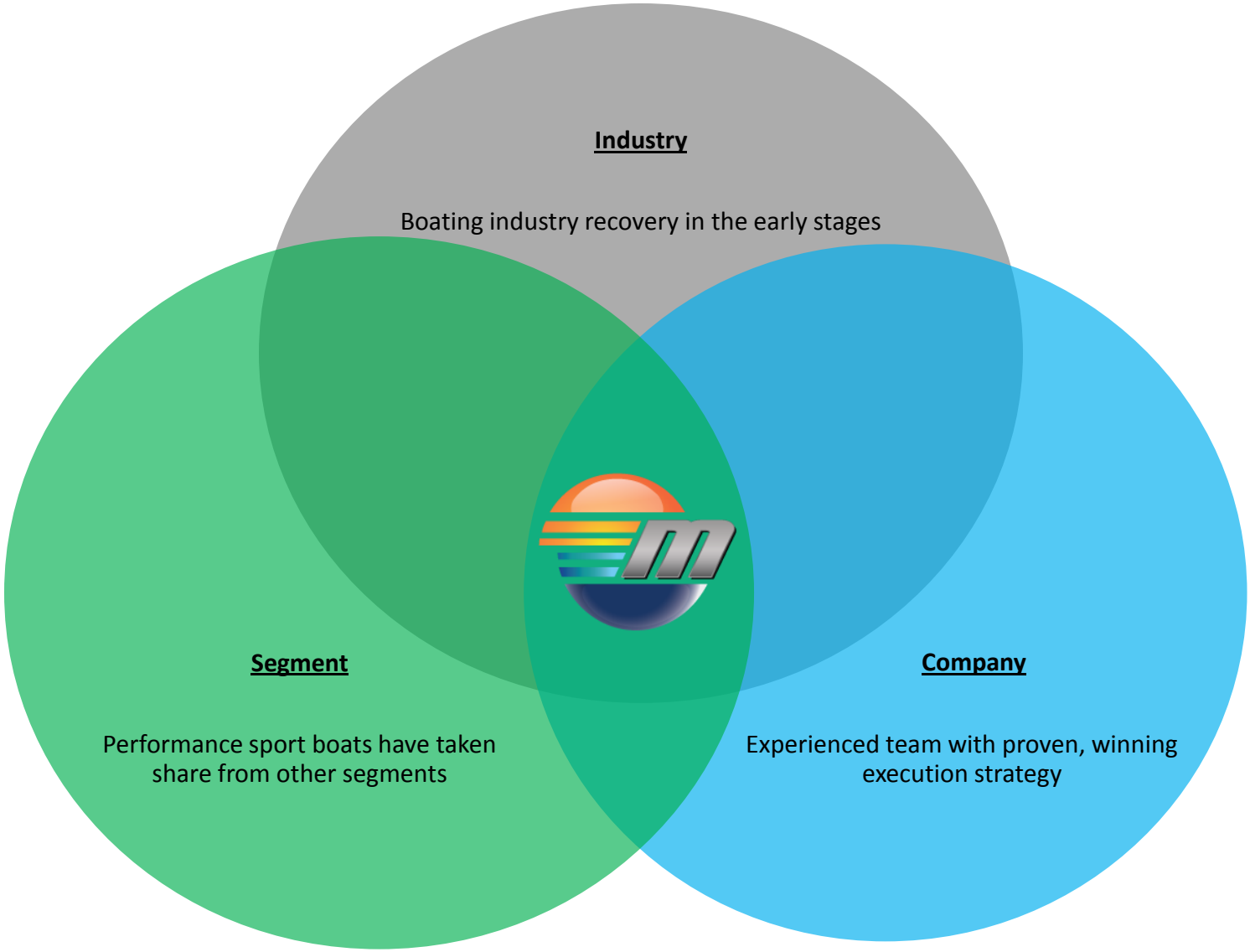
International Expansion

- Acquired Australian licensee in October 2014
- Promote products in developed markets
- Penetrate new and emerging markets
- Conversion of master distributors to Malibu-direct



Source: NMMA.

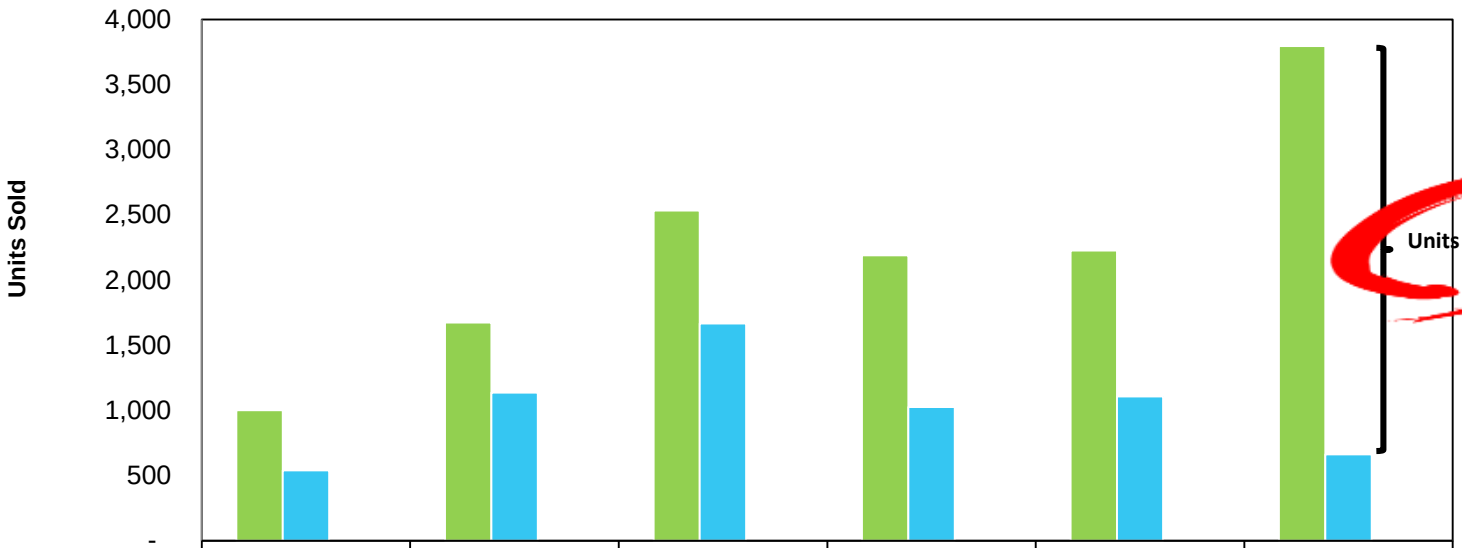
MALIBU IS WELL POSITIONED AMIDST FAVORABLE TRENDS



RUNWAY FOR BOATING RECOVERY IN ALL U.S. MARKETS

- **Our market position should allow us to capitalize on a boating recovery in all U.S. regions**
- **The Southwest U.S., the largest U.S. market in FY06, experienced the largest declines during the recession and is in the very early innings of the recovery**

PERFORMANCE SPORT BOAT MARKET SIZE AND MARKET SHARE BY REGION



	East	Gulf Coast	Midwest	Northwest	Southeast	Southwest
FY06	1,002	1,674	2,533	2,190	2,226	3,794
CY13	540	1,136	1,666	1,026	1,107	663
CY13 Market Share	34%	31%	32%	29%	36%	39%

TWO-PRONGED PRODUCT DEVELOPMENT STRATEGY

The Release of New Products and Features Multiple Times Throughout the Year is a Key Competitive Advantage

Introduce New Boat Models



Goal

Target unaddressed or underserved segments of the performance sport boat category

Develop & Integrate New Features

SURF GATE



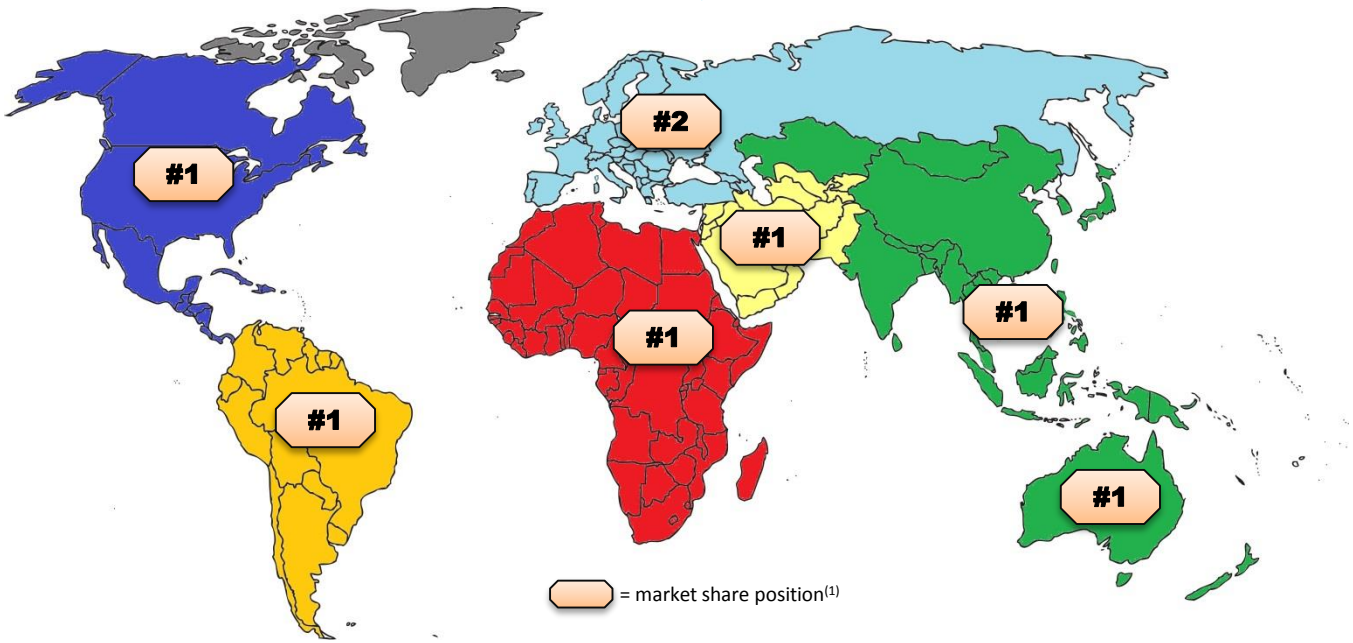
Goal

Drive demand and enhance Malibu's reputation as a leading-edge boat manufacturer

ACCELERATE INTERNATIONAL EXPANSION

- **Currently the #1 or #2 U.S. brand exported to all major markets**
- **Historically, lower strategic priority – less than 5% of 2013 unit sales from outside North America**
- **Recently expanded direct coverage of important markets**
- **Significant global opportunity**
  - **Developed markets –> increase sales and marketing efforts with well-established dealers**
  - **New markets –> penetrated new territories and capitalize on economic growth of key emerging markets, such as South America and Australasia**

INTERNATIONAL DEALER COVERAGE



Source: Port Import Export Reporting Service.

1. Market share position based on U.S. exports for the nine months ended March 31, 2014.

AUSTRALIA – A GATEWAY INTO ASIA

- **In October 2014, we closed a transaction to acquire all of the equity interests of our licensee in Australia, Malibu Boats Pty Ltd.**
- **The Australian license business includes distribution rights in the Australia and New Zealand markets as well as a manufacturing facility in Albury, Australia**
- **For the twelve months ended June 30, 2014, our Australian licensee sold approximately 300 units**
- **Minimum Estimated Impact on FY15 :**
  - **180 Units**
  - **$8 million in Net Sales**
  - **$1 million in Adjusted EBITDA**

AUSTRALIA ACQUISITION THESIS



- **Key step in growing a dealer network throughout Asia and getting a foothold in the region, an emergent market for performance sport boats**
- **An Australian facility will dramatically cut down the lead time to build boats and ship to Asia, a significant competitive advantage over our competitors**
- ***Allows Malibu to control its brand globally***

EXPANDING REACH INTO ENTRY MARKET - AXIS

- **Launched in FY 2009 as a de novo brand**
  - **Entry-level, lower price point product appealing to younger demographic**
- **Recent developments driving growth**
  - **Surf Gate available for option on all Axis models as of August 2013**
  - **T22 released December 2013 - first traditional bow Axis product**
  - **T23 released November 2014 – second traditional bow Axis product**
- **#4 brand in the segment**
- **Revenue contribution in excess of 20% in FY14**
- **WSIA *Innovation of the Year* Award and *Australian Boat of the Year* Award**

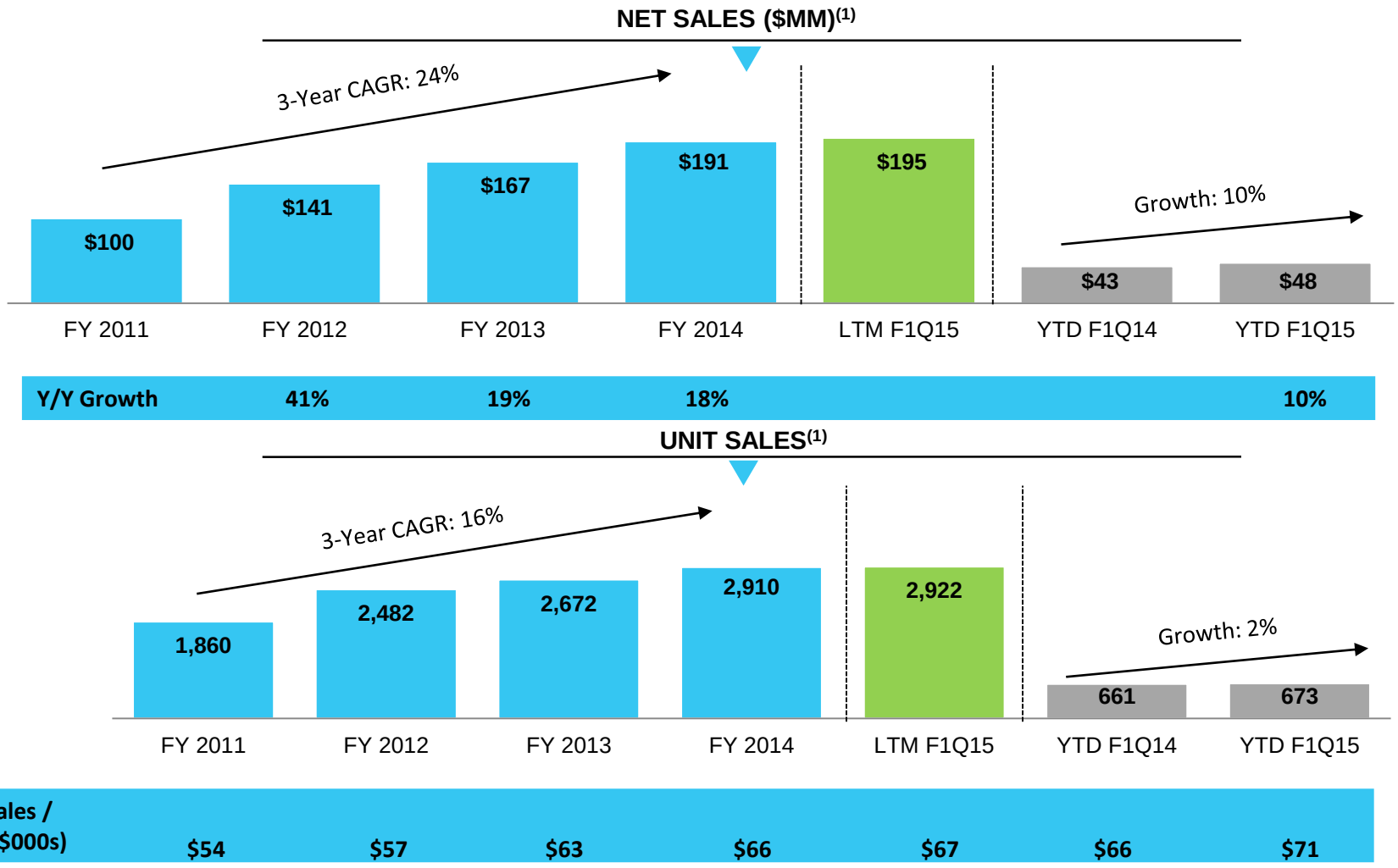




FINANCIAL OVERVIEW



PROVEN PERFORMANCE



1. FYE June 30; F1Q September 30th

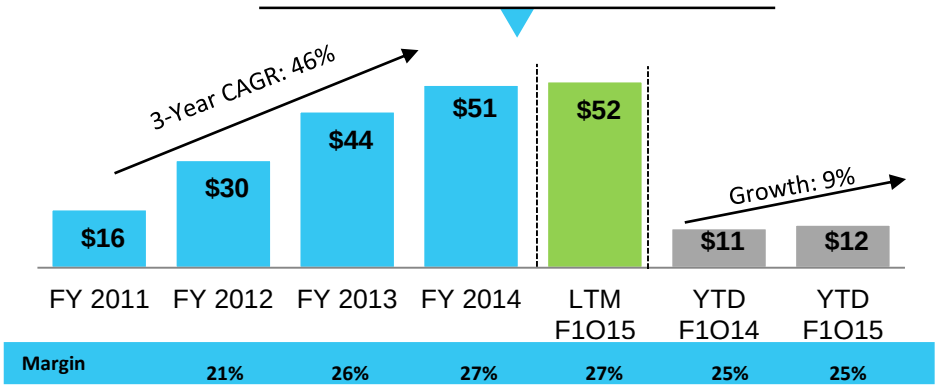
PROVEN PERFORMANCE(CONT.)

- **Gross margin has improved significantly as a result of:**
  - New disciplined operational management
  - Operational restructuring and vertical integration of manufacturing
  - Improved labor efficiency
  - Higher margin features and options
  - Operating leverage

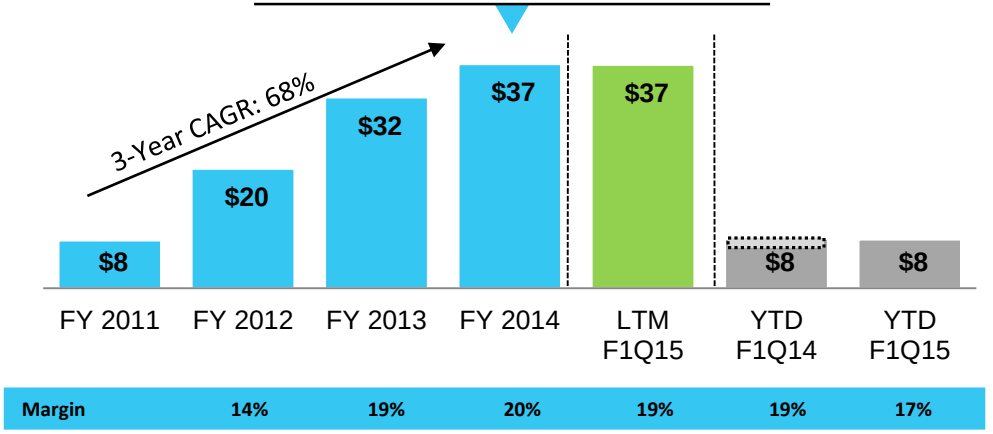
- **FY13 Adjusted EBITDA margins are in excess of gross margin levels achieved in FY11**

- **Significant investments in personnel and infrastructure position us for continued growth**

GROSS PROFIT ($MM)[1]



ADJUSTED EBITDA ($MM)[1][2]

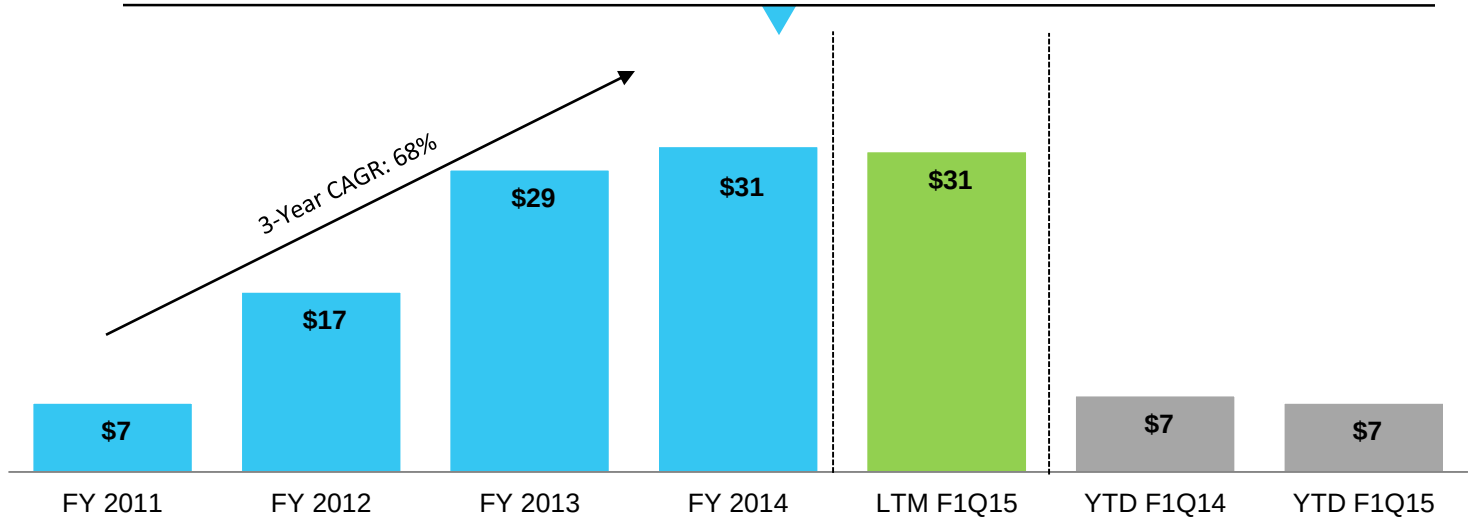


1. FYE June 30; F1Q ended Sept. 30
2. The dotted region represents the EBITDA we earned in 1Q14 for public company expenses incurred in 1Q15

STRONG CASH FLOW GENERATION

- **Strong free cash flow generation is a result of healthy operating margins and low capital requirements (CapEx <4% of sales)**
- **Highly efficient working capital cycle**

FREE CASH FLOW ($MM)[1][2]



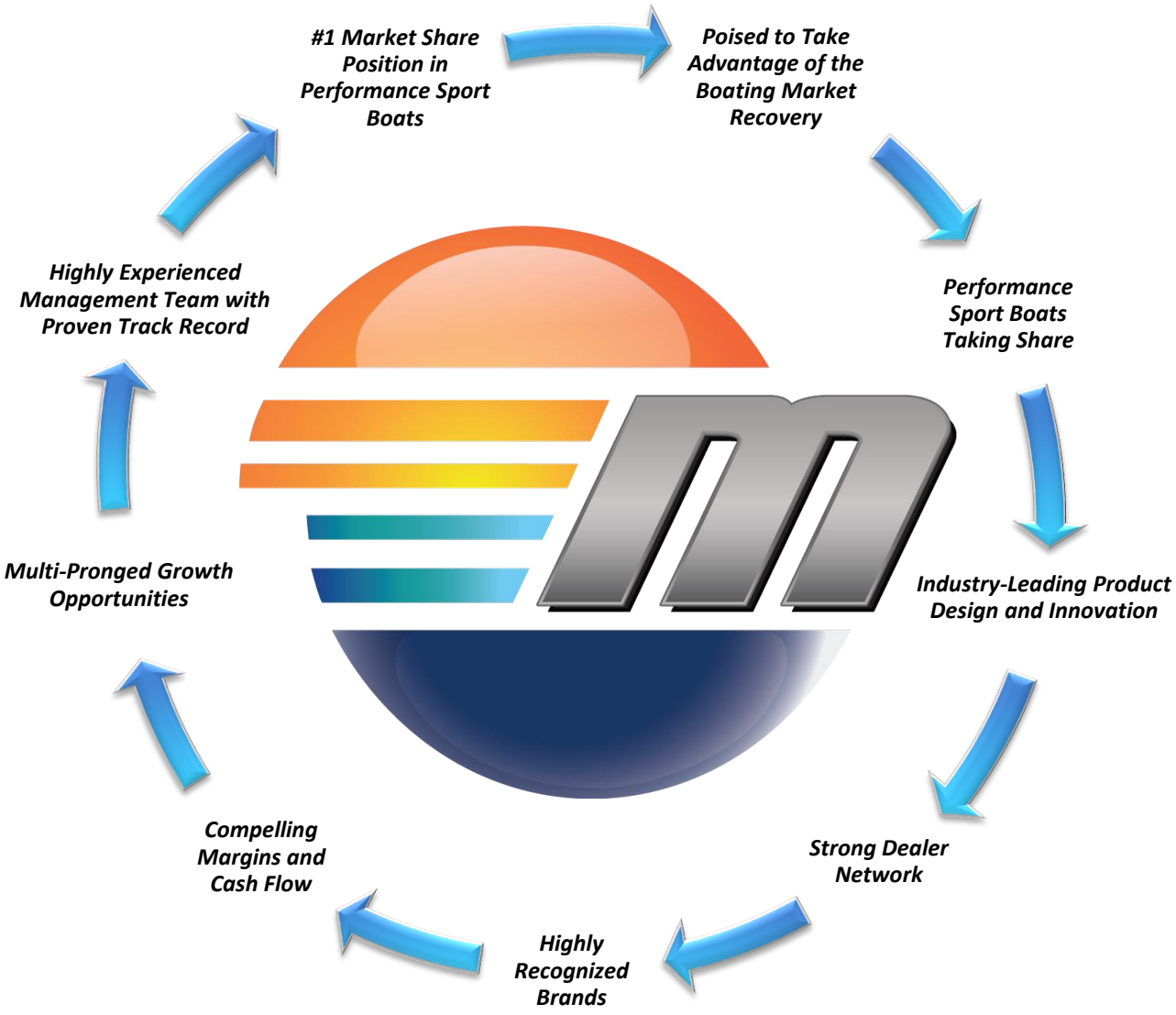
FCF % of EBITDA	FY 2011	FY 2012	FY 2013	FY 2014	LTM F1Q15	YTD F1Q14	YTD F1Q15
	84%	87%	91%	84%	82%	89%	81%

1. Free Cash Flow = Adjusted EBITDA less Capital Expenditures.
2. FYE June 30; F1Q ended September 30

LONG-TERM PERFORMANCE TARGETS

METRIC	TARGET
Revenue Growth	10% +
Adjusted EBITDA Margin	20% +
Long-Term EPS Growth	15% +

KEY TAKEAWAYS



+ APPROACHING 40% MARKET SHARE IN NORTH AMERICA + 2015: MOST INDUSTRY INNOVATIONS IN ONE YEAR, EVER +

APPENDIX



+ 40% MARKET SHARE, NORTH AMERICA + 40% MARKET SHARE, NORTH AMERICA + 40% MARKET SHARE, NORTH AMER

ADJUSTED EBIDTA AND FREE CASH FLOW RECONCILIATION

	Fiscal Year Ended June 30,				Fiscal YTD through Sept 30,		Twelve Months Ending September 30, 2014
($ in millions)	2011	2012	2013	2014	2014	2015	
Net (loss) Income	($0.5)	$11.1	$18.0	($1.2)	$5.2	$2.4	($4.0)
Provision for Income Taxes	0.0	0.0	0.0	(2.2)	0.0	0.9	1.3
Acquisition Related Expenses	0.0	0.0	0.0	0.0	0.0	0.4	0.4
Interest Expense	1.8	1.4	1.3	3.0	1.2	0.0	1.8
Depreciation & Amortization	6.0	6.1	6.3	6.8	1.6	1.3	6.5
Severance & Relocation	0.1	0.2	0.2	0.0	0.0	0.0	0.0
Management Fees & Expenses	0.0	0.1	2.9	4.6	0.0	0.0	4.6
Professional Fees	0.4	0.9	3.0	2.2	0.2	2.6	4.6
Litigation Settlement	0.0	0.0	0.0	20.0	0.0	0.0	20.0
Non-cash Compensation Expenses	0.1	0.1	0.1	2.6	0.0	0.5	3.0
IPO Related Expenses	0.0	0.0	0.0	1.6	0.0	0.0	1.6
Adjusted EBITDA	$7.9	$19.9	$31.8	$37.3	$8.2	$8.1	$37.2
% Margin	7.9%	14.1%	19.0%	19.5%	18.8%	16.9%	21.0%
Capital Expenditures	(1.4)	(2.7)	(2.9)	(5.9)	(0.9)	(1.5)	-6.6
Free Cash Flow	$6.5	$17.3	$28.9	$31.4	$7.3	$6.6	$30.6

Note: Totals may not sum due to rounding.

Reconciliation of Net Income to Non-GAAP Adjusted EBITDA and Adjusted EBITDA Margin (Unaudited):

The following table sets forth a reconciliation of net income as determined in accordance with GAAP to Adjusted EBITDA and Adjusted EBITDA Margin for the periods indicated (dollars in thousands):

	Three Months Ended September 30,	
	2014	2013
Net income	$ 2,389	$ 5,179
Provision for income taxes	907	—
Interest expense	9	1,164
Depreciation	543	296
Amortization	724	1,294
Management fees and expenses [1]	—	22
Professional fees [2]	2,551	169
Acquisition related expenses [3]	397	—
Stock based compensation expense [4]	487	32
Offering related expenses [5]	44	—
Adjusted EBITDA	$ 8,051	$ 8,156
Adjusted EBITDA margin	16.9 %	18.8 %

(1) Represents management fees and out-of-pocket expenses paid pursuant to our management agreement with Malibu Boats Investor, LLC, an affiliate, which was terminated upon the closing of the IPO.
(2) Represents legal and advisory fees related to our litigation with Pacific Coast Marine Windshields Ltd. and Nautique Boat Company, Inc.
(3) Represents legal and advisory services incurred in connection with our acquisition of Malibu Boats Pty. Ltd completed on October 23, 2014.
(4) Represents equity-based incentives awarded to certain of our employees under the Malibu Boats, Inc. Long-Term Incentive Plan and profit interests issued under the previously existing limited liability company agreement of the LLC.
(5) Represents legal, accounting and other expenses directly related to our follow-on equity offering that closed on July 15, 2014.

+ SURF GATE, THE ORIGINAL & BEST WAKESURF SYSTEM + SURF GATE, THE ORIGINAL & BEST WAKESURF SYSTEM + SURF