

MALIBU BOATS INC.

Second Quarter 2015 Earnings Results

February 5, 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 and integration 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.

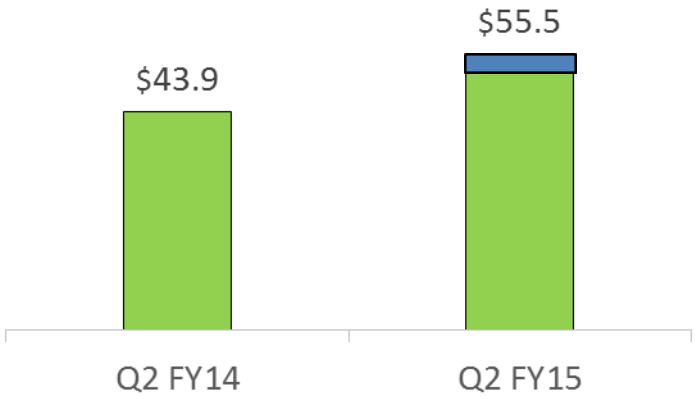
A reconciliation of our net income as determined in accordance with GAAP to Adjusted EBITDA, and of our net income attributable to Malibu Boats, Inc. stockholders to Adjusted Fully Distributed Net Income is provided in the appendix to these slides.


Jack Springer
Chief Executive Officer
MALIBU BOATS INC.

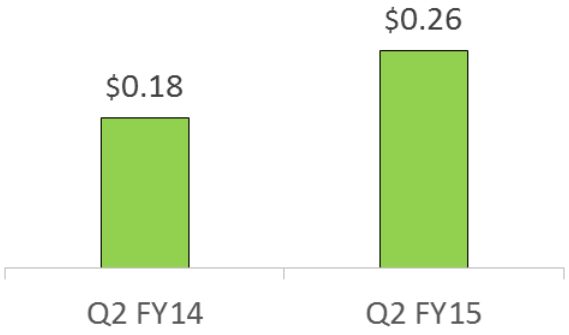
Quarter Commentary

- Record 2nd quarter net sales, gross profit, Adj. EBITDA, and EPS
  - Sales are up approximately 26% year-over-year
- Slight net sales per unit decrease driven by consolidation
  - US Net sales per unit is up 1.6%
    - Negatively impacted by Axis mix
    - Offset by strong optional feature selections
- Continued strong reception to our model year 2015 product offerings

Net Sales(2)



Adj. Fully Dist. Net Income (1)



(1) See Appendix for a reconciliation of Net Income to Adjusted Fully Distributed Net Income.

(2) The blue section of the graph represents incremental results from our Australian Licensee acquired on October 23, 2014.

+ 60,000+ BOATS ON THE WATER—AND COUNTING + 60,000+ BOATS ON THE WATER—AND COUNTING + 60,000+ BOATS

Malibu Response LXR





Axis T23

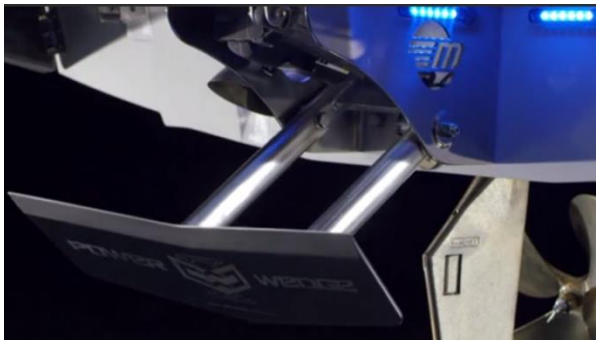




G4 Tower



Power Wedge II



Malibu Viper II Dash



MAJOR FEATURE AND OPTION ENHANCEMENTS

+ 60,000+ BOATS ON THE WATER—AND COUNTING + 60,000+ BOATS ON THE WATER—AND COUNTING + 60,000+ BOATS

Vertical Integration

- Current Efforts
  - Towers
  - Board racks
  - Basic boat components

- New Effort FY2016 – Trailers
  - CAPEX under $1mm
  - Attractive ROI

Market Commentary

- Continued Retail Momentum
  - 1H Benefited from extended selling season
  - 2H Growth expected to moderate
  - Boat show traffic and quality leads are up
- Dealer inventory is healthy
  - Estimated weeks of inventory consistent with prior years
- Consistent market share leadership

Domestic Market Growth (1)

H1 CY2015 –15%

H2 CY2015 – Low double digit

Market Share (1)

Relatively Flat CY2014

1. Source: Statistical Surveys, Inc. (“SSI”).

Key Takeaways

- Boating industry in early innings of recovery and performance boat segment is outpacing
- International challenges and positives
- Reception of our new product, both models and features, is strong
- Continuing to take advantage of investment opportunities
  - Australian acquisition
  - Vertical integration opportunities

MALIBU BOATS – EARNINGS RELEASE

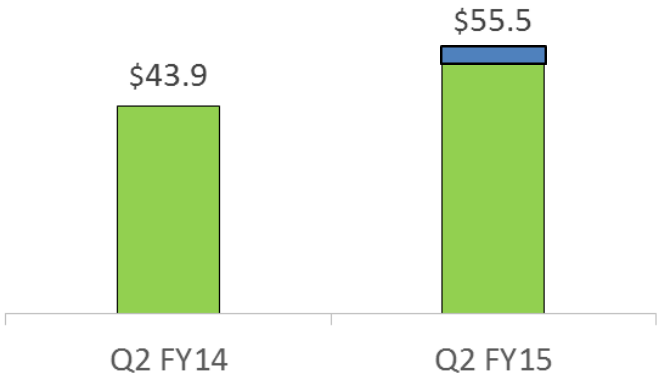


Wayne Wilson

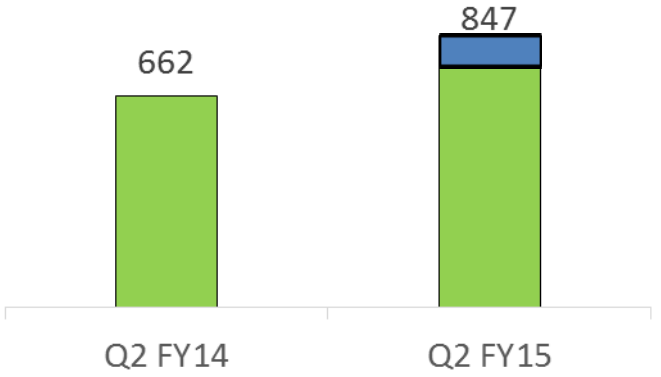
Chief Financial Officer

MALIBU BOATS INC.

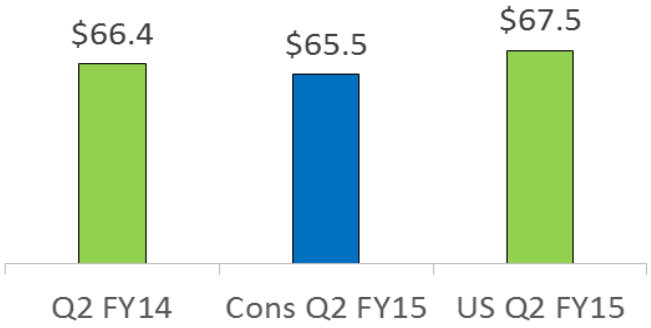
Net Sales – 26.3% Growth (1)



Volume – 27.9% Growth (1)



Net Sales per Unit US – 1.6% Growth



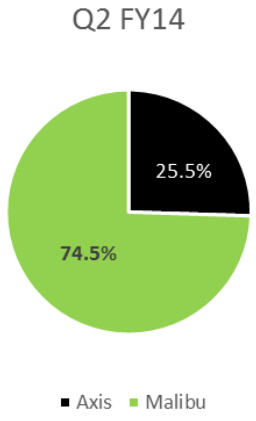
Net Sale per Unit Components

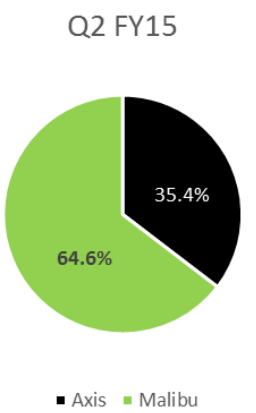
- Year-over-year price increases
- Increased optional feature selection
- Offset by increased Axis mix compared to LY

(1) The blue section of the graph represents incremental results from our Australian Licensee acquired on October 23, 2014.

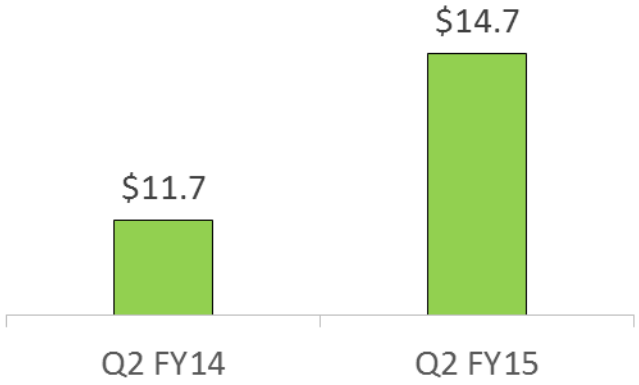
CONTINUED GROWTH…

Mix Comparison

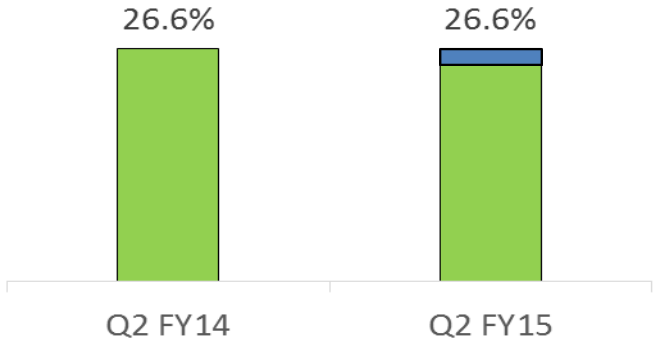




Gross Profit – 20.9% Growth(1)



Adjusted Gross Margin(1)(2)



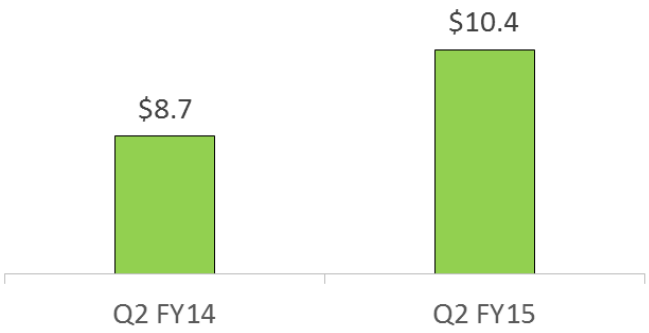
(1) Gross Profit adjusted for Australia acquisition related cost of goods sold of $577k.

(2) The blue section of the graph represents incremental results from our Australian Licensee acquired on October 23, 2014.

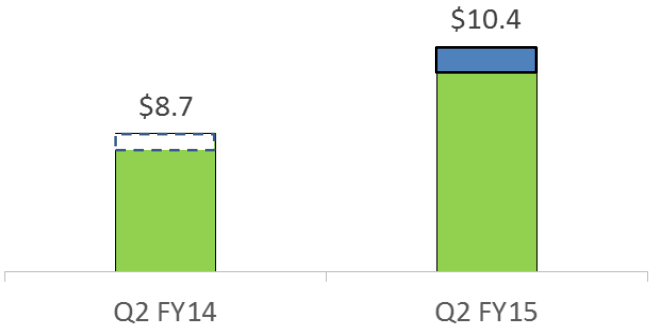
…AND PERFORMANCE

+ 60,000+ BOATS ON THE WATER—AND COUNTING + 60,000+ BOATS ON THE WATER—AND COUNTING + 60,000+ BOATS

Adjusted EBITDA – 19.9% Increase (1)



Adj. EBITDA – Comparable Basis (1) (2)



Adjusted EBITDA

- Strong growth driven by increased volume and Australia acquisition
- When adjusted for incremental public company expenses incurred in FY15 and not FY14 – Up ~25%

(1) See Appendix for a reconciliation of Non-GAAP Adjusted EBITDA to Net Income.

(2) The blue section of the graph represents incremental results from our Australian Licensee acquired on October 23, 2014.

Full Year Outlook

Metric	Target	Change
Unit Volume	Mid to high single digit – US 180 Units – Australia	Unchanged
Volume Growth Profile	Accelerating through Q3	Unchanged
Mix	Axis slightly over 30%	Unchanged
Net Sale per Unit	Low to mid single digits – US Low single digits – Consolidated	Unchanged
Gross Margin	Modest margin expansion	Unchanged
Legal Expenses	$3.5 - $5.0 million	Unchanged
Adjusted EBITDA Margin	Up slightly	Unchanged
Australia	Specific	Unchanged

APPENDIX



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 December 31,	
	2014	2013
Net income	$ 5,577	$ 5,220
Provision for income taxes	1274	—
Interest expense	147	609
Depreciation	626	387
Amortization	595	1,295
Management fees and expenses [1]	—	21
Professional fees [2]	925	585
Acquisition and integration related expenses [3]	903	—
Stock based compensation expense [4]	328	32
Offering related expenses [5]	56	551
Adjusted EBITDA	$ 10,432	$ 8,701
Adjusted EBITDA margin	18.8 %	19.8 %

(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) Acquisition related expenses of $326 three months ended December 31, 2014, include legal and advisory fees incurred in connection with our acquisition of Malibu Boats Pty. Ltd. completed on October 23, 2014. Integration related expenses include post-acquisition adjustments to cost of goods sold of $234 for the fair value step up of inventory acquired which was expensed entirely during the quarter as well as $343 related to excess cost of goods sold recognized at Malibu Boats Pty. Ltd related to goods purchased from our U.S. operating segment prior to the acquisition date.
(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.

Reconciliation of Non-GAAP Adjusted Fully Distributed Net Income (Unaudited):

The following table sets forth a reconciliation of net income attributable to Malibu Boats, Inc. stockholders to Adjusted Fully Distributed Net Income for the periods presented (dollars in thousands, except per share data):

	Three Months Ended December 31,	
	2014	2013
Net income attributable to Malibu Boats, Inc.	$ 3,264	$ —
Provision for income taxes	1,275	—
Management fees and expenses [1]	—	21
Professional fees [2]	925	585
Acquisition and integration related expenses [3]	903	—
Stock based compensation expense [4]	330	32
Offering related expenses [5]	56	552
Net income attributable to non-controlling interest [6]	2,312	5,220
Fully distributed net income before income taxes	9,065	6,410
Income tax expense on fully distributed income before income taxes [7]	3,218	2,391
Adjusted Fully Distributed net income	5,847	4,019
Adjusted Fully Distributed Net Income per share of Class A Common Stock [8]:		
Basic	$ 0.26	$ 0.18
Diluted	$ 0.26	$ 0.18
Weighted average shares of Class A Common Stock outstanding used in computing Adjusted Fully Distributed Net Income [9]:		
Basic	22,628,376	22,628,376
Diluted	22,628,376	22,628,376

Reconciliation of Non-GAAP Adjusted Fully Distributed Net Income (Unaudited):

(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.

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(5) Represents legal, accounting and other expenses directly related to our follow-on equity offering that closed on July 15, 2014.

(6) Reflects the elimination of the non-controlling interest in the LLC as if all LLC members had fully exchanged their LLC Units for shares of Class A Common Stock. Earnings prior and up to our IPO on February 5, 2014 were entirely allocable to members of the LLC, as such we updated our historical presentation to attribute these earnings to the non-controlling interest LLC Unit holders.

(7) Reflects income tax expense at an estimated normalized annual effective income tax rate of 18.6% of income before income taxes assuming the conversion of all LLC Units into shares of Class A Common Stock and the tax impact of excluding strategic and financial restructuring expenses. The estimated normalized annual effective income tax rate is based on the federal statutory rate plus a blended state rate adjusted for deductions under Section 199 of the Internal Revenue Code of 1986, as amended, and state taxes attributable to the LLC.

(8) Adjusted fully distributed net income divided by the shares of Class A Common Stock outstanding in (9) below.

(9) The weighted average shares of Class A Common Stock represents (i) the 15,608,650 shares of Class A Common Stock outstanding as of December 31, 2014, plus (ii) the 7,001,844 remaining LLC Units not held by the Company as of December 31, 2014 as if they were exchanged on a one-for-one basis for the Company's Class A Common Stock, plus (iii) the 65,694 fully vested stock units outstanding as of December 31, 2014 granted to directors for their services. For December 31, 2013, the Company assumed the same number of shares of Class A Common Stock shares outstanding as of December 31, 2014.