Safe Harbor Statement

This presentation includes forward-looking statements (statements which are not historical facts) within the meaning of the Private Securities Litigation Reform Act of 1995, including statements concerning the Company’s prospects, resources, capabilities, current or future financial trends or operating results, long-term growth capability, demand for the Company’s products, future plans for introduction of new products and the anticipated outcome of new business initiatives, estimates of market size and opportunities for growth, planned capital expenditures, anticipated synergies and other benefits of the acquisition of Octane Fitness, and potential uses of our capital resources, including statements regarding potential share repurchases, acquisitions or dividend programs. Factors that could cause Nautilus, Inc.’s actual results to differ materially from these forward-looking statements include our ability to acquire inventory from sole source foreign manufacturers at acceptable costs, within timely delivery schedules and that meet our quality control standards, availability and price of media time consistent with our cost and audience profile parameters, a decline in consumer spending due to unfavorable economic conditions in one or more of our current or target markets, failure to achieve expected synergies, accretion and other anticipated benefits of the transaction or to successfully integrate the Octane Fitness business, an adverse change in the availability of credit for our customers who finance their purchases, our ability to pass along vendor raw material price increases and increased shipping costs, our ability to effectively develop, market and sell future products, our ability to protect our intellectual property, and the introduction of competing products. Additional assumptions, risks and uncertainties are described in detail in our registration statements, reports and other filings with the Securities and Exchange Commission, including the “Risk Factors” set forth in our Annual Report on Form 10-K, as supplemented by our quarterly reports on Form 10-Q. Such filings are available on our website or at www.sec.gov. You are cautioned that such statements are not guarantees of future performance and that actual results or developments may differ materially from those set forth in the forward-looking statements. We undertake no obligation to publicly update or revise forward-looking statements to reflect subsequent events or circumstances.

Unless otherwise indicated, all information regarding our operating results pertain to continuing operations.

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Who We Are

- Mission is to provide **innovative solutions** that make fitness more **attainable** and **motivate** people to live **healthier** lives

- We have a strong portfolio of brands, including **Bowflex**, the number one in the fitness industry*

- Consumer insights driven **innovation** and new products pipeline

- **Multichannel** growth strategy to meet consumer needs wherever they shop

- Focused on **profitable growth** and increasing shareholder value

*Based on 2012 national consumer research study

*Non-GAAP information, see Appendix for reconciliation to GAAP; 2010 EBITDA was ($2.5M)
Strong Brands

Innovation
Quick, Proven Results

Quality and Value
High Awareness

Authentic
Professional Grade

Leader in Zero
Impact Cardio
Industry Leading Product Quality & Innovation

Award winning Bowflex Max Trainer®
M7 model launched early 2016

Octane XT-ONE™, the next generation cross-trainer
Walk, run, hike, and climb on one machine

560 SelectTech® Dumbbells
Award winning first ever smart dumbbells

First of a kind Zero Runner® ZR8000
Enabling everyone to run safely and comfortably
Diversified Multichannel Growth Strategy

Direct to Consumer
- Unique innovative products
- Rapidly growing with five-year 19% CAGR
- Higher gross margins coupled with higher media expense structure
- Low working capital requirements
- Media penetration and conversion strategy
- Outstanding customer service

Retail Channel
- Composed of Mass Retail and recently acquired Specialty and Direct Commercial channels (Octane Fitness)
- Robust growth with three-year 19% CAGR
- Lower gross margins coupled with lower sales expense structure
- Broad distribution network
- Consumer insight driven products
- Highest consumer ratings

Combined Channel Mix*

- Direct: 56%
- Mass Retail: 27%
- Specialty: 10%
- Direct Commercial: 6%
- Other: 6%

*Reflects 2015 reported revenue and Octane Fitness 2015 revenue. Octane Fitness was acquired on December 31, 2015.

Reported under Retail segment
Ecommerce Driving Growth

2015 Key Web Metrics

- 5 billion impressions
- 18 million web visits
- 55% of web visits from mobile devices (phone & tablet)
- 30+ web properties

Robust Direct Channel Web Sales Growth

$ Millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Web Sales</th>
<th>% of Direct</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$50</td>
<td>47%</td>
</tr>
<tr>
<td>2012</td>
<td>$63</td>
<td>51%</td>
</tr>
<tr>
<td>2013</td>
<td>$71</td>
<td>52%</td>
</tr>
<tr>
<td>2014</td>
<td>$98</td>
<td>56%</td>
</tr>
<tr>
<td>2015</td>
<td>$136</td>
<td>60%</td>
</tr>
</tbody>
</table>

28% CAGR
Delivering Solid Financial Performance

Strong revenue growth...

Coupled with improving profitability...

Resulted in robust cash generation

Delivering Solid Financial Performance

Coupled with improving profitability...
Focused on Increasing Shareholder Value

Increasing shareholder value driven by superior operating results

NLS stock consistently outperforming benchmarks

*Non-GAAP Information, see Appendix for a reconciliation to GAAP
Reported Strong Results in Q1 2016

- **Revenue**: $96 million (Q1 2015) to $121 million (Q1 2016), 26% growth.
- **Adjusted Op Inc**:* $18 million (Q1 2015) to $20 million (Q1 2016), 14% growth.
- **EBITDA**:* $18 million (Q1 2015) to $21 million (Q1 2016), 15% growth.
- **Adjusted EPS**:* $0.34 (Q1 2015) to $0.38 (Q1 2016), 12% growth.

*Non-GAAP information, see Appendix for reconciliation to GAAP
Five Key Growth Drivers

- **Mass Retail**: Growing market share but still below 5%

- **New Distribution Opportunities**: Octane acquisition provides accelerator into specialty, vertical, and commercial markets

- **Innovation**: Cadence of new products with enhanced consumer experience and engagement

- **International**: Large market, small share. Nautilus and Octane brands recognized worldwide.

- **Strategic Opportunities**: Additional opportunities to advance existing strategies
Five Key Growth Drivers

Mass Retail

- Balance of sales between traditional storefront and faster growing e-commerce
- Current small market share provides opportunity for growth within existing market
- Broaden assortment of SKUs among existing customers
- Expand use of brand portfolio to address new price points and consumer segments
- Continue to ramp treadmills growth post launch in late 2014
- Enter $200M handheld fitness market

New Distribution Opportunities

Innovation

International

Strategic Opportunities

North America Market Size*

$3.8B

3%

Nautilus Market Share

North America Consumer Treadmill Market*

$1.0B

*Based on SFIA 2016 Manufacturers’ Sales by Category Report; values reflect wholesale pricing.
Five Key Growth Drivers

- Large and growing markets
- Incremental sales opportunity with favorable pricing and margin dynamics
- Octane acquisition enhances position
- Brand centric – Nautilus and Schwinn have strong legacy and are widely recognized by consumers; Octane has strong brand equity
- Develop & launch key products to address these markets
- Pursue strategic partnerships to build market share

*Based on internal analysis; values reflect wholesale pricing; **Based on SFIA 2016 Manufacturers’ Sales by Category Report
Five Key Growth Drivers

- Nearly 60% of 2015 revenue was from products and categories launched in the last three years
- Reinvent consumer experience with real-time coaching, tracking, and motivation
- Innovating with apps and connectivity options
- Partnering with leading platforms to seamlessly sync and share workout data
- Continuously innovating consumer engagement to leverage changing industry dynamics
Five Key Growth Drivers

- Large potential opportunity outside North America to grow low current market share
- Nautilus and Octane brands widely recognized worldwide
- Aggressively adding best of breed distributor partners in target countries
- Introduced Max Trainer into international market in Q3 2015

**Estimated Global Market Size by Region***

- North America, $5.1B
- Asia Pacific, $1.1B
- Latin America, $0.4B
- EMEA, $3.0B
- APLA, $0.1B
- Pacific, $0.2B

**2015 Nautilus Regional Mix (including Octane)**

- North America 94%
- EMEA 3%
- APLA 3%

*Compilation of industry and internal data; values reflect wholesale pricing*
Five Key Growth Drivers

- **Mass Retail**
  - Company in solid position to expand
    - Strong balance sheet with >$70M in cash and debt to adjusted EBITDA ratio less than 1.4*
    - Significant free cash flow
    - Leverageable infrastructure to capture synergies

- **New Distribution Opportunities**

- **Innovation**
  - Opportunities to accelerate existing strategies through further acquisitions (e.g. strength and handheld fitness)

- **International**
  - Invest in intellectual property portfolio to drive new product innovation and potentially increase royalty stream

- **Strategic Opportunities**
  - Explore opportunities in incremental adjacent categories

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*Reflects bank covenant calculation which includes certain EBITDA modifications. See Appendix for calculation.*
Long-term Goals
Our approach to profitable growth focuses on three major areas:

- New Product Innovation
  - Process Rigor
  - IP Portfolio
  - Brand Engagement
  - Margin Discipline
- Footprint Expansion
  - New Price Points
  - New Core Categories
  - Plus Growth Opportunities
  - Access to Broader Audience
- Operational Excellence
  - Leverage Infrastructure
  - Continuous Cost Improvements
  - Supply Chain Efficiency
  - Media Planning
Targeted Operating Metrics

<table>
<thead>
<tr>
<th>Long-term Run Rate</th>
<th>Revenue Growth</th>
<th>Operating Income Growth</th>
<th>Operating Income % of Revenue</th>
<th>EBITDA % of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10-12%</td>
<td>Growth in excess of revenue growth</td>
<td>11-15%</td>
<td>13-17%</td>
</tr>
<tr>
<td>2013 Results</td>
<td>12.8%</td>
<td>48.5%</td>
<td>7.2%</td>
<td>8.9%</td>
</tr>
<tr>
<td>2014 Results</td>
<td>25.4%</td>
<td>91.8%</td>
<td>11.0%</td>
<td>12.5%</td>
</tr>
<tr>
<td>2015 Results</td>
<td>22.3%</td>
<td>33.6%</td>
<td>12.0%</td>
<td>12.9%</td>
</tr>
</tbody>
</table>

- Long-term Run Rate reflects management assessment of Nautilus’ organic growth capability over the next 3-5 years
- Annual results will fluctuate within stated Long-term Run Rate due to industry dynamics and specific product life cycles
Capital Deployment Initiatives

Organic Growth
- New Product Introductions
- Expanding Distribution
- Infrastructure Investments

Acquisition Strategy
- Enhance or Accelerate Revenue Growth Drivers
- Opportunistically Expand IP Portfolio

Return Capital to Shareholders
- Add’l $10M Share Buyback Program Announced Q1 2016
- Potential for Special/Ongoing Dividend Program

Priority
- #1
- #2
- #3
Key Takeaways

- Leading portfolio of fitness brands
- Unique & innovative products and IP
- Solid sales & earnings growth; significantly improved profitability
- Strong financial condition
- Scalable platform & infrastructure
- Experienced management team that delivers on expectations
## P&L Summary

All values in $ millions except per share amounts

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Revenue</td>
<td>$67.8</td>
<td>$68.6</td>
<td>$63.9</td>
<td>$76.8</td>
<td>$93.2</td>
<td>$106.2</td>
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<tr>
<td>Direct Revenue</td>
<td>96.7</td>
<td>107.1</td>
<td>125.0</td>
<td>136.7</td>
<td>175.6</td>
<td>225.6</td>
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<tr>
<td>Royalties</td>
<td>4.0</td>
<td>4.8</td>
<td>5.1</td>
<td>5.4</td>
<td>5.6</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>168.4</strong></td>
<td><strong>180.4</strong></td>
<td><strong>193.9</strong></td>
<td><strong>218.8</strong></td>
<td><strong>274.4</strong></td>
<td><strong>335.8</strong></td>
</tr>
<tr>
<td>Retail Gross Margin</td>
<td>18.7</td>
<td>16.0</td>
<td>14.4</td>
<td>19.5</td>
<td>23.7</td>
<td>26.9</td>
</tr>
<tr>
<td>% of Retail Rev</td>
<td>27.6%</td>
<td>23.4%</td>
<td>22.5%</td>
<td>25.3%</td>
<td>25.4%</td>
<td>25.3%</td>
</tr>
<tr>
<td>Direct Gross Margin</td>
<td>54.0</td>
<td>57.7</td>
<td>71.6</td>
<td>81.7</td>
<td>111.2</td>
<td>142.4</td>
</tr>
<tr>
<td>% of Direct Rev</td>
<td>55.9%</td>
<td>53.9%</td>
<td>57.3%</td>
<td>59.7%</td>
<td>63.3%</td>
<td>63.1%</td>
</tr>
<tr>
<td>Royalty</td>
<td>4.0</td>
<td>4.8</td>
<td>5.1</td>
<td>5.4</td>
<td>5.6</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total Gross Margin</strong></td>
<td><strong>76.7</strong></td>
<td><strong>78.5</strong></td>
<td><strong>91.0</strong></td>
<td><strong>106.5</strong></td>
<td><strong>140.6</strong></td>
<td><strong>173.2</strong></td>
</tr>
<tr>
<td>% of Rev</td>
<td>45.6%</td>
<td>43.5%</td>
<td>46.9%</td>
<td>48.7%</td>
<td>51.2%</td>
<td>51.6%</td>
</tr>
<tr>
<td>Selling and Marketing</td>
<td>64.0</td>
<td>54.5</td>
<td>58.6</td>
<td>66.5</td>
<td>81.1</td>
<td>101.6</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>19.4</td>
<td>17.1</td>
<td>17.7</td>
<td>18.7</td>
<td>22.1</td>
<td>21.4</td>
</tr>
<tr>
<td>Research and Development</td>
<td>2.9</td>
<td>3.2</td>
<td>4.2</td>
<td>5.6</td>
<td>7.2</td>
<td>9.9</td>
</tr>
<tr>
<td><strong>Total Operating Expense</strong></td>
<td><strong>86.3</strong></td>
<td><strong>74.9</strong></td>
<td><strong>80.4</strong></td>
<td><strong>90.8</strong></td>
<td><strong>110.4</strong></td>
<td><strong>133.0</strong></td>
</tr>
<tr>
<td>% of Rev</td>
<td>51.2%</td>
<td>41.5%</td>
<td>41.5%</td>
<td>41.5%</td>
<td>40.2%</td>
<td>39.6%</td>
</tr>
<tr>
<td>Retail Operating Income</td>
<td>11.4</td>
<td>9.5</td>
<td>7.9</td>
<td>11.4</td>
<td>13.3</td>
<td>12.9</td>
</tr>
<tr>
<td>% of Retail Rev</td>
<td>16.8%</td>
<td>13.8%</td>
<td>12.3%</td>
<td>14.9%</td>
<td>14.2%</td>
<td>12.1%</td>
</tr>
<tr>
<td>Direct Operating Income (Loss)</td>
<td>(10.8)</td>
<td>3.0</td>
<td>12.5</td>
<td>14.1</td>
<td>29.3</td>
<td>39.9</td>
</tr>
<tr>
<td>% of Direct Rev</td>
<td>-11.1%</td>
<td>2.8%</td>
<td>10.0%</td>
<td>10.3%</td>
<td>16.7%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Royalties and Unallocated Corporate</td>
<td>(10.2)</td>
<td>(8.8)</td>
<td>(9.7)</td>
<td>(9.8)</td>
<td>(12.5)</td>
<td>(12.5)</td>
</tr>
<tr>
<td><strong>Total Operating Income (Loss)</strong></td>
<td><strong>$ (9.6)</strong></td>
<td><strong>$ 3.6</strong></td>
<td><strong>$ 10.6</strong></td>
<td><strong>$ 15.7</strong></td>
<td><strong>$ 30.2</strong></td>
<td><strong>$ 40.3</strong></td>
</tr>
<tr>
<td>% of Rev</td>
<td>-5.7%</td>
<td>2.0%</td>
<td>5.5%</td>
<td>7.2%</td>
<td>11.0%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Other Expense (Income)</td>
<td>(0.3)</td>
<td>0.4</td>
<td>0.2</td>
<td>(0.3)</td>
<td>(0.1)</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Pretax Income (Loss)</strong></td>
<td><strong>$ (9.2)</strong></td>
<td><strong>$ 3.2</strong></td>
<td><strong>$ 10.4</strong></td>
<td><strong>$ 16.0</strong></td>
<td><strong>$ 30.2</strong></td>
<td><strong>$ 40.0</strong></td>
</tr>
<tr>
<td>Pretax Income (Loss) per Diluted share</td>
<td>$ (0.30)</td>
<td>$ 0.10</td>
<td>$ 0.34</td>
<td>$ 0.51</td>
<td>$ 0.95</td>
<td>$ 1.27</td>
</tr>
<tr>
<td>Income Tax Expense (Benefit)</td>
<td>0.6</td>
<td>0.7</td>
<td>(0.2)</td>
<td>(32.1)</td>
<td>9.8</td>
<td>13.2</td>
</tr>
<tr>
<td><strong>Net Income (Loss) from Continuing Operations</strong></td>
<td><strong>$ (9.8)</strong></td>
<td><strong>$ 2.5</strong></td>
<td><strong>$ 10.6</strong></td>
<td><strong>$ 48.1</strong></td>
<td><strong>$ 20.4</strong></td>
<td><strong>$ 26.8</strong></td>
</tr>
<tr>
<td>Net Income (Loss) per Diluted share</td>
<td>$ (0.32)</td>
<td>$ 0.08</td>
<td>$ 0.34</td>
<td>$ 1.53</td>
<td>$ 0.64</td>
<td>$ 0.85</td>
</tr>
</tbody>
</table>
Reconciliation of Non-GAAP Financial Measures

Pretax Income per Diluted Share from Continuing Operations (unaudited):

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pretax income (loss) per diluted share from continuing operations</td>
<td>$ (0.30)</td>
<td>$ 0.10</td>
<td>$ 0.34</td>
<td>$ 0.51</td>
<td>$ 0.95</td>
<td>$ 1.27</td>
</tr>
<tr>
<td>Income (loss) per diluted share from income tax provision</td>
<td>(0.02)</td>
<td>(0.02)</td>
<td>0.01</td>
<td>1.02</td>
<td>(0.31)</td>
<td>(0.42)</td>
</tr>
<tr>
<td>Net income (loss) per diluted share from continuing operations$^{(1)}</td>
<td>$ (0.32)</td>
<td>$ 0.08</td>
<td>$ 0.34</td>
<td>$ 1.53</td>
<td>$ 0.64</td>
<td>$ 0.85</td>
</tr>
</tbody>
</table>

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) from Continuing Operations (unaudited):

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Income (loss) from continuing operations</td>
<td>$ (9.8)</td>
<td>$ 2.5</td>
<td>$ 10.6</td>
<td>$ 48.1</td>
<td>$ 20.4</td>
<td>$ 26.8</td>
<td>$ 10.9</td>
<td>$ 11.6</td>
</tr>
<tr>
<td>Interest expense (income), net</td>
<td>0.1</td>
<td>0.4</td>
<td>(0.1)</td>
<td>0.0</td>
<td>(0.0)</td>
<td>(0.2)</td>
<td>(0.0)</td>
<td>0.4</td>
</tr>
<tr>
<td>Income tax expense (benefit) of continuing operations</td>
<td>0.6</td>
<td>0.7</td>
<td>(0.2)</td>
<td>(32.1)</td>
<td>9.8</td>
<td>13.2</td>
<td>6.7</td>
<td>7.2</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>6.6</td>
<td>3.8</td>
<td>3.3</td>
<td>3.3</td>
<td>4.0</td>
<td>3.4</td>
<td>0.9</td>
<td>1.9</td>
</tr>
<tr>
<td>EBITDA from continuing operations$^{(1)}</td>
<td>$ (2.5)</td>
<td>$ 7.4</td>
<td>$ 13.6</td>
<td>$ 19.4</td>
<td>$ 34.2</td>
<td>$ 43.2</td>
<td>$ 18.4</td>
<td>$ 21.1</td>
</tr>
</tbody>
</table>

(1) May not add due to rounding
Reconciliation of Non-GAAP Financial Measures

Q1 2016 Adjusted Operating Income and Adjusted Earnings per Diluted Share from Continuing Operations, (unaudited):

<table>
<thead>
<tr>
<th>Non-GAAP Adjusted Measure</th>
<th>Operating Income, $M</th>
<th>Earnings per Diluted Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory step-up charge</td>
<td>$ 20.0</td>
<td>$ 0.38</td>
</tr>
<tr>
<td>Related tax benefit</td>
<td>(0.7)</td>
<td>(0.02)</td>
</tr>
<tr>
<td>GAAP Measure</td>
<td>$ 19.3</td>
<td>$ 0.37</td>
</tr>
</tbody>
</table>

Debt to Adjusted EBITDA Ratio (unaudited):

Values in $ millions. Adjusted EBITDA calculation reflects twelve trailing months through March 31, 2016.

<table>
<thead>
<tr>
<th>Net Income</th>
<th>$ 27.3</th>
<th>(\text{Debt as of March 31, 2016})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest expense</td>
<td>0.5</td>
<td>Current portion of notes payable</td>
</tr>
<tr>
<td>Tax expense</td>
<td>13.4</td>
<td>Long-term notes payable</td>
</tr>
<tr>
<td>Depreciation and amortization expense</td>
<td>4.4</td>
<td>Capital lease balance</td>
</tr>
<tr>
<td>Stock compensation expense</td>
<td>1.9</td>
<td><strong>Total Debt</strong></td>
</tr>
<tr>
<td>Octane pre-acquisition EBITDA, Q215-Q415</td>
<td>8.9</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$ 56.4</td>
<td><strong>Debt to Adjusted EBITDA</strong></td>
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</tbody>
</table>