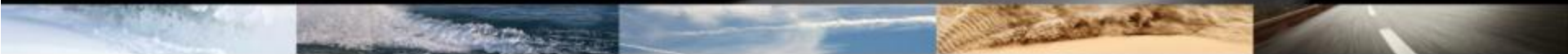




THE ULTIMATE POWERSPORTS EXPERIENCE



QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2016

Forward-Looking Statements

Certain statements in this presentation about the Company's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements.

Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct or that the Company's business guidance, objectives, plans and strategic priorities will be achieved.

Many factors could cause the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail under the heading "Risk Factors" of the Company's Management Discussion and Analysis for the quarter ended January 31, 2016 dated March 17, 2016: impact of adverse economic conditions on consumer spending; decline in social acceptability of the Company's products; fluctuations in foreign currency exchange rates; high levels of indebtedness; unavailability of additional capital; unfavourable weather conditions; seasonal sales fluctuations; the Company's ability to comply with product safety, health, environmental and noise pollution laws; dependence on dealers, distributors, suppliers, financing sources and other strategic partners who may be sensitive to economic conditions; large fixed cost base; inability of dealers and distributors to secure adequate access to capital; supply problems, termination or interruption of supply arrangements or increases in the cost of materials; covenants in the Company's financing and other material agreements; competition in product lines; loss of members of management team or employees who possess specialized market knowledge and technical skills; inability to maintain and enhance reputation and brands; adverse determination in any significant product liability claim against the Company; significant product repair and/or replacement due to product warranty claims or product recalls; reliance on a network of independent dealers and distributors to manage the retail distribution of its products; dependence on OEM customers for its outboard engine and Rotax engine business; unsuccessful management of inventory levels; risks associated with international operations; unsuccessful execution of growth strategy; protection of intellectual property; failure of information technology systems; declining prices for used versions of products and oversupply by competitors; unsuccessful execution of manufacturing strategy; changes in tax laws and unanticipated tax liabilities; higher fuel costs; deterioration in relationships with employees; pension plan liabilities; natural disasters; failure to carry proper insurance coverage; volatile market price for Subordinate Voting Shares; no current plans to pay dividends; conduct of business through subsidiaries; significant influence by Beaudier Group and Bain Capital; and future sales of Shares by Beaudier Group, Bain Capital, directors, officers or senior management of the Company. These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully.

The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Company's financial performance and may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this Annual Information Form are made as of the date of this Annual Information Form, and the Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities regulations. The forward-looking statements contained in this Annual Information Form are expressly qualified by this cautionary statement.





JOSÉ BOISJOLI

PRESIDENT & CHIEF EXECUTIVE OFFICER

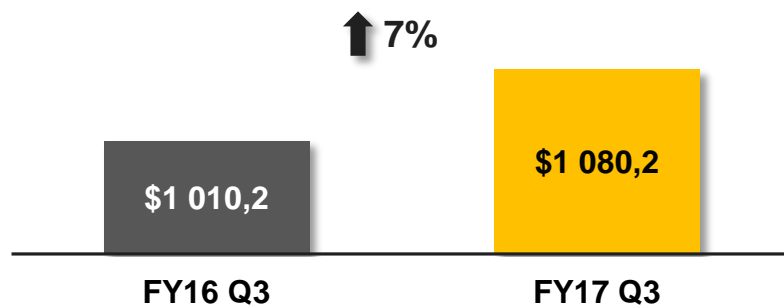
QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2016

FY17 Q3 Revenues and Normalized EPS

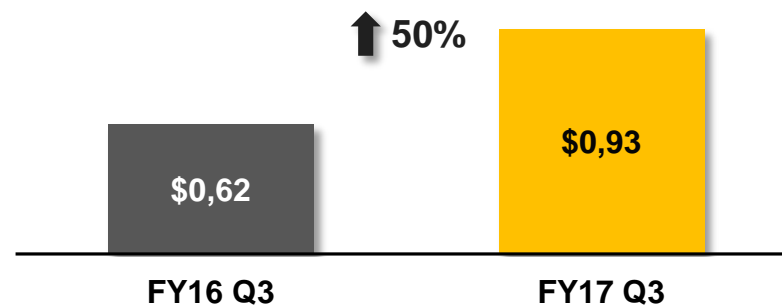
Revenues

CA\$ millions



Normalized EPS - Diluted^[1]

CA\$



Highlights vs. Year Ago

- **Increase of 7% in revenues** primarily driven by higher wholesale in Year-Round Products, partially offset by lower wholesales in Seasonal Products
- **Gross profit margin increased 400 basis points to 28.4%**
- **Normalized EBITDA^[1] of \$196.9M**, an increase of \$55.4M, and **Normalized diluted earnings per share^[1] of \$0.93**, an increase of \$0.31
- Net income of \$78.7M, an increase of 20%
- North American BRP retail sales for *Seasonal Products* and *Year-Round Products* decreased 12%, or **increased 10%** when excluding snowmobiles

^[1] For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix



Smooth start of production for the Can-Am Maverick X3 and the new Ski-Doo platform



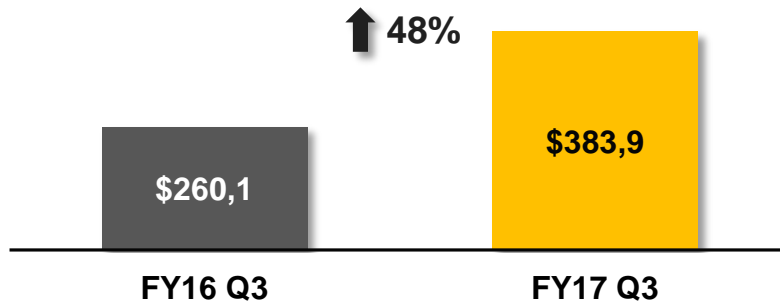
Launched production and delivered the first units of two new platforms during the quarter



Year-Round Products

Revenues

CA\$ millions



Strong start for the Can-Am Maverick X3



Excellent sell-through for the Can-Am Maverick X3 in its first months of retail

Business Dynamics

Revenue increase of 48%:

- Mainly driven by a higher volume and favourable product mix of SSV sold following the introduction of the Can-Am Defender and the Can-Am Maverick X3

Off-Road Vehicles

- Four months into the 2016 season, North American ATV industry is down high-single digit %
 - Can-Am ATV retail is up low-single digit %
- Season-to-date, North American SSV industry is up low-single digit %
 - Can-Am SSV retail is up over 20%
 - Can-Am Defender continued its month-over-month retail growth throughout the quarter

Spyder

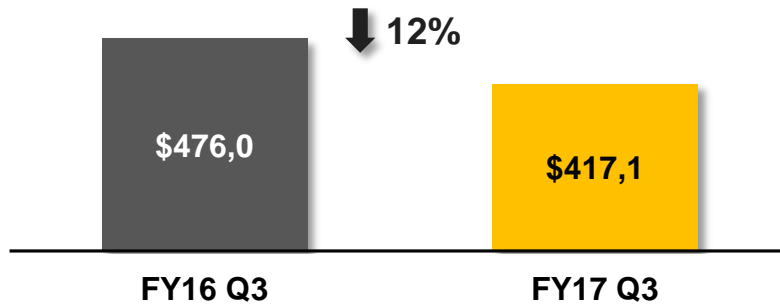
- North American motorcycle industry ended season 2016 down low-single digit %
 - Motorcycles with a price of above \$18,000 in the US declined high-single digit % for the season
- Can-Am Spyder North American retail is down high-teens % for the season



Seasonal Products

Revenues

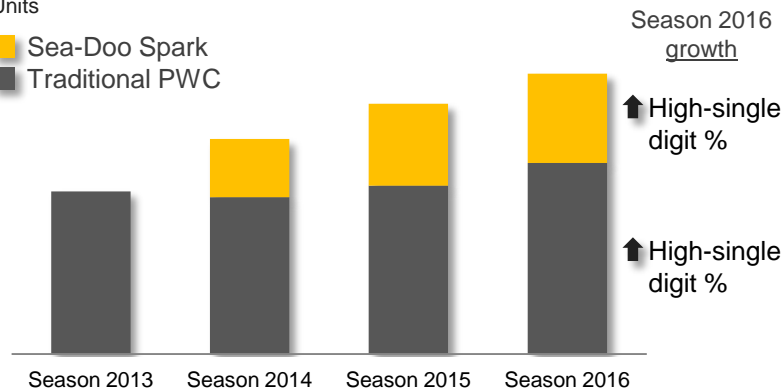
CA\$ millions



North American PWC Industry

Units

- Sea-Doo Spark
- Traditional PWC



The PWC industry continued its strong growth momentum in season 2016 with both the Sea-Doo Spark and the traditional PWCs growing high-single digit %

Business Dynamics

Revenue decrease of 12%:

- Mainly driven by lower volume of snowmobile, partially offset by a higher volume and a favourable mix of PWC sold

PWC

- North American PWC industry ended season 2016 up high-single digit %
 - Sea-Doo retail sales were also up high-single digit % over the same period and achieved a record market share
- Continued strong momentum with double digit % retail growth in North America, Western Europe and Asia-Pacific regions in the third quarter vs. the same period last year

Snowmobile

- Early in the season, as of October 31, North American snowmobile industry was down over 30%
 - Ski-Doo retail sales:
 - Down about 50% for the same period
 - Catching up in November, now down in the mid-thirties % season-to-date, in-line with expectations
- Ski-Doo early season retail shortfall compared to last year driven by limited product availability in the network due to later start of production

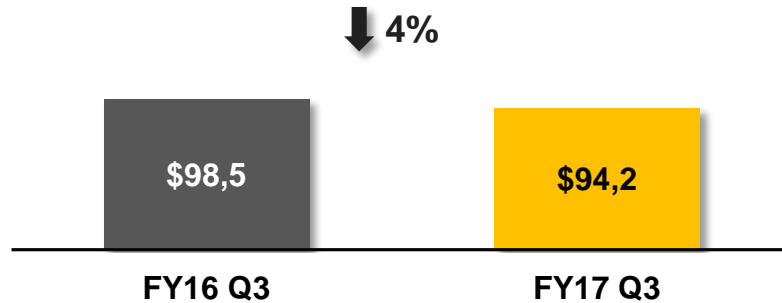


Propulsion Systems and Parts, Accessories and Clothing

Propulsion Systems

Revenues

CA\$ millions



Business Dynamics

Revenue decrease of 4%:

- Mainly driven by a lower volume of aircraft engines sold

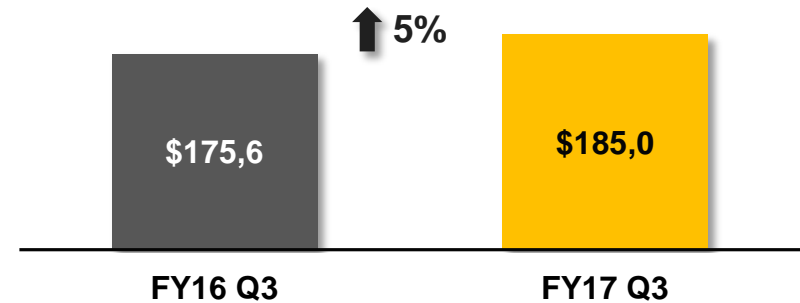
Outboard Engines

- Four months into the 2016 season, North American outboard engines industry is up mid-single digit %
 - Evinrude retail is up low-single digit %
- First shipments of the Evinrude E-TEC G2 150hp to 200hp range during the quarter

Parts, Accessories and Clothing

Revenues

CA\$ millions



Business Dynamics

Revenue increase of 5%:

- Mainly attributable to a higher volume of SSV PAC sold following the introduction of Can-Am Defender and Can-Am Maverick X3
- Record year for accessories introduction with over 415 new accessories for model year 2017





SÉBASTIEN MARTEL

CHIEF FINANCIAL OFFICER

QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2016

FY17 Q3 - Financial Highlights

CA\$ millions	Q3 comparison			9-month comparison		
	FY17	FY16	Change	FY17	FY16	Change
Total Revenues	\$1,080.2	\$1,010.2	\$70.0	\$2,866.2	\$2,720.4	\$145.8
Growth	+6.9%			+5.4%		
Gross Profit	\$307.2	\$246.0	\$61.2	\$673.3	\$628.3	\$45.0
As a % of revenues	28.4%	24.4%		23.5%	23.1%	
Operating Income	\$163.0	\$103.9	\$59.1	\$138.9	\$190.0	(\$51.1)
As a % of revenues	15.1%	10.3%		4.8%	7.0%	
Net Income (Loss)	\$78.7	\$65.5	\$13.2	\$120.6	\$80.3	\$40.3
As a % of revenues	7.3%	6.5%		4.2%	3.0%	
Normalized Net Income^[1]	\$104.4	\$72.8	\$31.6	\$110.2	\$114.0	(\$3.8)
Normalized EBITDA^[1]	\$196.9	\$141.5	\$55.4	\$298.4	\$286.1	\$12.3
EPS - Diluted	\$0.70	\$0.56	\$0.14	\$1.06	\$0.68	\$0.38
Normalized EPS – Diluted^[1]	\$0.93	\$0.62	\$0.31	\$0.97	\$0.96	\$0.01
Free Cash Flow^[2]	\$128.6	(\$6.2)	\$134.8	\$66.4	(\$32.0)	\$98.4
CAPEX	(\$39.1)	(\$60.4)	\$21.3	(\$119.2)	(\$149.4)	\$30.2

^[1] For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix

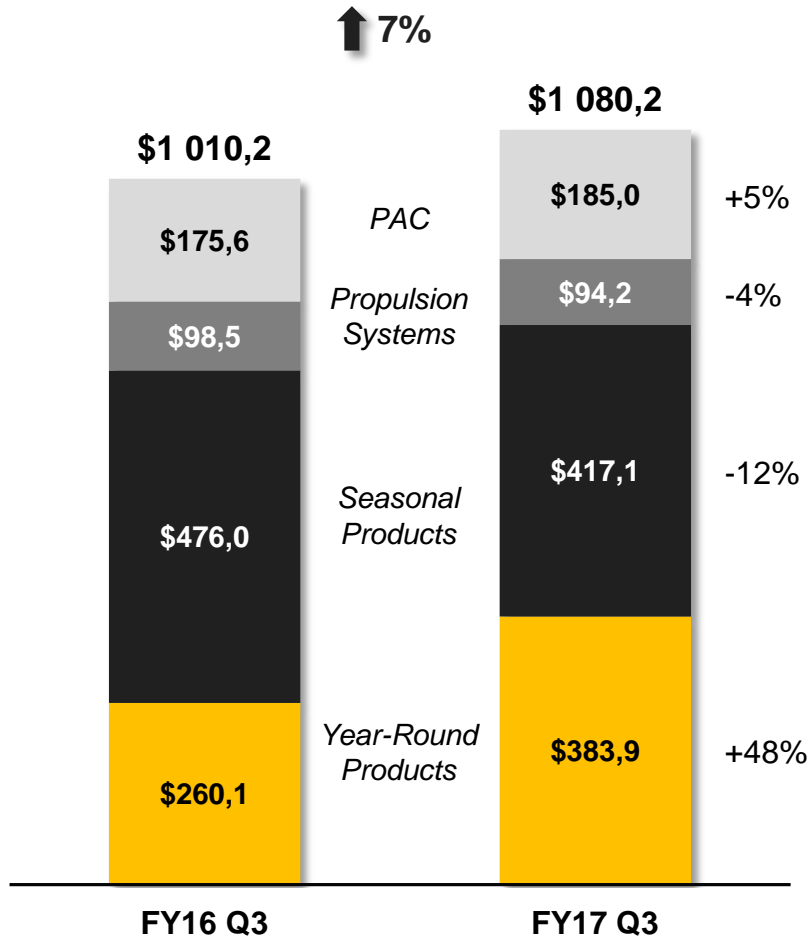
^[2] Free cash flow is defined as net cash flow from operating activities minus capital expenditures



FY17 Q3 - Revenues by Product Category and Geography

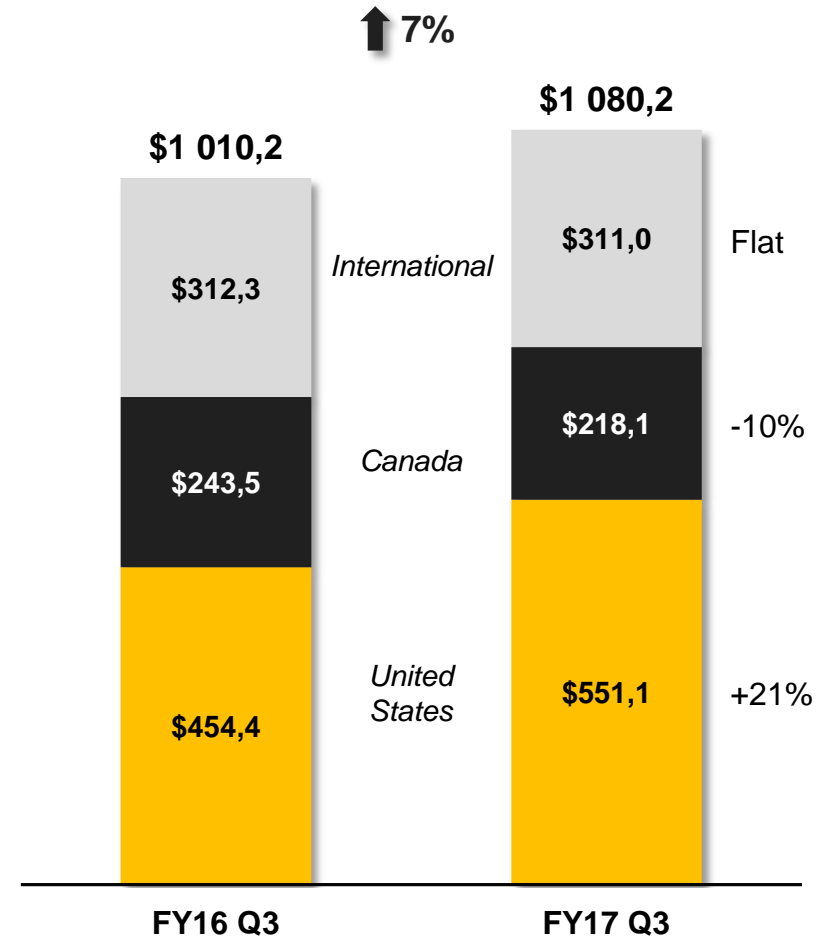
Revenues by Product Category

CA\$ millions



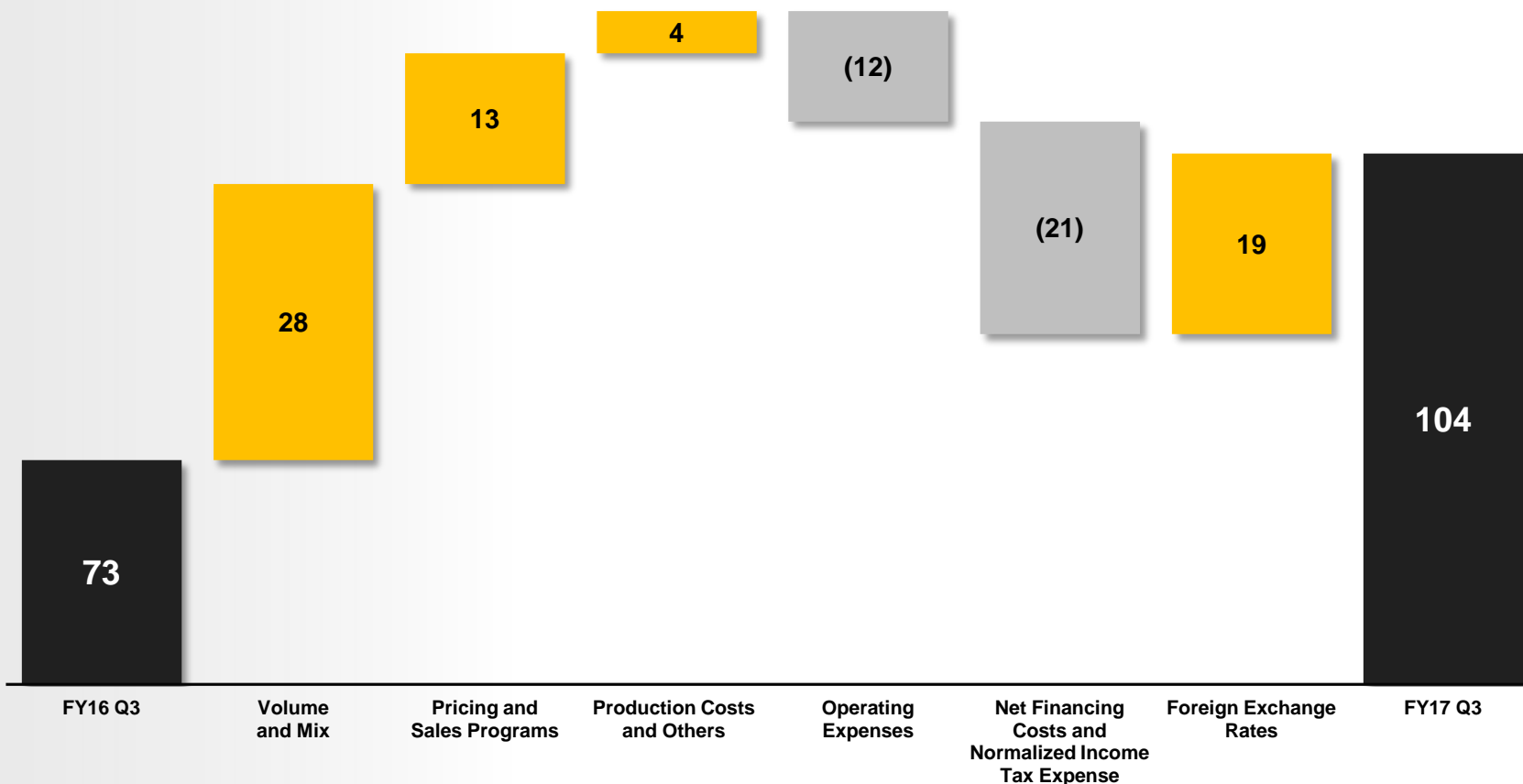
Revenues by Geography

CA\$ millions



FY17 Q3 - Normalized Net Income Bridge

CA\$ millions



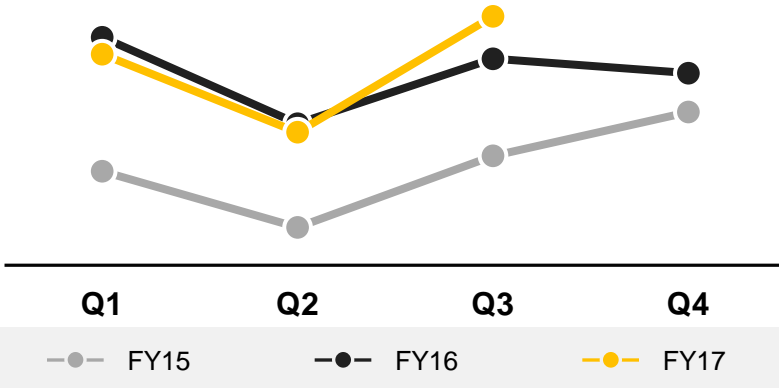
Normalized Net Income up \$31M primarily driven by higher volume, mix and pricing, lower sales programs and lower production costs, offset by higher operating and income tax expenses



BRP North American Powersports Dealer Inventory

Dealer Inventory Level

Units, Excluding Outboard Engines

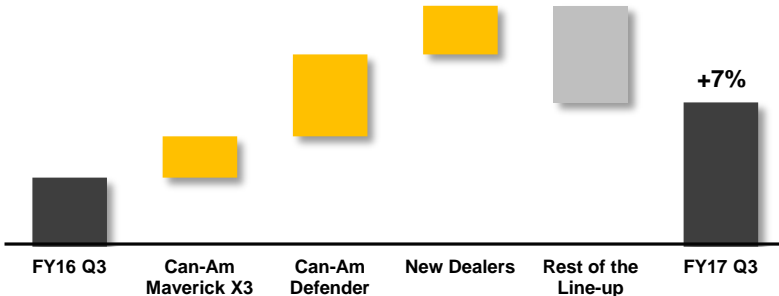


Dealer inventory^[1] ended FY17 Q3 up 7% from FY16 Q3 level

- The increase in network inventory was primarily driven by the introduction of the Can-Am Defender and Maverick X3, and;
- The increase in the number of dealers over the last 3 years;
- Partially offset by a network inventory decrease for the rest of the line-up, more importantly for the other SSV models

Dealer Inventory Bridge

Units, Excluding Outboard Engines



^[1] Network inventory excluding *Propulsion Systems*



FY17 Full-Year Guidance - as at December 9, 2016

Financial Metric	FY17 Guidance vs FY16	
Revenues		
Year-Round Products	Up 11% to 13% (increased from up 8% to 12%)	
Seasonal Products	Up 2% to 6% (increased from flat to up 4%)	
Propulsion Systems	Up 5% to 10%	
PAC	Flat to up 3% (lowered from up 3% to 8%)	
Total Company Revenues	Up 5% to 9% (increased from up 4% to 8%)	
Normalized EBITDA	Up 7% to 10%	
Effective Tax Rate^[1]	28.5% to 29.0% (increased from 27% to 28%)	(Compared to 26.6% in FY16)
Normalized Net Income^[2]	Up 5% to 11% (increased from up 3% to 9%)	
Normalized Earnings per Share – Diluted	\$1.86 to \$1.96 (increased from \$1.82 to \$1.92)	(Up 9% to 15% from \$1.71 in FY16)
Capital Expenditures	\$190M to \$205M	(Compared to \$211M in FY16)

^[1] Effective tax rate based on Normalized Earnings before Normalized Income Tax

^[2] Assuming **\$135M Depreciation Expense** (down from \$145M) compared to \$126M in FY16, **\$60M Net Financing Costs** and **113.4M shares** (down from 113.6M shares)





CLOSING REMARKS

QUARTERLY REVIEW

THIRDD QUARTER ENDED OCTOBER 31, 2016

SKI-DOO.
LYNX.
SEA-DOO.
EVINRUDE.
ROTAX.
CAN-AM.



Q&A PERIOD

QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2016

SKI-DOO.
LYNX.
SEA-DOO.
EVINRUDE.
ROTAX.
CAN-AM.

Global Leader in Powersports Vehicles and Engines

Year-Round Products

can-am



All-Terrain Vehicles



Side-by-Side Vehicles



Roadsters

Seasonal Products

ski-doo
LYNX
SEA-DOO



Ski-Doo Snowmobiles



Lynx Snowmobiles



Personal Watercraft

Propulsion Systems

EVINRUDE
ROTAX



Outboard Engines



OEM Engines

Diversified Product Portfolio AND Powerful Brands





APPENDIX

QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2016

SKI-DOO.
LYNX.
SEA-DOO.
EVINRUDE.
ROTAX.
CAN-AM.

Reconciliation Tables

CA\$ millions	Three-month periods ended		9-month periods ended	
	Oct. 31, 2016	Oct. 31, 2015	Oct. 31, 2016	Oct. 31, 2015
Net Income	\$78.7	\$65.5	\$120.6	\$80.3
Normalized elements:				
Foreign exchange (gain) loss on long-term debt	24.5	2.8	(56.7)	28.4
Restructuring and related costs reversal ^[1]	(0.4)	5.6	(0.8)	6.6
Loss on litigation ^[2]	0.3	-	62.9	-
Other elements	1.1	-	2.7	-
Income taxes adjustment	0.2	(1.1)	(18.5)	(1.3)
Normalized Net Income	104.4	72.8	110.2	114.0
Normalized income taxes expense	43.7	22.5	46.1	39.6
Financing costs adjusted	14.8	15.3	46.2	45.7
Financing income adjusted	-	(1.1)	(1.5)	(2.7)
Depreciation expense	34.0	32.0	97.4	89.5
Normalized EBITDA	\$196.9	\$141.5	\$298.4	\$286.1

^[1] The Company is involved, from time to time, in restructuring and reorganization activities in order to gain flexibility and improve efficiency. The costs related to these activities are mainly composed of severance costs and retention salaries.

^[2] For the three and nine-month periods ended October 31, 2016, the Company recorded losses of respectively \$0.3 million and \$62.9 million related to patent infringement litigation with one of its competitors.



Ski-Doo®

Lynx®

Sea-Doo®

Evinrude®

Rotax®

Can-Am®



THE ULTIMATE POWERSPORTS EXPERIENCE

