

BRP Inc. Fiscal 2014 Q2 Update



September 12, 2013

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.

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Fiscal 2014 Q2 Update

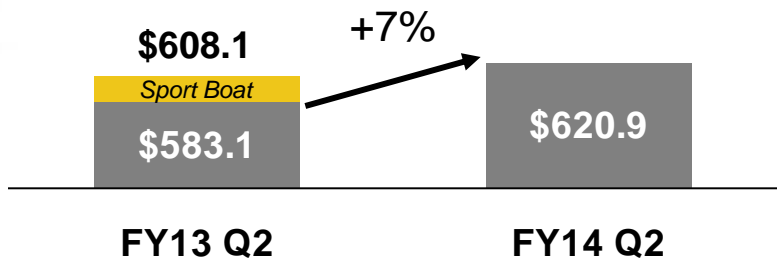
José Boisjoli
PRESIDENT & CEO



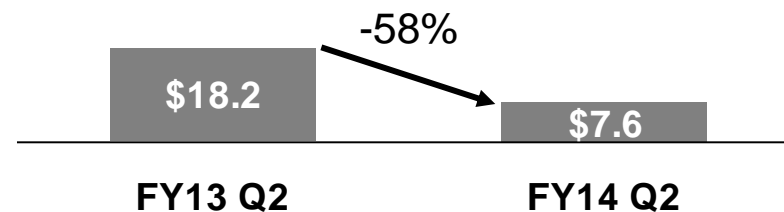
PASSION & INNOVATION

FY14 Q2 Revenues and Net Income

Q2 Revenues* (CA\$M)



Q2 Normalized Net Income (CA\$M)



- Overall financial results in line with our expectations
- 7% growth in comparable Q2 revenues, driven by *Year-Round Products*, up 8%
- International revenues up 14% (excluding sport boat)
- Gross profit margin down 160 bps at 23.0%, driven mainly by sales programs and ramp-up of PWC production capacity in Mexico
- Normalized EPS of \$0.07

Full-year guidance re-confirmed

- Revenues: Up high-single digits %
- Normalized EPS: \$1.45 - \$1.50



FY14 Q2 Business Highlights

■ Markets:

- BRP N.A. retail sales of *Seasonal Products* and *Year-Round Products* up 16% in the aggregate for the three-month period ended July 31, 2013
 - Despite unfavourable weather, Q2 N.A. retail sales of *Seasonal Products* were up mid-single digits
- Ended Model Year 13 (MY13) ORV season with market share gains in both ATV and SSV. Number 3 N.A. position now within reach in ATV
- Strong ORV momentum in key international markets, with BRP sales up more than 35%
- Expansion of N.A. dealer network is progressing as planned

■ Operations:

- Ramp-up of Mexican production facility in Queretaro is on track
 - First ORV engines produced in November 2012
 - First PWC hulls produced in August 2013

■ Design Excellence:

- BRP received four new international design awards in the second quarter

Four new international design awards in Q2

One *reddot* Design Award
from the German Design Zentrum



reddot design award
winner 2013



Ski-Doo Summit Snowmobile

Three *Australia International Design Awards*
from Good Design Australia



BRP Sea-Doo®
RXP-XTM PWC
Bombardier Recreational Products Inc.
Designed in Canada
www.brp.com

Automotive and Transport

Sea-Doo RXP-X



BRP's Can-Am®
Spyder™ RT Roadster
Bombardier Recreational Products Inc.
Designed in Canada
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Automotive and Transport

Can-Am Spyder RT



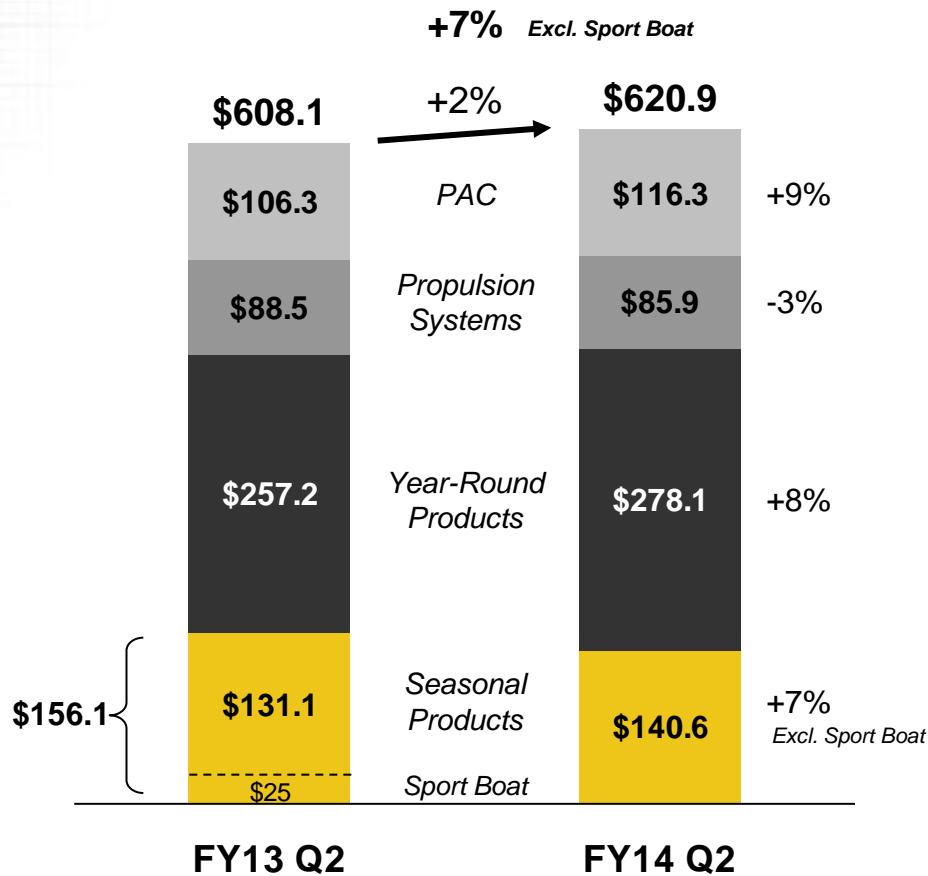
BRP's Can-Am®
Outlander™ ATV
Bombardier Recreational Products Inc.
Designed in Canada
www.brp.com

Automotive and Transport

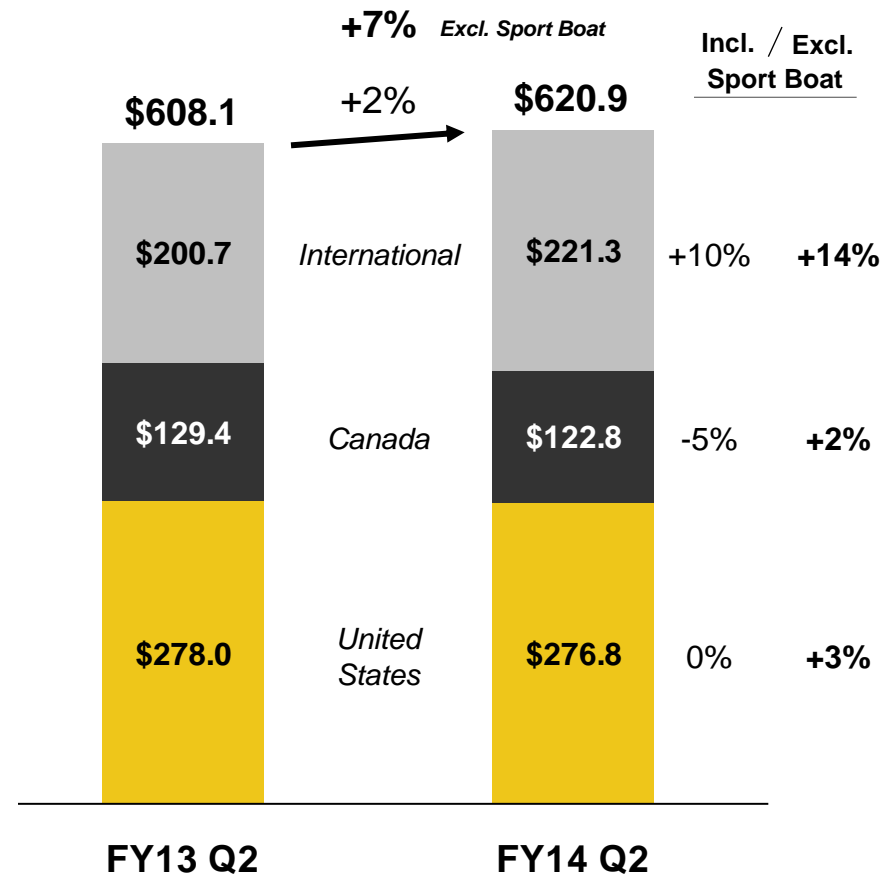
Can-Am Outlander

Q2 Revenues by Product Category and Geography

Revenues by Product Category (CA\$M)



Revenues by Geography (CA\$M)

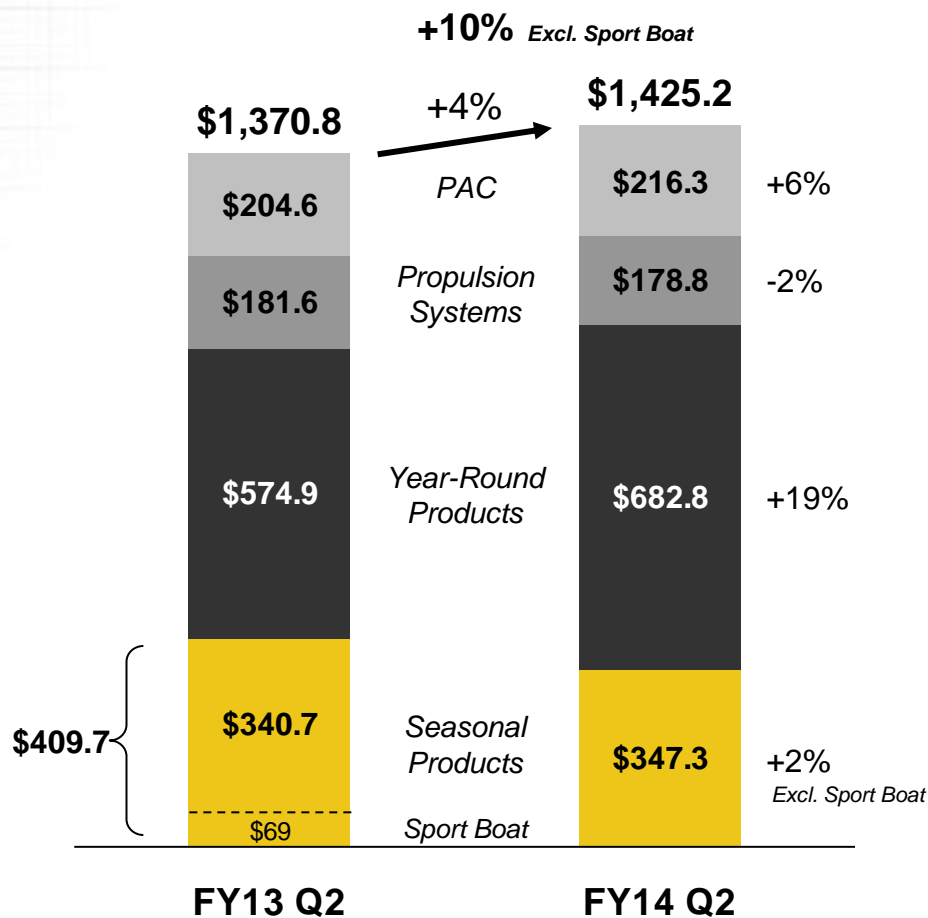


Growth in revenues still driven by *Year-Round Products* across all regions

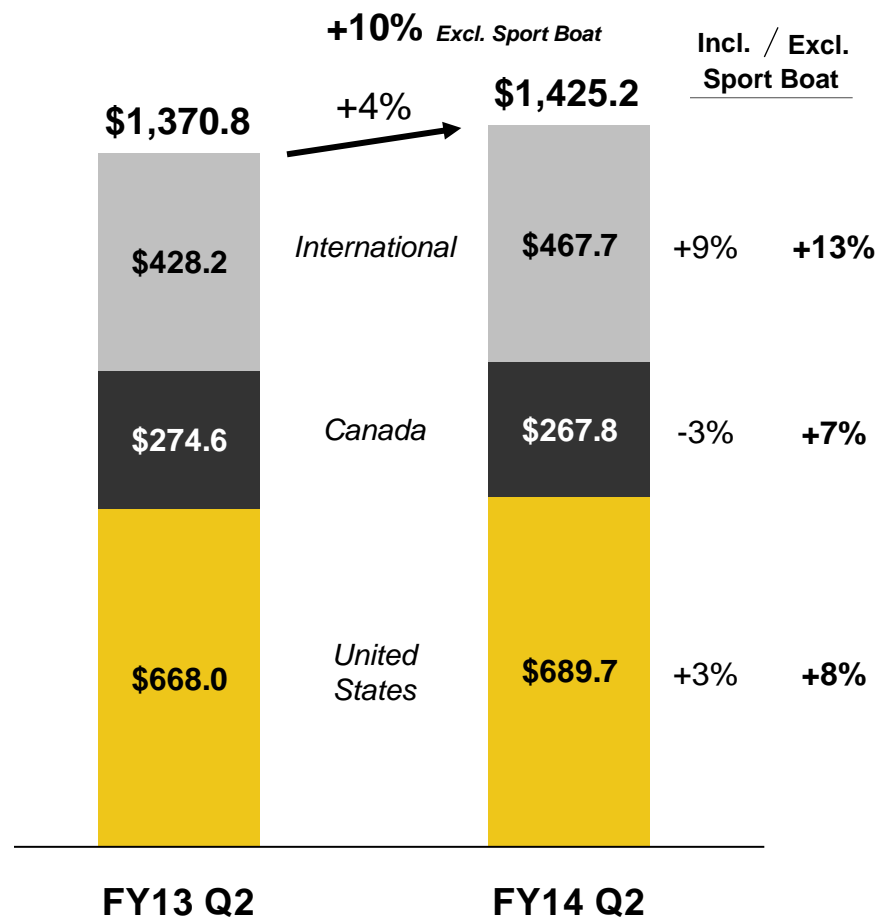


6-Month Revenues by Product Category and Geography

Revenues by Product Category (CA\$M)



Revenues by Geography (CA\$M)



Growth in revenues still driven by *Year-Round Products* across all regions



New Xiamen BRP Centre in China



Xiamen BRP Centre Opening

The opening ceremony of BRP's largest Chinese dealership was held on August 1st

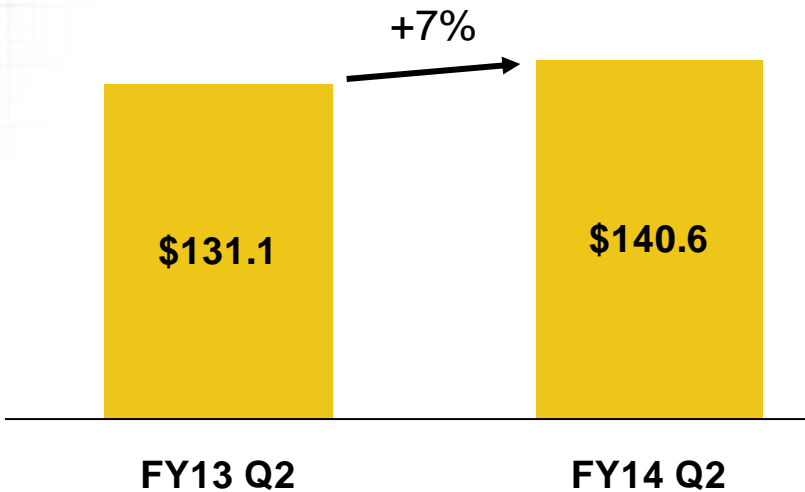
The modern 1,000 m² facility will carry both Sea-Doo and Can-Am products



Currently 15 dealers in China and growing

Seasonal Products Q2 Highlights

BRP Revenues* (CA\$M)



Industry & Competitive Dynamics

PWC

- Season-to-date N.A. industry down low-single digits, vs a high-single digit gain in the previous season
- Season started well during the boat show period, but late spring weather impacted retail sales
- All OEMs launched sales programs earlier than usual in the season
- BRP gained market share and maintained its N.A. retail flat vs last year
- European wholesale was also impacted by late spring weather

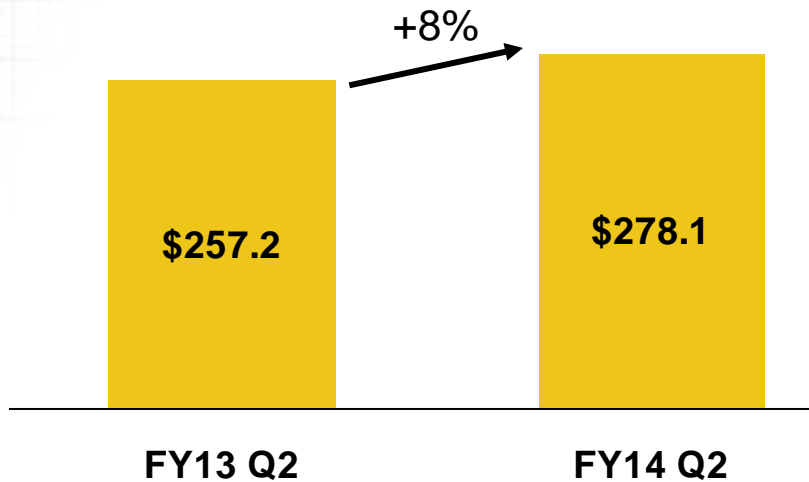
Sea-Doo offers the most extensive line-up in the industry, with engines ranging from 130 to 260hp

Luxury Performance	Recreation	Muscle	Sport
			
GTX Limited iS 260	GTI 130	RXP-X 260	Wake Pro 215



Year-Round Products Q2 Highlights

BRP Revenues (CA\$M)



New MY14 Maverick MAX 1000R



Industry & Competitive Dynamics

Off-Road Vehicles

- Season ended June 30, 2013
- N.A. ATV industry down low-single digits
- BRP ATV market share up slightly both in Canada and the U.S.
- U.S. SSV industry grew mid-double digits in Season 2013, while BRP retail grew by more than 30% over the same period
- New Maverick Sport SSV well received by dealers and consumers

Roadsters

- Nine months into the season, the N.A. motorcycle industry retail was down low-single digits
- BRP N.A. retail up mid-single digits

Building a growing community of Spyder riders worldwide with SpyderFest events

France, May 10-11

- Loire Region
- 116 participants

United States, June 13-14

- Maggie Valley, N.C.
- 1,300 participants vs 750 last year (+70%)

Canada, July 11-14

- Magog, Quebec
- More than 400 participants



Magog, QC



Loire Region, France



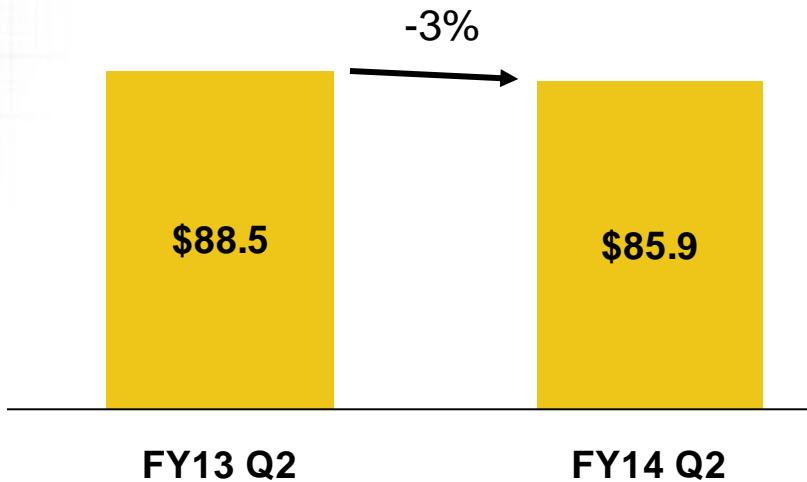
Maggie Valley, N.C.

Spyder owners share their stories as members of a growing community at <http://www.youtube.com/watch?v=plAUsf3ESoo>



Propulsion Systems Q2 Highlights

BRP Revenues (CA\$M)



Industry & Competitive Dynamics

■ Outboard Engines

- N.A. industry season ended June 30, 2013 with industry retail up mid-single digits
- BRP retail sales were flat
- Three new outboard models introduced in June for the fastest growing boat segment: pontoons

■ Rotax Propulsion Systems

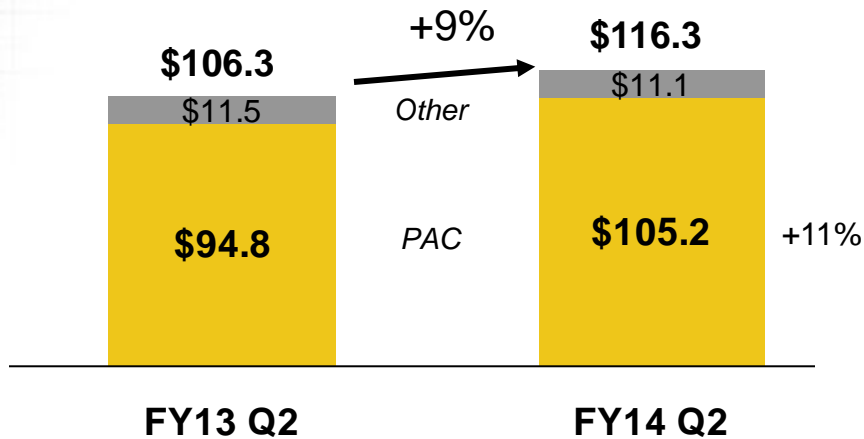
- New jet propulsion system program is progressing as planned
- First Scarab boats featuring a ROTAX jet propulsion system will be delivered to dealers this fall



**New Evinrude
90-115-150HP
Pontoon Series
engines**

PAC Q2 Highlights

PAC Revenues (CA\$M)



PAC Highlights

- 11% growth in PAC revenues
 - Over 50% growth in ORV Parts & Accessories sales
- A strong accessory line-up for the Maverick was launched simultaneously with the vehicle line-up

MY14 Can-Am Off-Road Accessories



Our Priorities

- Continue to grow our revenues from Year-Round Products
- Continue expansion of our Worldwide dealer network
- Ramp-up PWC production capacity in Queretaro, Mexico
- Continue product innovation
 - Club BRP, Orlando - Key event for worldwide dealers, distributors and dealer prospects
 - Introduction of new Sea-Doo and Can-Am models

Club BRP

Sept. 15-18
Orlando
Swan & Dolphin
Resort

2,000 participants
700 from international
99 countries represented



September 2012 Club BRP, Washington, DC

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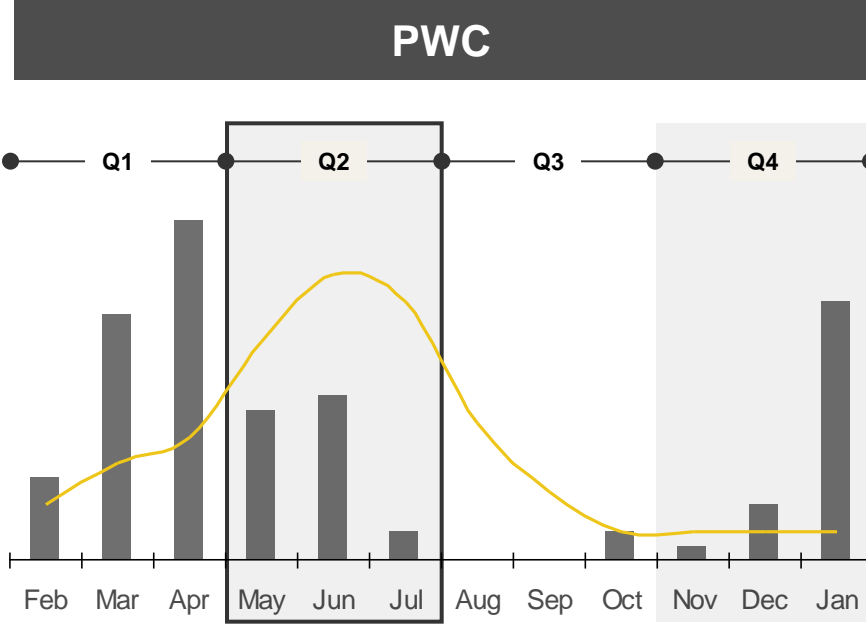
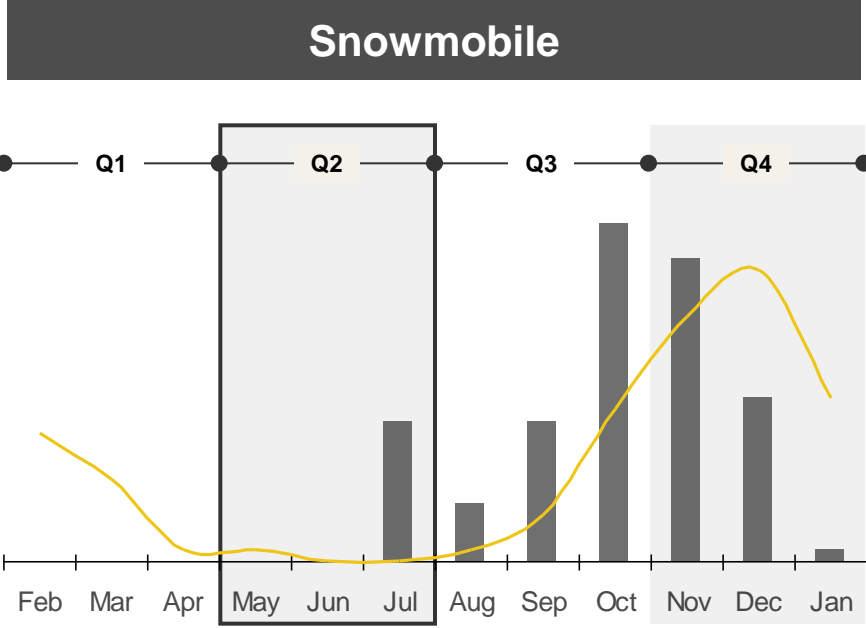
Claude Ferland
CHIEF FINANCIAL OFFICER



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Q2 is typically BRP's lowest quarter in terms of revenues for seasonal products

- Q2 coincides with the off-season for snowmobiles and the retail peak for PWCs
- In these two businesses with a short retail window, BRP shipments to dealers generally peak 2 months ahead of the busiest retail period
 - Snowmobile shipments peak in Q3 and Q4 while PWC shipments peak in Q1



BRP monthly N.A. shipments as a % of annual shipments*
 N.A. industry monthly retail sales as a % of annual sales*



FY14 Q2 – Financial Highlights

CA\$M	Q2 comparison			First 6 months comparison		
	FY14	FY13	Change	FY14	FY13	Change
Revenues by Category						
Seasonal Products	\$140.6	\$156.1 ¹	(\$15.5)	\$347.3	\$409.7 ²	(\$62.4)
Year-Round Products	278.1	257.2	20.9	682.8	574.9	107.9
Propulsion Systems	85.9	88.5	(2.6)	178.8	181.6	(2.8)
PAC	116.3	106.3	10.0	216.3	204.6	11.7
Total Revenues	\$620.9	\$608.1	\$12.8	\$1,425.2	\$1,370.8	\$54.4
Growth	2.1%			4.0%		
Gross Profit	\$142.6	\$149.6	(\$7.0)	\$360.6	\$361.8	(\$1.2)
As a % of revenues	23.0%	24.6%		25.3%	26.4%	
Operating Income	\$35.8	\$14.8	\$21.0	\$121.9	\$104.0	\$17.9
As a % of revenues	5.8%	2.4%		8.6%	7.6%	
Normalized EBITDA	\$47.4	\$53.6	(\$6.2)	\$155.2	\$163.3	(\$8.1)
As a % of revenues	7.6%	8.8%		10.9%	11.9%	
Normalized Net Income	\$7.6	\$18.2	(\$10.6)	\$61.0	\$67.8	(\$6.8)
EPS	(\$0.07)	(\$0.03)	(\$0.04)	\$0.17	\$0.50	(\$0.33)
Normalized EPS	\$0.07	\$0.18	(\$0.11)	\$0.57	\$0.66	(\$0.09)

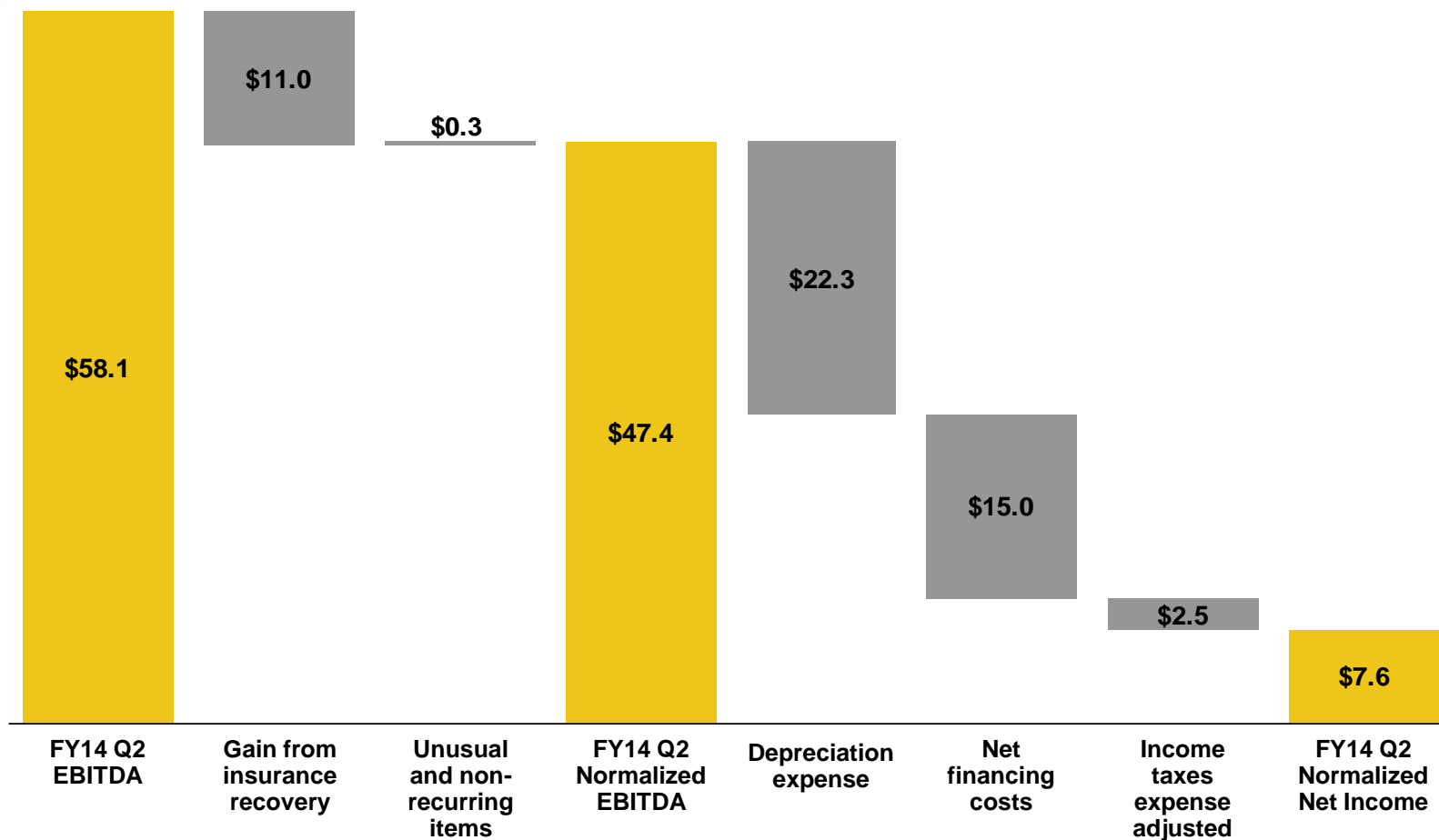
¹ Including \$25M in revenues from Sport Boat, a business which BRP exited in the fall of 2012

² Including \$69M in revenues from Sport Boat



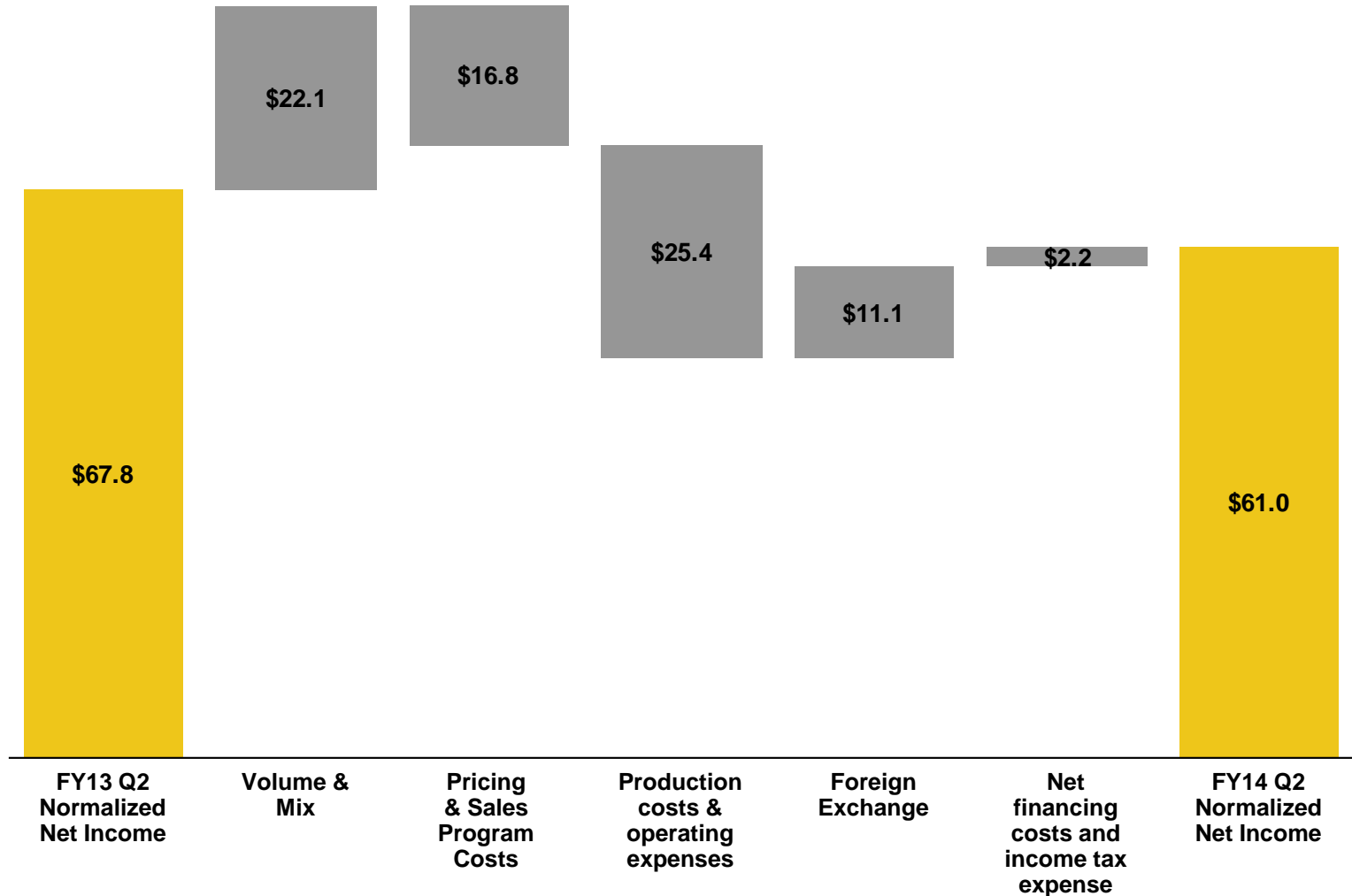
Bridge from FY14 Q2 EBITDA to FY14 Q2 Normalized Net Income

CA\$M



Bridge from FY13 First Six Months to FY14 First Six Months Normalized Net Income

CA\$M



FY14 Q2 – Balance Sheet and Liquidity Profile

CA\$M	As of July 31	As of Jan. 31	Change
	2013	2013	
Cash	\$29.7	\$542.4	(\$512.7)
Net working capital	135.2	(26.7)	161.9
Revolving Facilities	110.0	-	110.0
Long term debt*	820.0	1,054.6	(234.6)

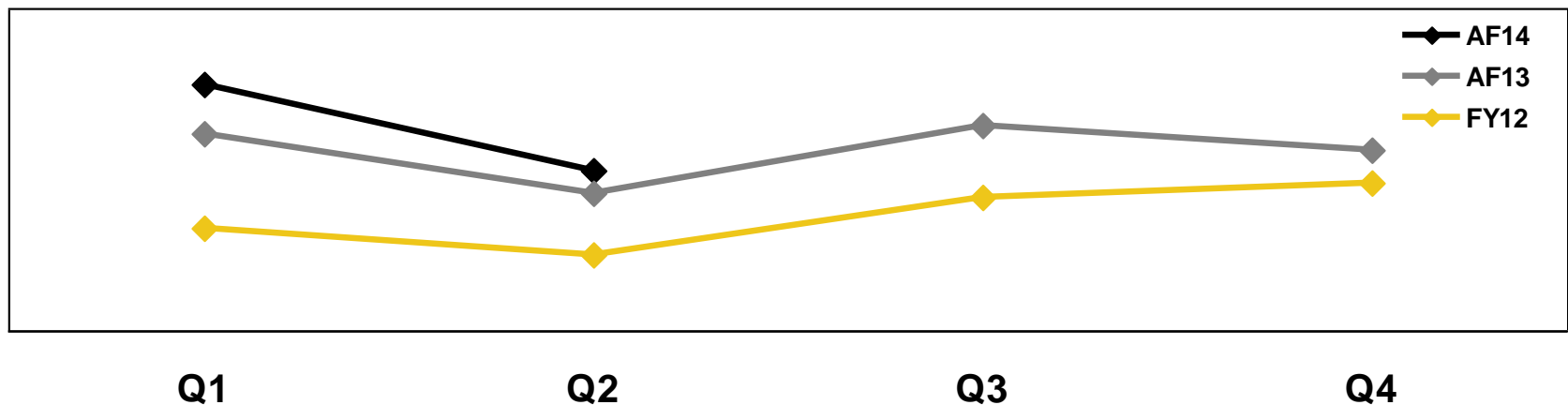
* BRP repaid US\$258M of its Term Facility following the May IPO

CA\$M	First 6 months comparison		
	FY14	FY13	Change
Capital expenditures	(\$56.5)	(\$61.6)	\$5.1
Free cash flow	(84.1)	185.9	(270.0)

BRP North America Powersports Dealer Inventory

- Dealer inventory up 7% from FY13 Q2, mostly caused by first deliveries of the Maverick
 - The majority of this increase was due to deliveries of the Maverick, which expands the BRP SSV line-up into a new segment
 - Other factors were the slower retail of PWC and Roadster, as a result of cold spring weather

BRP North America dealer inventory level (units, excl. outboard engines and Sport Boats)



FY14 Full-Year Guidance

Financial Metric	FY14 Guidance vs FY13
Revenues	
Seasonal Products	Flat to up low-single digits
Year-Round Products	Up high-double digits %
Propulsion Systems	Up mid to high-single digits %
PAC	Up high-single digits %
Total Company Revenues	Up high-single digits %
Normalized EBITDA	Up low-double digits %
Effective Tax Rate ¹	Up to 28-29%
Normalized Net Income	Up low-double digits %
Normalized Earnings per Share (assuming 112.6 million shares) ²	\$1.45 - \$1.50
CAPEX	Flat

¹ Effective tax rate based on a Normalized Earnings before Income Tax

² The number of shares represents the weighted average number of shares for the period, assuming that each quarterly transaction happens at mid-quarter

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Q&A Period



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Global Leader in Powersports Vehicles and Engines

Seasonal Products

ski-doo
LYNX
SEA-DOO



Snowmobiles



Personal Watercraft

Year-Round Products

can-am



All-Terrain Vehicles



Recreational
Side-by-Side Vehicles



Roadsters

Propulsion Systems

EVINRUDE
ROTAX

Outboard
Engines



OEM Engines



Diversified Product Portfolio AND Powerful Brands

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Closing Remarks



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

