



PRESS RELEASE

For immediate distribution

BRP PRESENTS ITS FOURTH QUARTER AND FULL-YEAR 2026 RESULTS

Highlights for FY26 Q4

- Revenues of \$2,457.3 million, an increase of 16.0% compared to last year, driven by a favourable ORV product mix, as well as higher ORV and PWC shipments;
- Net income of \$45.8 million, an increase of 190.7% compared to last year;
- Normalized EBITDA ^[1] of \$363.8 million, an increase of 47.3% compared to last year;
- Normalized diluted earnings per share ^{[1][2]} of \$2.21, an increase of \$1.16 per share, and diluted earnings per share of \$0.63, an increase of \$1.31 per share, compared to last year;
- North American Powersports retail sales increased by 12% compared to last year;
- Market share gains in North America for ORV and Snowmobile;
- Normalized impairment charges of \$232.5 million on assets related to electric vehicles (“EV”) and light mobility, of which \$28.5 million impacts gross profit;
- Provided shareholder returns through share buybacks for a total consideration of \$50.3 million;
- The Company increased its quarterly dividend to \$0.25 per share.

Highlights for FY26

- Revenues of \$8,442.7 million, an increase of 6.8% compared to last year;
- Exceeded revised FY26 guidance with Normalized diluted earnings per share ^{[1][2]} of \$5.21;
- North American network inventory decreased by 17% compared to last year.

Valcourt, Quebec, March 26, 2026 – BRP Inc. (TSX/NASDAQ: DOO) today reported its financial results for the three- and twelve-month periods ended January 31, 2026. All financial information is in Canadian dollars unless otherwise noted. The complete financial results are available on [SEDAR+](#) and [EDGAR](#) as well as in the section [Quarterly Reports](#) of BRP’s website.

“In just two months as CEO, I’ve already witnessed first-hand how BRP’s exceptional talent, combined with our engaged dealer network and powerful brands, holds immense potential,” said Denis Le Vot, President and CEO of BRP. “I’m pleased to share that our teams rose to the year’s challenges with conviction, navigating through a volatile tariff environment and a demanding competitive landscape to deliver FY26 financial results above expectations. In the fourth quarter, we recorded a strong retail performance in ORV and snowmobiles in North America, fueled by the success of our new product introductions.”

“Looking ahead, our priority is to continue advancing our M28 strategic plan. Thanks to our healthy inventory position and steadfast focus on product innovations, we are poised for solid revenue and profit growth in FY27. Although the geopolitical environment remains uncertain, we are confident in our ability to adapt and execute on what we can control. BRP is well positioned to drive long-term growth and sustainable value for shareholders,” concluded Mr. Le Vot.

^[1] See “Non-IFRS Measures” section of this press release.

^[2] Earnings per share is defined as “EPS”.

Financial Highlights ^[3]

(in millions of Canadian dollars, except per share data and margin)	Three-month periods ended		Twelve-month periods ended	
	January 31, 2026	January 31, 2025	January 31, 2026	January 31, 2025
Revenues	\$2,457.3	\$2,118.3	\$8,442.7	\$7,902.9
Gross Profit	553.6	421.8	1,887.3	1,777.9
Gross Profit Margin (%)	22.5%	19.9%	22.4%	22.5%
Operating Income	12.5	104.1	399.4	554.3
Normalized EBITDA ^[1]	363.8	247.0	1,103.4	1,057.8
Net Income (Loss)	45.8	(50.5)	340.4	64.6
Net Income (Loss) from Discontinued Operations	1.1	(169.1)	(51.1)	(277.6)
Normalized Net Income ^[1]	163.3	76.8	382.5	362.3
Diluted Earnings (Loss) per Share ^[2]	0.63	(0.68)	4.64	0.86
Diluted Normalized Earnings per Share ^{[1][2]}	2.21	1.05	5.21	4.86
Basic Weighted Average Number of Shares	73,313,268	73,016,543	73,134,185	73,661,874
Diluted Weighted Average Number of Shares	74,309,661	73,741,341	73,896,505	74,586,221

FISCAL YEAR 2027 GUIDANCE

The Company has established its FY27 guidance as follows:

Financial Metric	FY26	FY27 Guidance ^[5]
Revenues		
Year-Round Products	\$4,802.4	\$5,175 to \$5,325
Seasonal Products	2,291.5	2,375 to 2,450
PA&A, OEM Engines and Others	1,348.8	1,350 to 1,400
Total Company Revenues	8,442.7	8,900 to 9,150
Normalized EBITDA ^[1]	1,103.4	1,175 to 1,275
Normalized Earnings per Share - Diluted ^{[1][2]}	\$5.21	\$5.50 to \$6.50
Net Income	340.4	410 to 480

Other assumptions for FY27 Guidance

- Depreciation Expenses Adjusted: ~\$450M (Compared to \$448M in FY26)
- Net Financing Costs Adjusted: ~\$180M (Compared to \$188M in FY26)
- Effective tax rate ^{[1][4]}: ~25% (Compared to 17.6% in FY26)
- Weighted average number of shares – diluted: ~74M shares (Compared to 73.1M in FY26)
- Capital Expenditures: ~\$420M (Compared to \$341M in FY26)

FY27 Quarterly Outlook ^[5]

The Company expects Q1 Fiscal 2027 Normalized EBITDA ^[1] to be up approximately 40% versus the same three-month period in Fiscal 2026.

^[1] See “Non-IFRS Measures” section of this press release.

^[2] Earnings per share is defined as “EPS”.

^[3] Figures are on a continuing basis and prior periods reclassified accordingly

^[4] Effective tax rate based on Normalized Earnings before Normalized Income Tax.

^[5] Please refer to the “Caution Concerning Forward-Looking Statements” and “Key Assumptions” sections of this press release for a summary of important risk factors that could affect the above guidance and of the assumptions underlying this Fiscal Year 2027 guidance.

FOURTH QUARTER RESULTS

During the three-month period ended January 31, 2026, the Company delivered double-digit revenue growth compared to the same period last year. The increase in revenues was primarily due to a favourable ORV product mix driven by the introduction of new models and features, as well as higher shipments in this product category. Revenue growth also resulted from higher PWC shipments compared to the same period last year, which had been impacted by network inventory reduction. Gross profit and gross profit margin increased compared to last year, driven by the favourable impacts of volume and pricing net of sales programs, which were partially offset by the impacts of global tariffs mainly on PA&A, provisions related to EV products, increased warranty expenses and higher incentive compensation costs. The provisions related to EV products represented an unfavourable impact of \$28.5 million or 116 basis points on gross profit and gross profit margin respectively. Additionally, the Company recorded an impairment charge of \$229.8 million on the EV assets and light mobility cash generating unit ("CGU"), reflecting the challenges in the EV industry and the dynamics within the light mobility market.

The Company's North American retail sales were up 12% for the three-month period ended January 31, 2026 compared to the same period last year. The increase in retail sales is driven by stronger Snowmobile industry volumes compared to last year, which had been affected by late snowfalls, and by market share gains in ORV and Snowmobile.

Revenues

Revenues increased by \$339.0 million, or 16.0%, to \$2,457.3 million for the three-month period ended January 31, 2026, compared to \$2,118.3 million for the corresponding period ended January 31, 2025. The increase in revenues was primarily due to a favourable ORV product mix driven by the introduction of new models and features, as well as higher shipments in this product category. The increase also resulted from higher PWC shipments compared to the same period last year, which had been impacted by network inventory reduction. The increase includes a favourable foreign exchange rate variation of \$18 million.

- **Year-Round Products (54% of Q4-FY26 revenues):** Revenues from Year-Round Products increased by \$189.2 million, or 16.8%, to \$1,317.2 million for the three-month period ended January 31, 2026, compared to \$1,128.0 million for the corresponding period ended January 31, 2025. The increase in revenues from Year-Round Products was primarily attributable to a favourable product mix and to a higher volume of units sold in ORV driven by the introduction of new models and features. The increase was also attributable to favourable pricing net of sales programs across most product lines, partially offset by lower volume of units sold in 3WV. The increase includes a favourable foreign exchange rate variation of \$8 million.
- **Seasonal Products (32% of Q4-FY26 revenues):** Revenues from Seasonal Products increased by \$118.8 million, or 17.5%, to \$796.4 million for the three-month period ended January 31, 2026, compared to \$677.6 million for the corresponding period ended January 31, 2025. The increase in revenues from Seasonal Products was primarily attributable to a higher volume of units sold in PWC compared to the same period last year, which had been impacted by network inventory reduction. The increase was also attributable to a higher volume of units sold and favourable product mix in Snowmobile, as well as favourable pricing net of sales programs across most product lines. The increase was partially offset by a lower volume of units sold in Pontoon. The increase includes a favourable foreign exchange rate variation of \$7 million.
- **PA&A, OEM Engines and Others (14% of Q4-FY26 revenues):** Revenues from PA&A, OEM Engines and Others increased by \$31.0 million, or 9.9%, to \$343.7 million for the three-month period ended January 31, 2026, compared to \$312.7 million for the corresponding period ended January 31, 2025. The increase in revenues from PA&A, OEM Engines and Others was primarily attributable to a higher volume of PA&A sold and favourable pricing net of sales programs, partially offset by unfavourable product mix in OEM Engines. The increase also includes a favourable foreign exchange rate variation of \$3 million.

North American Retail Sales

The Company's North American retail sales increased by 12% for the three-month period ended January 31, 2026 compared to the same period last year. The increase in retail sales is driven by stronger Snowmobile industry volumes compared to last year, which had been affected by late snowfalls, and by market share gains in ORV and Snowmobile.

- North American Year-Round Products retail sales increased on a percentage basis in the high-single digits compared to the three-month period ended January 31, 2025. The Year-Round Products industry sales were flat over the same period.
- North American Seasonal Products retail sales increased on a percentage basis in the mid-teens range compared to the three-month period ended January 31, 2025. The Seasonal Products industry sales increased on a percentage basis in the high-single digits over the same period.

Gross profit

Gross profit increased by \$131.8 million, or 31.2%, to \$553.6 million for the three-month period ended January 31, 2026, compared to \$421.8 million for the three-month period ended January 31, 2025. Gross profit margin percentage increased by 260 basis points to 22.5% for the three-month period ended January 31, 2026, compared to 19.9% for the three-month period ended January 31, 2025. The increases in gross profit and gross profit margin were driven by the favourable impacts of volume and pricing net of sales programs, which were partially offset by the impacts of global tariffs mainly on PA&A, provisions related to EV products, increased warranty expenses and higher incentive compensation costs. The increase in gross profit includes a favourable foreign exchange rate variation of \$14 million.

Operating Expenses

Operating expenses increased by \$223.4 million, or 70.3%, to \$541.1 million for the three-month period ended January 31, 2026, compared to \$317.7 million for the three-month period ended January 31, 2025. The increase in operating expenses was mainly attributable to the impairment charges taken on the EV assets and light mobility CGU, as well as higher incentive compensation costs. The increase was partially offset by the reversal of the non-controlling interest liability during the three-month period ended January 31, 2026. The increase in operating expenses includes an unfavourable foreign exchange rate variation of \$2 million.

Normalized EBITDA ^[1]

Normalized EBITDA ^[1] increased by \$116.8 million, or 47.3%, to \$363.8 million for the three-month period ended January 31, 2026, compared to \$247.0 million for the three-month period ended January 31, 2025. The increase in normalized EBITDA ^[1] was primarily due to higher gross profit, partially offset by increased operating expenses.

Net Income (Loss)

Net income increased by \$96.3 million, or 190.7%, to \$45.8 million for the three-month period ended January 31, 2026, compared to \$(50.5) million for the three-month period ended January 31, 2025. The increase in net income was primarily due to a favourable foreign exchange rate variation on the U.S. denominated long-term debt and to higher gross profit, partially offset by increased operating expenses due to the impairment charges taken on the EV assets and light mobility CGU.

Normalized Net Income ^[1]

Normalized net income ^[1] increased by \$86.5 million, or 112.6%, to \$163.3 million for the three-month period ended January 31, 2026, compared to \$76.8 million for the three-month period ended January 31, 2025. The increase in normalized net income ^[1] was primarily due to higher gross profit, partially offset by increased operating expenses.

^[1] See "Non-IFRS Measures" section of this press release.

Net Income (Loss) from Discontinued Operations

Net income from discontinued operations increased by \$170.2 million, or 100.7%, to \$1.1 million for the three-month period ended January 31, 2026, compared to a net loss of \$(169.1) million for the three-month period ended January 31, 2025. The increase in net income from discontinued operations was primarily due to the impairment charges recorded on the Marine businesses' assets held for sale during the three-month period ended January 31, 2025, as well as the closing of the sales of Alumacraft's and Manitou's assets during the three-month periods ended July 31, 2025 and October 31, 2025 respectively.

TWELVE-MONTH PERIOD ENDED JANUARY 31, 2026

Revenues

Revenues increased by \$539.8 million, or 6.8%, to \$8,442.7 million for the twelve-month period ended January 31, 2026, compared to \$7,902.9 million for the corresponding period ended January 31, 2025. The increase in revenues was primarily due to a favourable ORV product mix following the introduction of new models and features, as well as higher shipments in this product category. The increase was partially offset by lower shipments and higher sales programs across most Seasonal Products. The increase includes a favourable foreign exchange rate variation of \$103 million.

Normalized EBITDA ^[1]

Normalized EBITDA ^[1] increased by \$45.6 million, or 4.3%, to \$1,103.4 million for the twelve-month period ended January 31, 2026, compared to \$1,057.8 million for the twelve-month period ended January 31, 2025. The increase in Normalized EBITDA ^[1] was primarily due to higher gross profit, partially offset by increased operating expenses.

Net Income

Net income increased by \$275.8 million, or 426.9%, to \$340.4 million for the twelve-month period ended January 31, 2026, compared to \$64.6 million for the twelve-month period ended January 31, 2025. The increase in net income was primarily due to a favourable foreign exchange rate variation on the U.S. denominated long-term debt and to a lower income tax expense. The increase was partially offset by lower operating income and higher net financing costs.

Normalized Net Income ^[1]

Normalized net income ^[1] increased by \$20.2 million, or 5.6%, to \$382.5 million for the twelve-month period ended January 31, 2026, compared to \$362.3 million for the twelve-month period ended January 31, 2025. The increase in normalized net income ^[1] was primarily due to higher gross profit, partially offset by increased operating expenses.

Net Loss from Discontinued Operations

Net loss from discontinued operations decreased by \$226.5 million, or 81.6%, to \$(51.1) million for the twelve-month period ended January 31, 2026, compared to \$(277.6) million for the twelve-month period ended January 31, 2025. The decrease in net loss from discontinued operations was primarily due to the impairment charges recorded on the Marine businesses' assets held for sale during the three-month period ended January 31, 2025, as well as the closing of the sales of Alumacraft's and Manitou's assets during the three-month periods ended July 31, 2025 and October 31, 2025 respectively.

^[1] See "Non-IFRS Measures" section of this press release.

LIQUIDITY AND CAPITAL RESOURCES

Consolidated net cash flows generated from operating activities totaled \$1,212.5 million for the twelve-month period ended January 31, 2026, compared to \$688.2 million generated for the twelve-month period ended January 31, 2025. The increase was mainly due to favourable changes in working capital, higher profitability and lower income taxes paid. The favourable changes in working capital were the result of increased trade payables and accruals due to higher average payment terms, as well as decreased trade and other receivables. The favourable changes in working capital were partially offset by a smaller decrease in inventories and unfavourable changes in provisions.

The Company invested \$318.4 million of its liquidity in capital expenditures for the introduction of new products and modernization of the Company's software infrastructure to support future growth, as well as closed the sales of Alumacraft's and Manitou's assets.

During the twelve-month period ended January 31, 2026, the Company also returned \$113.2 million to its shareholders through quarterly dividend payouts and share repurchase programs. The Company also repaid U.S. \$200.8 million of its Term Facility concurrent to its amendment.

Dividend

On March 25, 2026, the Company's Board of Directors declared a quarterly dividend of \$0.25 per share for holders of its multiple voting shares and subordinate voting shares. The dividend will be paid on April 24, 2026 to shareholders of record at the close of business on April 10, 2026.

CONFERENCE CALL AND WEBCAST PRESENTATION

Today at 9 a.m. ET, BRP Inc. will host a [conference call and webcast](#) to discuss its FY26 fourth quarter results. The call will be hosted by Denis Le Vot, President and CEO, and Sébastien Martel, CFO. To listen to the conference call by phone (event number 87313), please dial 1 800 717-1738 (toll-free in North America). Click here for [international numbers](#).

The Company's fourth quarter FY26 webcast presentation is posted in the [Quarterly Reports](#) section of BRP's website.

About BRP

BRP Inc. is a global leader in the world of powersports products and powertrains, built on over 80 years of ingenuity, innovation, and intensive consumer focus. Through its portfolio of industry-leading and distinctive brands featuring Ski-Doo and Lynx snowmobiles, Sea-Doo watercraft and pontoons, Can-Am on- and off-road vehicles, Quintrex boats as well as Rotax engines for karts, recreational aircraft and jet boats, BRP unlocks exhilarating adventures and provides access to experiences across different playgrounds. The Company completes its product lines with a dedicated parts, accessories and apparel portfolio to fully optimize the riding experience. Headquartered in Quebec, Canada, BRP had annual sales of CA\$8.4 billion from over 110 countries and employed close to 17,000 driven, resourceful people as of January 31, 2026.

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^[1] See "Non-IFRS Measures" section of this press release.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements in this press release, including, but not limited to, statements relating to the Company's Fiscal Year 2027 Guidance and related assumptions (including without limitation Revenues, Normalized EBITDA, Normalized Earnings per Share – Diluted, Net Income, Depreciation Expenses Adjusted, Net Financing Costs Adjusted, Effective Tax Rates, Weighted Average Number of Shares – diluted, and Capital Expenditures), statements relating to the declaration and payment of dividends, statements relating to its strategic plan referred to as "M28", prospects, expectations, anticipations, estimates and intentions, results, levels of activity, performance, objectives, targets, goals, achievements, including the Company's environmental, social and governance targets, goals and initiatives set forth under the Company's new sustainability plan, Beyond the Ride – Sustainability 2030, priorities and strategies, financial position, market position, capabilities, competitive strengths and beliefs, the prospects and trends of the industries in which the Company operates, the expected demand for products and services in the markets in which the Company competes, including softer industry demand trends and sustained promotional intensity and pricing actions, research and product development activities, including projected design, characteristics, capacity or performance of future products and their expected scheduled entry to market, expected financial requirements and the availability of capital resources and liquidity, the Company's ability to complete its process for the sale of Telwater as expected and to manage and mitigate the risks associated therewith, at expected cost levels and expected proceeds, the impact of the sale of the Marine businesses, ongoing geopolitical instability in the Middle East, including the impact of recent volatility in global oil and energy prices, potential supply chain disruptions, inflationary pressures, and broader macroeconomic conditions or any other future events or developments and other statements in this MD&A that are not historical facts constitute forward-looking statements within the meaning of applicable securities laws. The words "may", "will", "would", "should", "could", "expects", "forecasts", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "outlook", "predicts", "projects", "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 presented for the purpose of assisting readers in understanding certain key elements of the Company's current objectives, goals, targets, strategic priorities, expectations and plans, and in obtaining a better understanding of the Company's business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements contained herein. Forward-looking statements, by their very nature, involve inherent risks and uncertainties and are based on a number of assumptions, both general and specific. The Company cautions that its assumptions may not materialize and that the currently challenging macroeconomic and geopolitical environments in which it evolves, including specifically the uncertainty around the potential imposition of new duties, tariffs and other trade restrictions (and any retaliatory measures) as well as the ongoing geopolitical instability in the Middle East, may render such assumptions, although believed reasonable at the time they were made, subject to greater uncertainty. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of the Company or the industry to be materially different from the outlook or any future results or performance implied by such statements.

In addition, 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's discussion and analysis for Fiscal 2026 (the "2026 MD&A") for the fiscal year ended on January 31, 2026 and in other continuous disclosure materials filed from time to time with Canadian securities regulatory authorities and the Securities and Exchange Commission: economic conditions that impact consumer spending; inability to attract, hire and retain the services of key employees, including members of its management team, or qualified employees, including employees who possess specialized market knowledge and technical skills; failure of the Company's information technology systems, difficulties in the continued implementation of its ERP system or a security breach or cyber-attack; international sales and operations

subject it to additional risks; inability to successfully execute its strategic plan; any decline in the social acceptability of the Company or of the Company's products or any increased restrictions on the access or the use of the Company's products in certain locations; supply problems, termination or interruption of supply arrangements or increases in the cost of materials; indebtedness with no assurance that the Company will be able to pay its indebtedness as it becomes due; any unavailability of additional capital; fluctuations in foreign currency exchange rates; unfavourable weather conditions, and climate change, seasonal nature of the Company's business and some of its products; reliance on a network of independent dealers and distributors to manage the retail distribution of its products and failure to establish or maintain the appropriate level of dealers and distributors; inability of dealers and distributors to secure adequate access to capital; inability to comply with laws, rules and regulations regarding product safety, health, environmental, noise pollution, privacy matters and other issues; potential vulnerability of connected products to cyber-attacks; the Company's large fixed cost base; intense competition in all product lines and any failure to compete effectively against competitors or any failure to meet consumers' evolving expectations; any failure to maintain an effective system of internal control over financial reporting; reliance upon the continued strength of its 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; failure to carry adequate insurance coverage; failure to successfully manage inventory levels, both at the Company's and the dealers' and distributors' levels, inability to protect the Company's intellectual property; the Company's inability to successfully execute its manufacturing strategy or to adjust to fluctuating customer demand as a result of manufacturing capacity constraints; increased freight and shipping costs or disruptions in transportation and shipping infrastructure; covenants contained in agreements to which the Company is a party affecting and, in some cases, significantly limiting or prohibiting the manner in which the Company operates its businesses; impact of tax matters and changes in tax laws; impairment of the carrying value of goodwill and intangibles with indefinite useful life; deterioration in relationships with the Company's non-unionized and unionized employees; pension plan liability; natural disasters, unusually adverse weather, epidemic or pandemic outbreaks, boycotts and geo-political events; volatility in the market price for the Subordinate Voting Shares; dependence on the earnings of its subsidiaries and the distribution of those earnings to BRP Inc.; the significant influence of Beaudier Group and Bain Capital; and future sales of Subordinate Voting 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. Unless otherwise stated, the forward-looking statements contained in this press release are made as of the date of this press release and the Company has no intention and undertakes no obligation to update or revise any forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable securities regulations. In the event that the Company does update any forward-looking statements contained in this press release, no inference should be made that the Company will make additional updates with respect to that statement, related matters or any other forward-looking statement. The forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

KEY ASSUMPTIONS

The Company made a number of economic, market and operational assumptions in preparing and making certain forward-looking statements contained in this Press Release, including without limitation the following assumptions: softer industries in both Seasonal and Year-Round Products and a continuously challenging macroeconomic environment; expected market share volatility; main currencies in which the Company operates will remain at near current levels; levels of inflation, which are expected to continue to ease; there will be no significant changes in tax laws or treaties applicable to the Company; the Company's margins are expected to continue to be pressured by lower volumes; the supply base will remain able to support product development and planned production rates on commercially acceptable terms in a timely manner; the absence of unusually adverse weather conditions, especially in peak seasons. BRP cautions that its assumptions may not materialize, and that the currently challenging macroeconomic and geopolitical environment in which it evolves may render such assumptions, although believed reasonable at the time they were made, subject to greater uncertainty. Specifically, these assumptions do not incorporate the imposition of wide-ranging U.S. tariffs, including tariffs on all imports from Canada and Mexico, and potential retaliatory tariffs. Given the fast-evolving situation and the high degree of uncertainty around the duration of a potential trade war, it is difficult to predict how the effects would flow through the economy. New tariffs could significantly affect the outlooks for economic growth, consumer spending, inflation and the Canadian dollar.

NON-IFRS MEASURES

This press release makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS measures including the following:

Non-IFRS measures	Definition	Reason for use
Normalized EBITDA	Net income before financing costs, financing income, income tax expense (recovery), depreciation expense and normalized elements.	Assist investors in determining the financial performance of the Company's operating activities on a consistent basis by excluding certain non-cash elements such as depreciation expense, impairment charge, foreign exchange gain or loss on the Company's long-term debt denominated in U.S. dollars and foreign exchange gain or loss on certain of the Company's lease liabilities. Other elements, such as restructuring and wind-down costs, non-recurring gain or loss and acquisition-related costs, may be excluded from net income in the determination of Normalized EBITDA as they are considered not being reflective of the operational performance of the Company.
Normalized net income	Net income before normalized elements adjusted to reflect the tax effect on these elements	In addition to the financial performance of operating activities, this measure considers the impact of investing activities, financing activities and income taxes on the Company's financial results.
Normalized income tax expense	Income tax expense adjusted to reflect the tax effect on normalized elements and to normalize specific tax elements	Assist investors in determining the tax expense relating to the normalized items explained above, as they are considered not being reflective of the operational performance of the Company.
Normalized effective tax rate	Based on Normalized net income before Normalized income tax expense	Assist investors in determining the effective tax rate including the normalized items explained above, as they are considered not being reflective of the operational performance of the Company.
Normalized earnings per share – basic and diluted	Calculated by dividing the Normalized net income by the weighted average number of shares – basic and diluted	Assist investors in determining the normalized financial performance of the Company's activities on a per share basis.
Free cash flow	Cash flows from operating activities less additions to PP&E and intangible assets	Assist investors in assessing the Company's liquidity generation abilities that could be available for shareholders, debt repayment and business combination, after capital expenditure

The Company believes non-IFRS measures are important supplemental measures of financial performance because they eliminate items that have less bearing on the Company's financial performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of companies, many of which present similar metrics when reporting their results. Management also uses non-IFRS measures in order to facilitate financial performance comparisons from period to period, prepare annual operating budgets, assess the Company's ability to meet its future debt service, capital expenditure and working capital requirements and also as a component in the determination of the short-term incentive compensation for the Company's employees. Because other companies may calculate these non-IFRS measures differently than the Company does, these metrics are not comparable to similarly titled measures reported by other companies.

The Company refers the reader to the tables below for the reconciliations of the non-IFRS measures presented by the Company to the most directly comparable IFRS measure.

Reconciliation Tables ^[2]

The following tables present the reconciliation of non-IFRS measures compared to their respective IFRS measures:

(in millions of Canadian dollars)	Three-month periods ended		Twelve-month periods ended		
	January 31, 2026	January 31, 2025	January 31, 2026	January 31, 2025	January 31, 2024
Net income	\$45.8	\$(50.5)	\$340.4	\$64.6	\$936.6
Normalized elements					
Foreign exchange (gain) loss on long-term debt and lease liabilities	(80.0)	103.4	(169.8)	212.1	10.8
Cybersecurity incident ^[3]	—	(12.5)	—	(12.5)	—
EV and light mobility impairment and other charges ^[4]	232.5	—	236.5	—	—
Impairment charge ^[5]	—	—	—	9.4	—
Costs related to business combinations ^[6]	1.5	(7.9)	7.0	2.7	11.1
Exit costs ^[7]	—	15.1	—	15.1	15.0
Restructuring and related costs (reversal) ^[8]	(0.5)	41.8	(0.5)	76.8	3.9
Transaction costs on long-term debt ^[9]	—	—	12.6	—	22.7
Special long-term incentive program ^[10]	—	—	4.4	—	—
Executive management transition cost ^[11]	2.5	—	7.5	—	—
Other elements ^[12]	2.0	1.2	4.3	2.1	3.0
Income tax adjustment ^{[1][13]}	(40.5)	(13.8)	(59.9)	(8.0)	(30.2)
Normalized net income ^[1]	163.3	76.8	382.5	362.3	972.9
Normalized income tax expense ^[1]	41.9	19.5	85.0	98.4	305.5
Financing costs adjusted ^[1]	46.5	48.4	198.6	198.2	185.3
Financing income	(3.2)	(0.9)	(11.0)	(8.0)	(11.8)
Depreciation expense adjusted ^[1]	115.3	103.2	448.3	406.9	363.4
Normalized EBITDA ^[1]	\$363.8	\$247.0	\$1,103.4	\$1,057.8	\$1,815.3

^[1] See "Non-IFRS Measures" section.

^[2] Figures are on a continuing basis and prior periods reclassified accordingly.

^[3] During Fiscal 2025, the Company received insurance payments in relation to the cybersecurity incident that occurred in Fiscal 2023.

^[4] During Fiscal 2026, the Company recognized impairment charges related to the EV assets and light mobility CGU, increased provisions related to EV products, as well as reversed the non-controlling interest liability.

^[5] During Fiscal 2025, the Company recognized an impairment charge on unutilized assets.

^[6] Transaction costs and depreciation of intangible assets related to business combinations.

^[7] The Company impaired service parts inventory related to its Evinrude outboard engine business.

^[8] The Company recorded restructuring costs, which includes severance packages to employees as part of workforce reduction, contract exit costs and supplier claims related to restructuring activities.

^[9] Derecognition of unamortized transaction costs and incremental transaction costs related to the amendment of the Company's Term Facility.

^[10] Incremental fair value recorded as a result of a special long-term incentive program.

^[11] Includes the impact of accelerated vesting of executive management stock options.

^[12] Other elements include transaction costs associated with the sale of the Marine businesses, fees associated with the secondary offerings that occurred during Fiscal 2025 and 2026, as well as incremental transport and idle costs related to mitigation strategies implemented to handle the border crossing slowdown between Juarez, Mexico, where the Company has three factories, and El Paso, Texas, USA.

^[13] Income tax adjustment is related to the income tax on Normalized elements subject to tax and for which income tax has been recognized, to the adjustment related to the impact of foreign currency translation from Mexican operations, and to the deferred income tax on operating losses recorded as part of the impairment.

The following table ^[2] presents the reconciliation of items as included in the Normalized net income ^[1] and Normalized EBITDA ^[1] compared to respective IFRS measures as well as the Normalized EPS – basic and diluted ^[1] calculation.

<i>(in millions of Canadian dollars, except per share data)</i>	Three-month periods ended		Twelve-month periods ended		
	January 31, 2026	January 31, 2025	January 31, 2026	January 31, 2025	January 31, 2024
Depreciation expense reconciliation					
Depreciation expense	\$116.5	\$104.6	\$453.8	\$412.5	\$369.0
Depreciation of intangible assets related to business combinations	(1.2)	(1.4)	(5.5)	(5.6)	(5.6)
Depreciation expense adjusted	\$115.3	\$103.2	\$448.3	\$406.9	\$363.4
Income tax expense reconciliation					
Income tax expense	\$1.4	\$5.7	\$25.1	\$90.4	\$275.3
Income tax adjustment ^[3]	40.5	13.8	59.9	8.0	30.2
Normalized income tax expense ^[1]	\$41.9	\$19.5	\$85.0	\$98.4	\$305.5
Financing costs reconciliation					
Financing costs	\$47.2	\$48.4	\$211.9	\$198.2	\$208.0
Transaction costs on long-term debt	—	—	(12.6)	—	(22.7)
Other	(0.7)	—	(0.7)	—	0.1
Financing costs adjusted	\$46.5	\$48.4	\$198.6	\$198.2	\$185.4
Financing income reconciliation					
Financing income	\$(3.2)	\$(0.9)	\$(11.0)	\$(8.0)	\$(6.0)
Gain on NCIB	—	—	—	—	1.8
Financing income adjusted	\$(3.2)	\$(0.9)	\$(11.0)	\$(8.0)	\$(4.2)
Normalized EPS - basic ^[1] calculation					
Normalized net income ^[1]	\$163.3	\$76.8	\$382.5	\$362.3	\$972.9
Non-controlling interests	1.1	0.4	2.3	(0.1)	(1.5)
Weighted average number of shares - basic	73,313,268	73,016,543	73,134,185	73,661,874	77,166,505
Normalized EPS - basic ^[1]	\$2.24	\$1.06	\$5.26	\$4.92	\$12.60
Normalized EPS - diluted ^[1] calculation					
Normalized net income ^[1]	\$163.3	\$76.8	\$382.5	\$362.3	\$972.9
Non-controlling interests	1.1	0.4	2.3	(0.1)	(1.5)
Weighted average number of shares - diluted	74,309,661	73,741,341	73,896,505	74,586,221	78,523,790
Normalized EPS - diluted ^[1]	\$2.21	\$1.05	\$5.21	\$4.86	\$12.37

^[1] See “Non-IFRS Measures” section.

^[2] Figures are on a continuing basis and prior periods reclassified accordingly.

^[3] Income tax adjustment is related to the income tax on Normalized elements subject to tax and for which income tax has been recognized, to the adjustment related to the impact of foreign currency translation from Mexican operations, and to the deferred income tax on operating losses recorded as part of the impairment.

The following table presents the reconciliation of consolidated net cash flows generated from operating activities to free cash flow ^[1].

<i>(in millions of Canadian dollars)</i>	Twelve-month periods ended	
	January 31, 2026	January 31, 2025
Net cash flows generated from operating activities	\$1,212.5	\$688.2
Additions to property, plant and equipment	(297.7)	(396.6)
Additions to intangible assets	(43.5)	(29.8)
Free cash flow ^[1]	\$871.3	\$261.8
Free cash flow from continuing operations ^[1]	\$929.2	\$433.3
Free cash flow from discontinued operations ^[1]	\$(57.9)	\$(171.5)

^[1] See “Non-IFRS Measures” section.

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