# ANNUAL MEETING OF SHAREHOLDERS

May 30, 2019

ADVENTURE BY DESIGN

# CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Certain information included in this presentation, including, but not limited to, statements relating to our Fiscal Year 2020 financial outlook (including revenues, Normalized EBITDA, Effective Tax Rate, Normalized earnings per share, net income, depreciation expense and capital expenditures), the declaration and payment of dividends, the Company's ability to achieve its Fiscal Year 2020 guidance, the Company's intention to undertake a substantial issuer bid ("Offer") and the terms thereof (including the maximum dollar value of subordinate voting shares the Company may purchase under the Offer and the timing for launch and completion of the Offer), the Company's intention to incur a new term loan tranche (including the terms and conditions of such new term loan tranche) and other statements that are not historical facts, are "forward-looking statements" within the meaning of Canadian securities laws. Forward-looking statements are typically identified by the use of terminology such as "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. Forward looking statements, by their very nature, involve inherent risks and uncertainties and are based on several assumptions, both general and specific. BRP cautions that its assumptions may not materialize and that current economic conditions 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 powersports industry to be materially different from the outlook or any future results or performance implied by such statements. Key assumptions used in determining forward-looking information are set forth below.

**KEY ASSUMPTIONS**

The Company made a number of economic and market assumptions in preparing its Fiscal Year 2020 financial guidance, including assumptions regarding the performance of the economies in which it operates, market competition, tax laws applicable to its operations and foreign exchange currency fluctuation. The Company made a number of economic and market assumptions in preparing and making forward-looking statements. The Company is assuming reasonable industry growth ranging from flat to high-single digits, moderate market share gains in Year-Round Products and Seasonal Products and constant market share for the Marine segment. The Company is also assuming interest rates increase modestly, currencies remain at near current levels and inflation remains in line with central bank expectations in countries where the Company is doing business. 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 Offer not occurring as expected, any failure of any condition to the Offer, any inability to obtain any required regulatory approvals or exemptive relief, the extent to which shareholders elect to tender their shares under the Offer, the Company having sufficient financial resources and working capital following completion of the Offer, the market for the Company's shares following completion of the Offer being materially less liquid than the market that exists at the time the Offer is commenced, the Offer launching and/or being completed on time and the Company's and its subsidiaries' success in anticipating and managing the foregoing factors, and the following factors, which are discussed in greater detail under the heading "Risk Factors" in the Company's most recent Annual Information Form filed with the Canadian Securities Administrators (available at sedar.com) and on Form 40-F with the Securities and Exchange Commission in the United States (available at https://www.sec.gov/): 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; inability to comply with product safety, health, environmental and noise pollution laws; 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; competition in product lines; inability to successfully execute growth strategy; international sales and operations; failure of information technology systems or security breach; failure to maintain an effective system of internal control over financial reporting and to produce accurate and timely financial statements; loss of members of management team or employees who possess specialized market knowledge and technical skills; inability to maintain and enhance reputation and brands; significant product liability claim; significant product repair and/or replacement due to product warranty claims or product recalls; reliance on a network of independent dealers and distributors; inability to successfully manage inventory levels; intellectual property infringement and litigation; inability to successfully execute manufacturing strategy; covenants in financing and other material agreements; changes in tax laws and unanticipated tax liabilities; deterioration in relationships with employees; pension plan liabilities; natural disasters; failure to carry proper insurance coverage; volatile market price for BRP's subordinate voting shares; conduct of business through subsidiaries; significant influence by Beaudier Inc. and 4338618 Canada Inc. (together the "Beaudier Group") and Bain Capital Luxembourg Investments S. à r. l. ("Bain Capital"); and future sales of BRP's 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 forward-looking statements contained in this presentation are made as of the date of this presentation and BRP undertakes no obligation to update or revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable Canadian securities laws. In the event that BRP does update any forward-looking statement, no inference should be made that BRP will make additional updates with respect to that statement, related matters, or any other forward-looking statement.

# AGENDA

## BUSINESS OF THE MEETING

- Call to Order
- Safety Instructions
- Chairman and Secretary of the Meeting
- Notice of the Meeting
- Scrutineers and Quorum of the Meeting
- Meeting Proceedings
- Voting Procedure
- Presentation of Financial Statements
- Election of Directors
- Appointment of the Auditor
- Advisory Vote on Executive Compensation

## ANNUAL REVIEW

## Q&A

## OTHER BUSINESS

## CLOSING OF THE MEETING

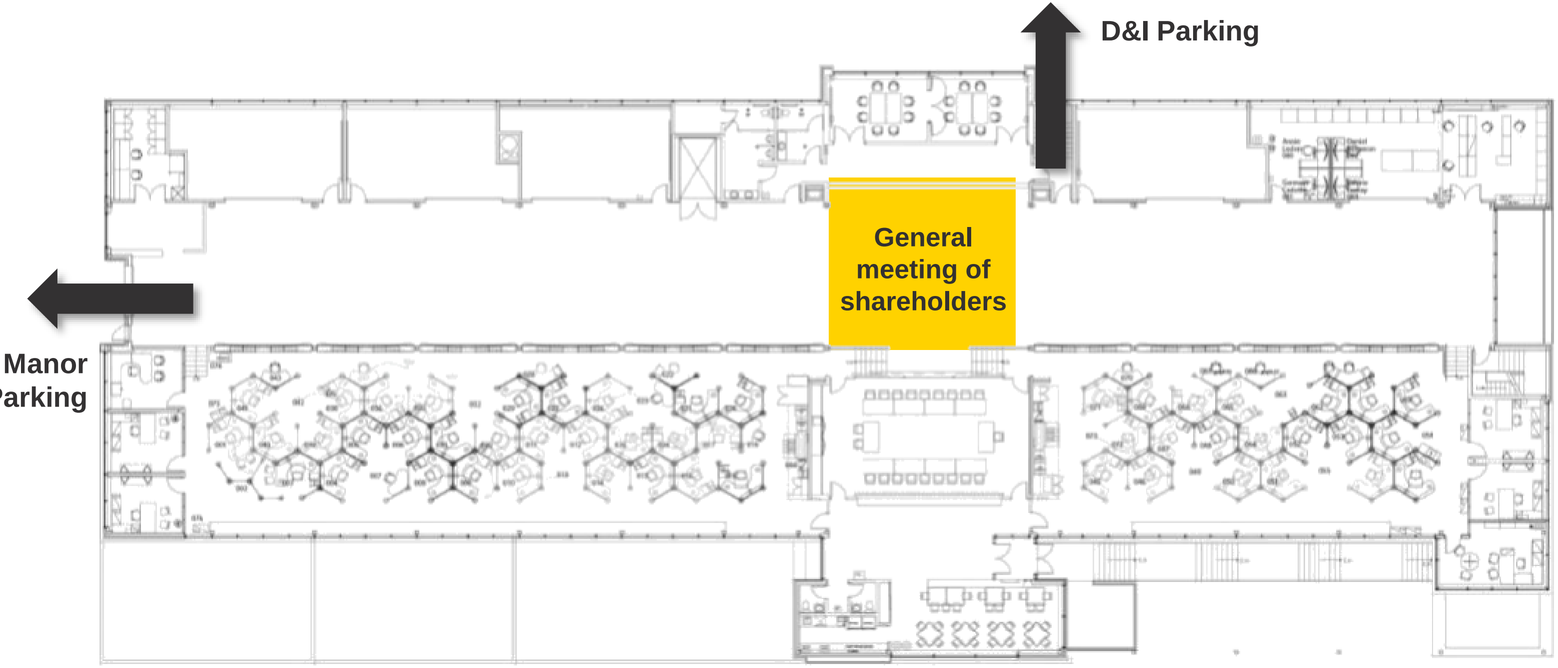
# AGENDA

## BUSINESS OF THE MEETING

- Call to Order


AGENDA
BUSINESS OF THE MEETING
• Safety Instructions
5

# 2 EMERGENCY EXITS



# AGENDA

## BUSINESS OF THE MEETING

- Chairman and Secretary of the Meeting

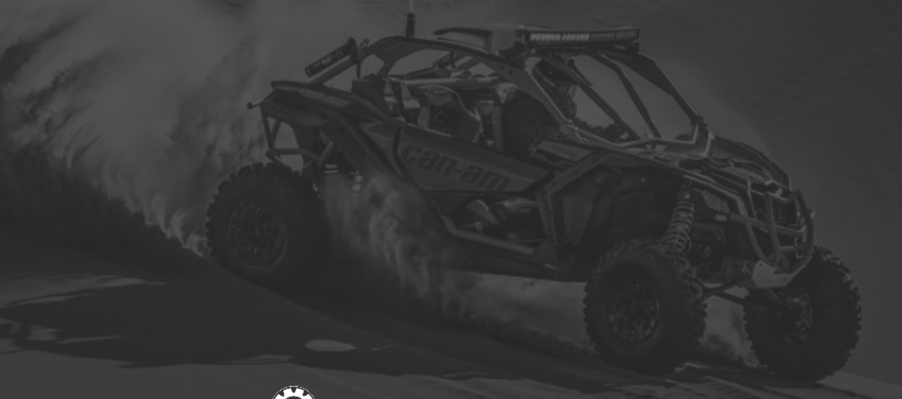
**Laurent Beaudoin**
*Chairman of the Board of Directors*

**Martin Langelier**
*Secretary of the Board of Directors*

# AGENDA

## BUSINESS OF THE MEETING

- Notice of the Meeting



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## BUSINESS OF THE MEETING

- Scrutineers and Quorum of the Meeting

# AGENDA

## BUSINESS OF THE MEETING

- Meeting Proceedings

# AGENDA

## BUSINESS OF THE MEETING

- Voting Procedure

# AGENDA

## BUSINESS OF THE MEETING

- Presentation of Financial Statements

# AGENDA

## BUSINESS OF THE MEETING

- Election of Directors

# ELECTION OF DIRECTORS

**PIERRE BEAUDOIN**
Chairman of the Board of Bombardier Inc.

**JOSHUA BEKENSTEIN**
Managing Director at Bain Capital Investors, LLC

**JOSÉ BOISJOLI**
President, CEO and incoming Chairman of the Board of BRP Inc.

**J.R. ANDRÉ BOMBARDIER**
Corporate Director

**MICHAEL HANLEY**
Corporate Director

**LOUIS LAPORTE**
Executive Vice-President of Beaudier Inc.

**ESTELLE MÉTAYER**
President of EM Strategy Inc. and adjunct professor at McGill University

**NICHOLAS NOMICOS**
Managing Director of Nonantum Capital Partners, LLC

**DANIEL J. O'NEILL**
Corporate Director

**EDWARD PHILIP**
Corporate Director

**JOSEPH ROBBINS**
Managing Director at Bain Capital Private Equity

**BARBARA SAMARDZICH**
Corporate Director

# AGENDA

## BUSINESS OF THE MEETING

- Appointment of the Auditor

# AGENDA

## BUSINESS OF THE MEETING

- Advisory Vote
  on Executive Compensation

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## ANNUAL REVIEW

## Q&A

## OTHER BUSINESS

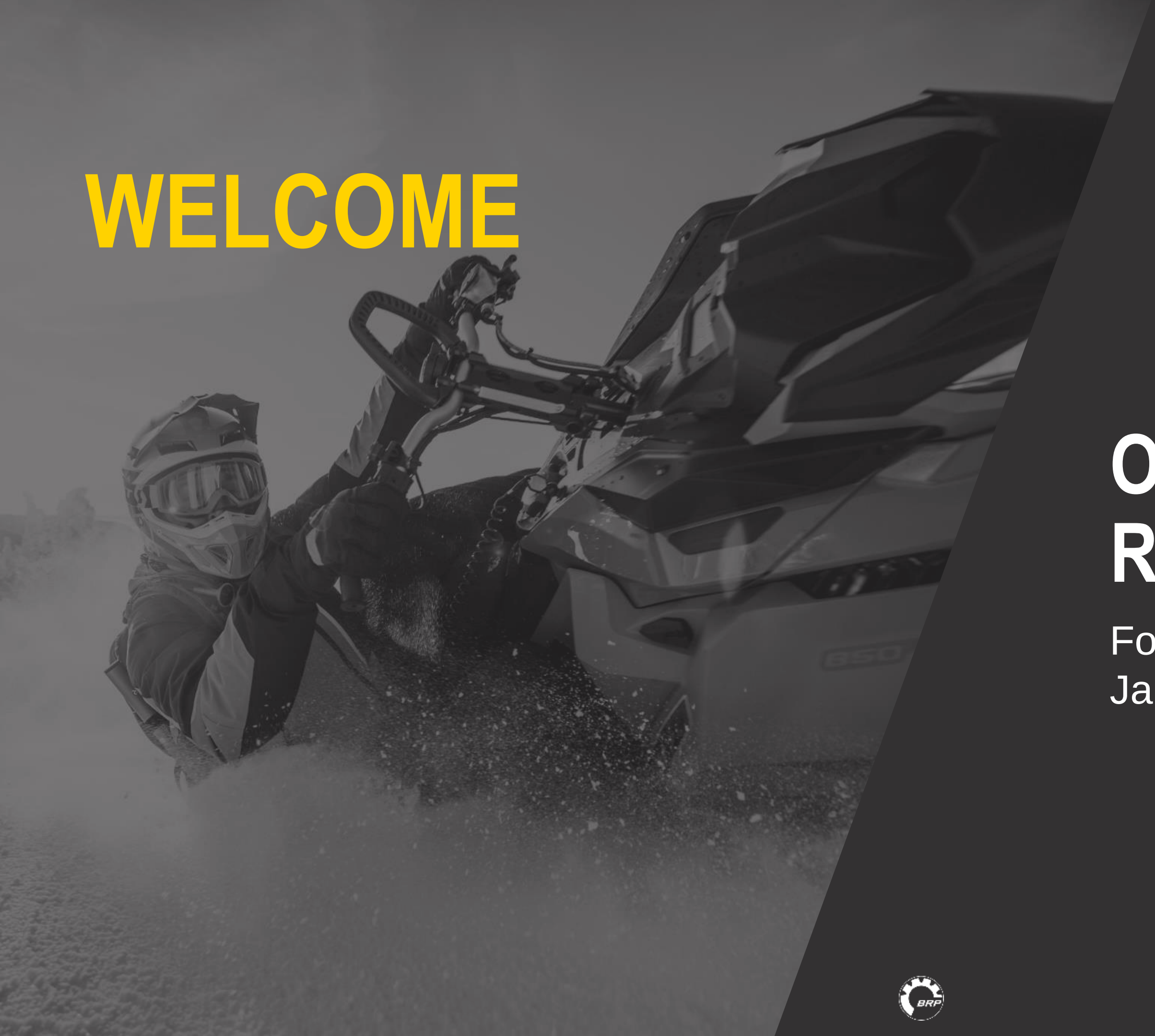
## CLOSING OF THE MEETING

# AGENDA

## ANNUAL REVIEW

- **José Boisjoli**
  *President and Chief Executive Officer*
- **Sébastien Martel**
  *Chief Financial Officer*

# WELCOME



# ON THE RIGHT PATH

For the fiscal year ended
January 31, 2019

# GROWTH


# GROWTH


# GROWTH


can-am
GROWTH

# PAC


GROWTH


Manitou
ALUMACraft
EVINRUDE
EVINRUDE
Manitou
T-PRO FS
ALUMACraft

# GROWTH

# JUAREZ 2: INCREASE IN PRODUCTION CAPACITY


AGILITY


# VALCOURT: MODERNIZATION OF THE PLANT

LEAN ENTERPRISE


# CORPORATE SOCIAL RESPONSABILITY

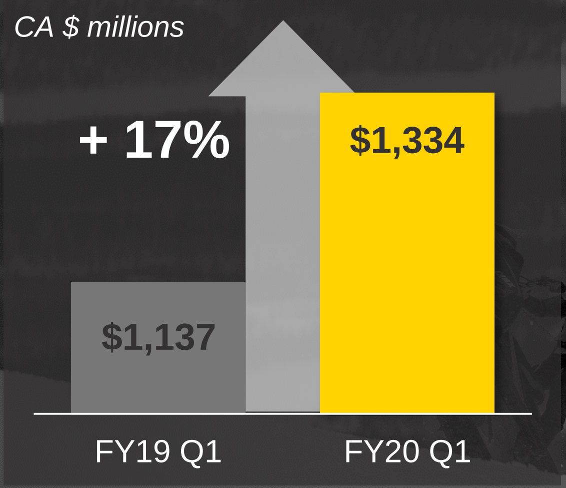
# AGENDA

## ANNUAL REVIEW

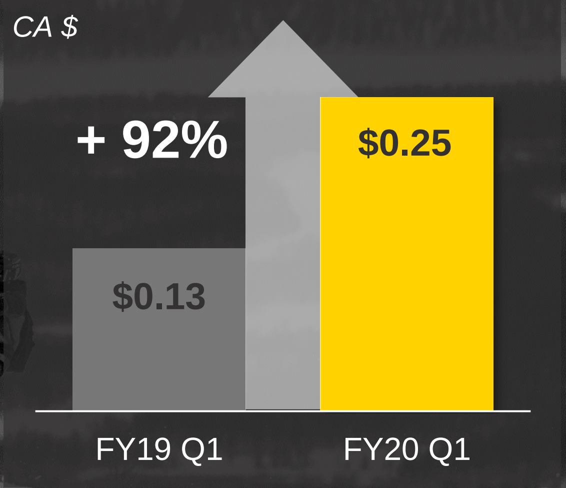
- **José Boisjoli**
  *President and Chief Executive Officer*
- **Sébastien Martel**
  *Chief Financial Officer*

# REVENUES, EPS - DILUTED AND NORMALIZED EPS – DILUTED [1] FOR THE FIRST QUARTER OF FY2020

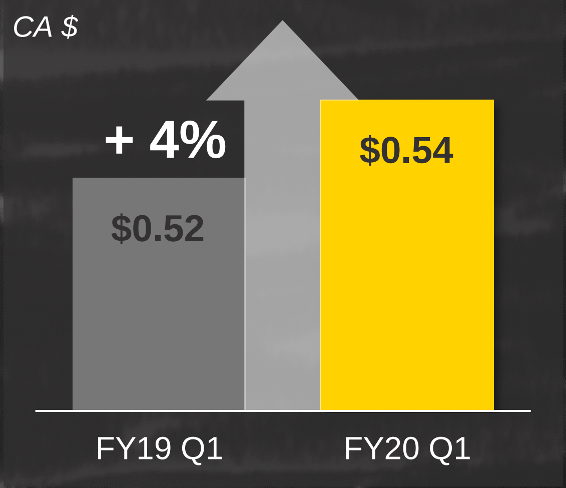
## Revenues




## EPS - Diluted




## Normalized EPS - Diluted [1]




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

[2] Please see Forward-Looking Statements at the beginning of this presentation for a summary of key assumptions and important risk factors underlying the FY20 guidance

**Increasing our Normalized EPS - Diluted [1][2] guidance to a range of $3.55 to $3.75, up 15% to 21% from FY19 Normalized EPS – Diluted [1]**

# FY20 FULL-YEAR GUIDANCE (as at May 30, 2019)

| Financial Metric | FY19 | vs. Previous Guidance | FY20 Guidance[3] vs FY19 |
|---|---|---|---|
| Revenues | | | |
| Year-Round Products | $2,240.6 | ↑ | **Up 14% to 19%** (previously up 12% to 17%) |
| Seasonal Products | $1,803.5 | ↑ | **Up 2% to 5%** (previously flat to up 3%) |
| Powersports PAC and OEM Engines | $707.5 | ↑ | **Up 5% to 9%** (previously up 2% to 7%) |
| Marine | $492.2 | ↑ | **Up 17% to 22%** (previously up 15% to 20%) |
| **Total Company Revenues** | **$5,243.8** | ↑ | **Up 9% to 13%** (previously up 7% to 11%) |
| **Normalized EBITDA[1]** | **$655.9** | | **Up 20% to 23%** (up 14% to 18% excluding the impact of IFRS 16) |
| Effective Tax Rate[1][2] | 25.5% | | 26.5% to 27.0% |
| **Normalized Earnings per Share – Diluted[1]** | **$3.10** | ↑ | **Up 15% to 21%** ($3.55 to $3.75) (previously $3.50 to 3.70) |
| Net Income | $227.3 | | **$350M to $375M** (assuming an Fx loss on long-term debt and lease liabilities of $27.6M) |

**Note:** The table sets forth BRP's financial guidance for Fiscal Year 2020 which reflects the adoption of new *IFRS 16 - Leases* standard effective as of February 1, 2019. Under *IFRS 16 - Leases*, operating lease expenses are recorded as depreciation and interest expense rather than operating costs within Normalized EBITDA[1]. No restatement of prior periods was made.

[1] See the "Non-IFRS Measures" in appendix

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

[3] Please see Forward-Looking Statements at the beginning of this presentation for a summary of key assumptions and important risk factors underlying the FY20 guidance

**Other guidance**

- Expecting **~$227M of Depreciation Expense** compared to $176M in FY19, **~$85M of Net Financing Costs Adjusted** and **~97.5M shares** (decreased from 98.2M shares)
- Expecting **Capital Expenditures of ~$360M to $370M in FY20** compared to $299M in FY19

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## ANNUAL REVIEW

## Q&A

## OTHER BUSINESS

## CLOSING OF THE MEETING

# AGENDA

## BUSINESS OF THE MEETING

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- Safety Instructions
- Chairman and Secretary of the Meeting
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- Appointment of the Auditor
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## ANNUAL REVIEW

## Q&A

## OTHER BUSINESS

## CLOSING OF THE MEETING

# AGENDA

## BUSINESS OF THE MEETING

- Call to order
- Safety Instructions
- Chairman and Secretary of the Meeting
- Notice of the Meeting
- Scrutineers and Quorum of the Meeting
- Meeting Proceedings
- Voting Procedure
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## ANNUAL REVIEW

## Q&A

## OTHER BUSINESS

## CLOSING OF THE MEETING

BRP

ski-doo LYNX SEA-DOO can-am ROTAX ALUMACRAFT Manitou EVINRUDE


# APPENDIX

# RECONCILIATION TABLES | FY17 TO FY19

The following table presents the reconciliation of Net income to Normalized net income [1] and Normalized EBITDA [1]

| CA$ millions | Fiscal year ended Jan 31, 2019 | Jan 31, 2018 | Jan 31, 2017 |
|---|---|---|---|
| | | *Restated* [2] | |
| **Net Income** | **$227.3** | $239.1 | $257.0 |
| Normalized Elements | | | |
| Foreign exchange (gain) loss on long-term debt | **69.8** | (53.3) | (82.0) |
| Transaction costs and other related expenses [3] | **2.7** | - | - |
| Restructuring and related costs (reversal) [4] | **1.3** | 2.9 | (1.1) |
| Loss on litigation [5] | **1.3** | 5.9 | 70.7 |
| Transaction costs on long-term debt | **8.9** | 2.1 | - |
| Pension plan past service gains | **(1.4)** | - | (6.3) |
| Depreciation of intangible assets related to business combinations | **1.2** | - | - |
| Other elements | **1.3** | 1.5 | 2.7 |
| Income tax adjustment | **(3.8)** | 47.3 | (19.0) |
| **Normalized Net Income** [1] | **308.6** | 245.5 | 222.0 |
| Normalized income tax expense [1] | **105.4** | 90.2 | 89.1 |
| Financing costs adjusted [1] [6] | **68.0** | 53.5 | 60.0 |
| Financing income adjusted [1] [6] | **(2.2)** | (2.2) | (1.5) |
| Depreciation expense adjusted [1] [7] | **176.1** | 149.2 | 133.1 |
| **Normalized EBITDA** [1] | **$655.9** | $536.2 | $502.7 |
| Weighted Average number of shares – diluted | **99,588,888** | 107,917,087 | 113,205,095 |
| **Normalized earnings per share – diluted** [1] | **$3.10** | $2.27 | $1.96 |

**[1]** See “Non-IFRS Measures” section

**[2]** Restated to reflect the adoption of IFRS 15 “Revenue from contracts with customers” and IFRS 9 “Financial instruments” standards as explained in Note 31 of the audited consolidated financial statements for the year ended January 31, 2019

**[3]** Costs related to business combinations

**[4]** 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.

**[5]** The Company is involved in patent infringement litigation cases with one of its competitors

**[6]** Adjusted for transaction costs on long-term debt and NCIB gains and losses in net income

**[7]** Adjusted for depreciation of intangible assets acquired through business combinations

# RECONCILIATION TABLES | 3-MONTH PERIOD

The following table presents the reconciliation of Net income to Normalized net income [1] and Normalized EBITDA [1]

| CA$ millions | Three-month periods ended Apr. 30, 2019 | Three-month periods ended Apr. 30, 2018 |
|---|---|---|
| **Net Income** | **$23.8** | $13.4 |
| Normalized elements: | | |
| Foreign exchange loss on long-term debt and lease liabilities | **27.6** | 41.5 |
| Transaction costs and other related expenses [2] | **0.3** | - |
| Restructuring and related costs [3] | **-** | 0.2 |
| Loss on litigation [4] | **0.2** | 0.6 |
| Depreciation of intangible assets related to business combinations | **0.7** | - |
| Other elements | **0.5** | (2.0) |
| Income tax adjustment | **(0.4)** | (0.2) |
| **Normalized Net Income** [1] | **52.7** | 53.5 |
| Normalized income tax expense [1] | **20.0** | 20.0 |
| Financing costs | **20.7** | 14.1 |
| Financing income adjusted [1] [5] | **(0.8)** | (0.6) |
| Depreciation expense adjusted [1] [6] | **54.1** | 39.6 |
| **Normalized EBITDA** [1] | **$146.7** | $126.6 |
| Weighted Average number of shares – diluted | **97,771,532** | 101,821,392 |
| **Normalized earnings per share – diluted** [1] | **$0.54** | $0.52 |

**[1]** See "Non-IFRS Measures" section

**[2]** Costs related to business combinations

**[3]** 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.

**[4]** The Company is involved in patent infringement litigation cases with one of its competitors

**[5]** Adjusted for transaction costs on long-term debt and NCIB gains and losses in net income

**[6]** Adjusted for depreciation of intangible assets acquired through business combinations.

# NON-IFRS MEASURES

This presentation 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 Normalized EBITDA, Normalized net income, Normalized income tax expense, Normalized effective tax rate, Normalized basic earnings per share and Normalized diluted earnings per share.

Normalized EBITDA is provided to 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 and foreign exchange gain or loss on the Company's long-term debt denominated in U.S. dollars. Other elements, such as restructuring costs and acquisition related-costs, may also 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, Normalized income tax expense, Normalized effective tax rate, Normalized basic earnings per share and Normalized diluted earnings per share, in addition to the financial performance of operating activities, take into account the impact of investing activities, financing activities and income taxes on the Company's financial results.

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.

Normalized EBITDA is defined as net income before financing costs, financing income, income tax expense (recovery), depreciation expense and normalized elements. Normalized net income is defined as net income before normalized elements adjusted to reflect the tax effect on these elements. Normalized income tax expense is defined as income tax expense adjusted to reflect the tax effect on normalized elements and to normalize specific tax elements. Normalized effective tax rate is based on Normalized net income before Normalized income tax expense. Normalized earnings per share – basic and Normalized earnings per share – diluted are calculated respectively by dividing the Normalized net income by the weighted average number of shares – basic and the weighted average number of shares – diluted. The Company refers the reader to the "Selected Consolidated Financial Information" section of the MD&A for the reconciliations of Normalized EBITDA and Normalized net income presented for the fiscal year ended January 31, 2019 and for the quarter ended April 30, 2019 by the Company to the most directly comparable IFRS measure.