



THE ULTIMATE POWERSPORTS EXPERIENCE



QUARTERLY REVIEW

SECOND QUARTER ENDED JULY 31, 2017

Forward-Looking Statements

Certain information included in this release, including, but not limited to, statements relating to our Fiscal Year 2018 financial outlook (including revenues, gross profit margin, operating expenses, Normalized EBITDA, Effective Tax Rate, Normalized net income and Normalized earnings per share), statements relating to the declaration and payment of dividends, statements relating to the launch and the terms of the proposed substantial issuer bid and other statements that are not historical facts, are “forward-looking statements” within the meaning of Canadian securities laws..

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, 2017 dated March 24, 2017: 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; 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 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.





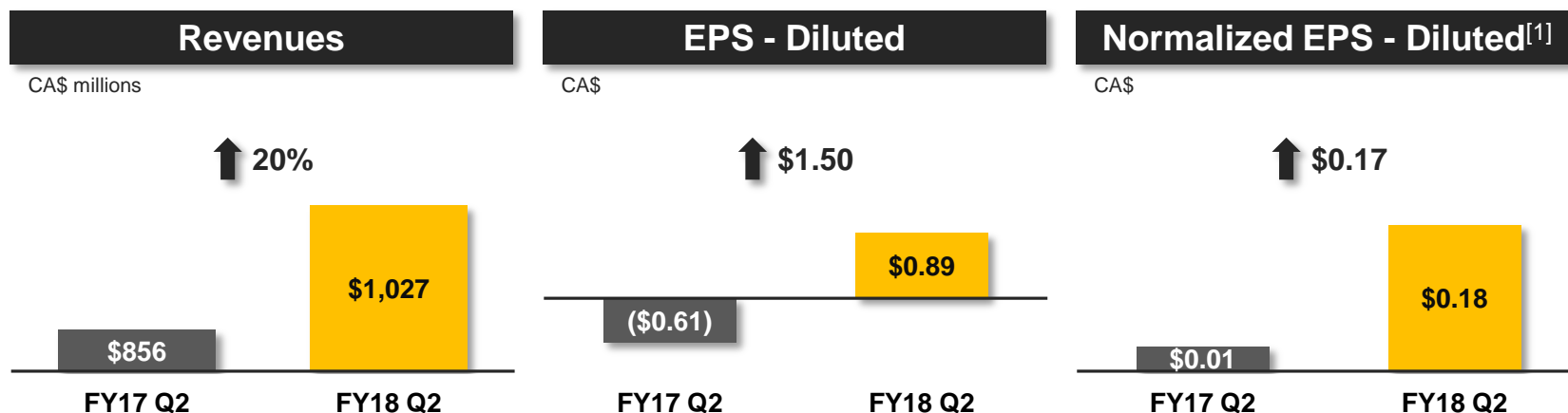
JOSÉ BOISJOLI

PRESIDENT & CHIEF EXECUTIVE OFFICER

QUARTERLY REVIEW

SECOND QUARTER ENDED JULY 31, 2017

FY18 Q2 Revenues, EPS and Normalized EPS^[1]



Highlights vs. Year Ago

- Increase of 20% in revenues primarily driven by strong demand for Can-Am SSV and Sea-Doo PWC
- Gross profit margin increased 70 basis point to 20.8%
- Normalized EBITDA^[1] grew 84% to \$81.5M and Normalized diluted earnings per share^[1] was up \$0.17 to \$0.18
- Net income grew \$168.9M to \$100.1M and diluted earnings per share up \$1.50 to \$0.89
- North American BRP retail sales for Seasonal Products and Year-Round Products increased 14% primarily driven by a 50% retail sales increase for SSV

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



Our focus on “Winning in the Dealership” is fuelling our solid retail growth

BRP Dealer Value Proposition Model

Driving solid retail growth



2X

Can-Am SSV Year-to-Date U.S. retail grew twice as fast in multi-line dealerships vs. single-line dealerships

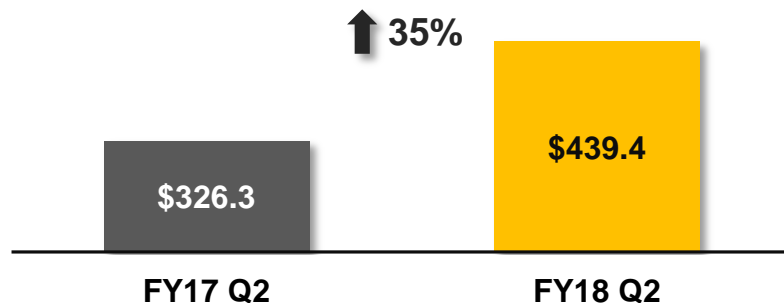
Our strong dealer value proposition is helping us win in the multi-line dealership environment



Year-Round Products




Revenues

CA\$ millions



Strong Quarter for Can-Am

North American Industries
Retail Sales Growth - FY18 Q2

	BRP	INDUSTRY
 SSV Period: May to July	▲ 50%	▲ LOW TEEN %
 ATV Period: May to July	▲ HIGH TEEN %	▲ LOW-SINGLE DIGIT %
 SPYDER Period: May to July	▼ LOW-SINGLE DIGIT %	▼ HIGH-SINGLE DIGIT %

Business Dynamics

Revenue increase of 35%:

- Driven by a higher volume and a favourable product mix of SSV sold due to the introduction of the *Can-Am Maverick X3*

Off-Road Vehicles

- North American ATV industry ended season 2017 on June 30 down mid-single digit %
 - Can-Am ATV retail is up mid-single digit %
 - Can-Am mid-cc ATV continued gaining shares with mid-teen % retail growth for the season
- North American SSV industry ended season 2017 on June 30 up mid-single digit %
 - Can-Am SSV retail was up in the mid-thirties % for the season

Spyder Vehicles

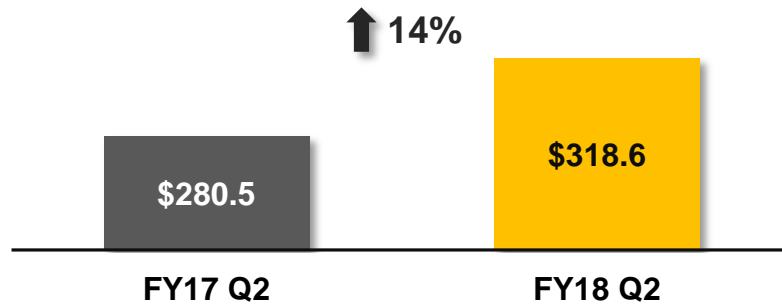
- Nine months into the 2017 season, North American three-wheel motorcycle industry is down low-teen %
 - Can-Am Spyder retail is down mid-single digit %
 - Can-Am Spyder retail in U.S. states with dedicated teams up high-single digit % year-to-date



Seasonal Products

Revenues

CA\$ millions



Solid Market Reception for the Spark Trixx



The sell-through of Sea-Doo Spark Trixx is the highest for a Sea-Doo model in over 10 years

Business Dynamics

Revenue increase of 14%:

- Primarily driven by higher volume of PWC sold

PWCs

- Ten months into the season, the North American PWC industry retail up low-teen %
 - Sea-Doo retail sales were up high-single digit % over the same period
 - Sea-Doo Spark continues growing in its fourth season
 - Sea-Doo gaining market shares in the traditional PWC segment
- Continued double digit % retail sales growth for Sea-Doo in multiple countries in Europe, Asia-Pacific and Latin America regions

Snowmobiles

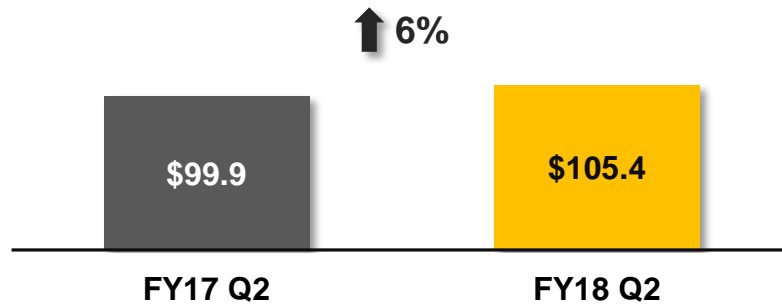
- Scandinavian snowmobile industry ended season 2017 on June 30 down high-single digit %
 - Ski-Doo and Lynx combined retail ended season 2017 up low-single digit % and maintained its #1 position in the industry



Propulsion Systems

Revenues

CA\$ millions



The All New Evinrude iDock

Evinrude continues to strive to offer the best experience to its customers with the introduction of a new state-of-the-art docking system, the Evinrude iDock

The iDock leverages the existing features of Evinrude E-TEC G2 engines and is offered at a price up to 3 times lower than competitive products at US\$5,999

Business Dynamics

Revenue increase of 6%:

- Mainly driven by a higher volume and a favourable product mix of outboard engines sold, partially offset by a lower volume of motorcycle engines sold

Outboard Engines

- North American outboard engines industry ended season 2017 up mid-single digit %
 - Evinrude retail was up mid-single digit % for the season



Parts, Accessories and Clothing

Revenues

CA\$ millions

↑ 10%

\$149.4

FY17 Q2

\$163.6

FY18 Q2

SSV accessory sales up over 60% YTD

Business Dynamics

Revenue increase of 10%:

- Mainly attributable to a higher volume of SSV accessories sold due to the popularity of the Can-Am Maverick X3 and Defender

Excellent dealer repeat orders for SSV accessories demonstrating a strong take rate at the retail level





SÉBASTIEN MARTEL

CHIEF FINANCIAL OFFICER

QUARTERLY REVIEW

SECOND QUARTER ENDED JULY 31, 2017

FY18 Q2 - Financial Highlights

CA\$ millions	Q2 comparison			6-month comparison		
	FY18	FY17	Change	FY18	FY17	Change
Total Revenues	\$1,027.0	\$856.1	\$170.9	\$1,983.2	\$1,786.0	\$197.2
Growth			+20.0%			+11.0%
Gross Profit	\$213.7	\$172.0	\$41.7	\$420.9	\$366.1	\$54.8
As a % of revenues	20.8%	20.1%		21.2%	20.5%	
Operating Income	\$44.9	(\$30.6)	\$75.5	\$85.4	(\$24.1)	\$109.5
As a % of revenues	4.4%	(3.6%)		4.3%	(1.3%)	
Net Income (Loss)	\$100.1	(\$68.8)	\$168.9	\$81.6	\$41.9	\$39.7
As a % of revenues	9.7%	(8.0%)		4.1%	2.3%	
Normalized Net Income^[1]	\$20.6	\$1.0	\$19.6	\$48.9	\$5.8	\$43.1
Normalized EBITDA^[1]	\$81.5	\$44.4	\$37.1	\$162.2	\$101.5	\$60.7
Growth			+83.6%			+59.8%
EPS - Diluted	\$0.89	(\$0.61)	\$1.50	\$0.73	\$0.37	\$0.36
Normalized EPS – Diluted^[1]	\$0.18	\$0.01	\$0.17	\$0.43	\$0.05	\$0.38
Growth			+1,700.0%			+760.0%
Free Cash Flow^[2]	\$41.8	(\$21.9)	\$63.7	\$6.9	(\$62.2)	\$69.1
CAPEX	(\$46.9)	(\$43.6)	(\$3.3)	(\$82.0)	(\$80.1)	(\$1.9)

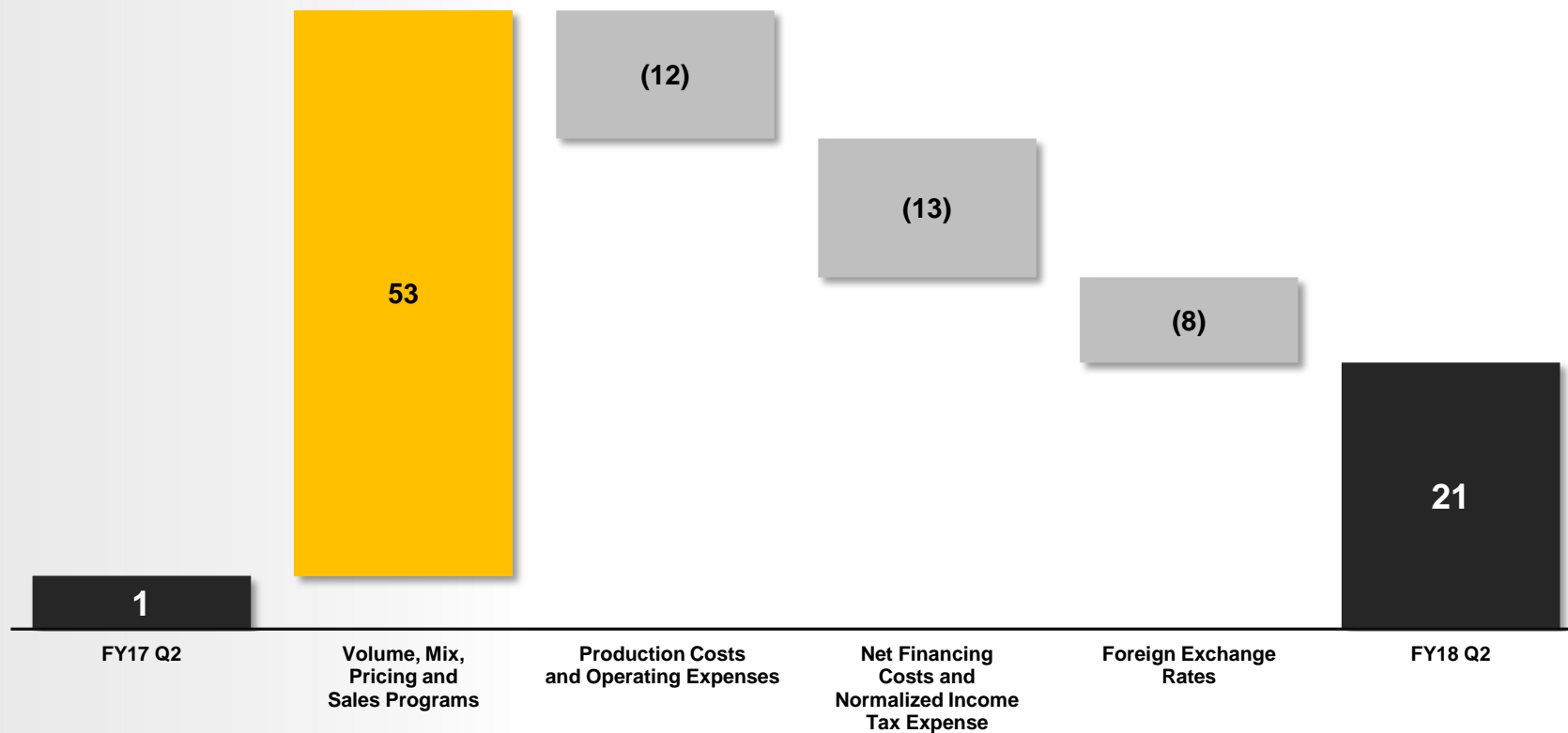
^[1] For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix

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



FY18 Q2 - Normalized Net Income^[1] Bridge

CA\$ millions



^[1] See "Non-IFRS Measures" section in appendix

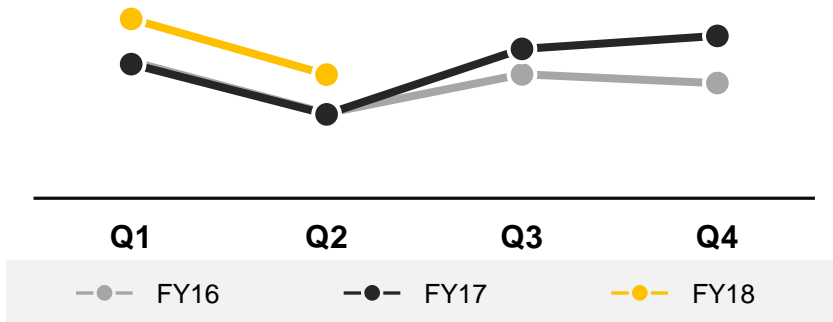
\$20M increase in Normalized Net Income^[1] for the quarter



BRP North American Powersports Dealer Inventory

Dealer Inventory Level

Units, Excluding Outboard Engines

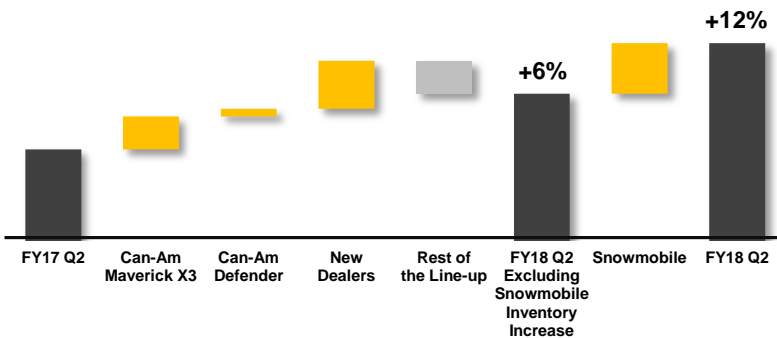


Dealer inventory^[1] ended FY18 Q2 up 12% from FY17 Q2 level

- Increase primarily driven by:
 - the increase in the number of dealers
 - the shipment ramp-up of the Can-Am Maverick X3, and;
 - higher level of snowmobile inventory due to the weak snow conditions, notably in the U.S. Central and North East regions
- Partially offset by a reduction in network inventory for the rest of the line-up, notably for Spyder vehicles

Dealer Inventory Bridge

Units, Excluding Outboard Engines



^[1] Network inventory excluding *Propulsion Systems*



FY18 Full-Year Guidance - as at September 01, 2017

Financial Metric	FY18 Guidance vs FY17
Revenues	
Year-Round Products	Up 8% to 12%
Seasonal Products	Down 1% to Up 3%
Propulsion Systems	Flat to up 5%
PAC	Up 5% to 9%
Total Company Revenues	Up 4% to 8%
Normalized EBITDA ^[3]	Up 10% to 13%
Effective Tax Rate ^{[1] [3]}	28% - 29% (vs 28.6% in FY17)
Normalized Net Income ^{[2] [3]}	Up 10% to 16%
Normalized Earnings per Share - Diluted^{[2] [3]}	Up 14% to 20% to a range of \$2.23 to \$2.35 (increased from up 12% to 18% - \$2.20 to \$2.32)
Capital Expenditures	\$240M to \$255M

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

^[2] Assuming ~\$155M Depreciation Expense compared to \$133M in FY17, ~\$59M Net Financing Costs and a share count of ~108.5M shares (reduced from a range of 110.5M to 111.0M shares following the repurchase of 8.6M shares under BRP's substantial issuer bid)

^[3] See "Non-IFRS Measures" section in appendix





CLOSING REMARKS

QUARTERLY REVIEW

SECOND QUARTER ENDED JULY 31, 2017

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



Q&A PERIOD

QUARTERLY REVIEW

SECOND QUARTER ENDED JULY 31, 2017

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

SECOND QUARTER ENDED JULY 31, 2017

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

Reconciliation Tables

CA\$ millions	Three-month periods ended		Six-month periods ended	
	Jul. 31, 2017	Jul. 31, 2016	Jul. 31, 2017	Jul. 31, 2016
Net Income (Loss)	\$100.1	(\$68.8)	\$81.6	\$41.9
Normalized elements:				
Foreign exchange (gain) loss on long-term debt	(79.5)	38.0	(36.6)	(81.2)
Restructuring costs (reversal) ^[1]	-	0.1	-	(0.4)
Loss on litigation ^[2]	0.9	43.1	5.7	62.6
Other elements	-	1.6	-	1.6
Income taxes adjustment	(0.9)	(13.0)	(1.8)	(18.7)
Normalized Net Income (Loss)	20.6	1.0	48.9	5.8
Normalized income taxes expense (recovery)	11.0	(3.2)	14.9	2.4
Financing costs adjusted	14.9	15.6	28.7	31.4
Financing income adjusted	(0.7)	(0.8)	(1.4)	(1.5)
Depreciation expense	35.7	31.8	71.1	63.4
Normalized EBITDA	\$81.5	\$44.4	\$162.2	\$101.5

^[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]The Company recorded losses of \$0.9 million and \$5.7 million for the three and six-month periods ended July 31, 2017, and losses of \$43.1 million and \$62.6 million for the three and six-month periods ended July 31, 2016 related to patent infringement litigation with one of its competitors.

Non-IFRS Measures: Normalized EBITDA is defined as net income before financing costs, financing income, income taxes 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 taxes expense is defined as income taxes expense adjusted to reflect the tax effect on normalized elements. Normalized earnings per share – diluted is calculated by dividing the normalized net income by the weighted average number of shares – diluted. For more details on non-IFRS measures, refer to the section entitled Non-IFRS Measures of the Company's MD&A for the second quarter of the year ending January 31, 2018.



Ski-Doo®

Lynx®

Sea-Doo®

Evinrude®

Rotax®

Can-Am®



THE ULTIMATE POWERSPORTS EXPERIENCE



© 2015 BRP. All rights reserved. / ™ ® and the BRP logo are trademarks of BRP or its affiliates.