

2017 ANNUAL REVIEW

# Fueling growth with innovation, management excellence and a constant focus on our strategy



For the  
year ended  
January 31, 2017



# We said we would outperform. And we did.



1. BRP's Lynx Xtrim RE snowmobile, a deep-snow crossover designed for performance.

2. The side-by-side market has continued its fast-paced growth in FY 2017. Here, our Can-Am Defender Max model.

## Letter to shareholders



Dear shareholders,

Two years after launching our 2020 plan – and nearly half-way through that plan – we remain steadily focused on its achievement. All employees worldwide are completely aligned with our strategic priorities. This resulted in the flawless execution I witnessed this past year, and in the record results I'm proud to share with you.

Revenues for the year increased by 9% to pass the \$4 billion mark for the first time, due in part to good sales of Can-Am off-road vehicles and Sea-Doo watercraft. Our Normalized EBITDA\* also increased by 9%, resulting in record normalized diluted earnings per share\* (EPS) of \$1.96, an increase of \$0.25 or 15% per share compared to the same period last year, and all this, within challenging market conditions.

I can see and feel the result of our focus. We have talented people everywhere and they are motivated to deliver the plan. Beyond that, it is clear to me that

our diversification strategy is also a key contributor: diversification in our product lines, well-balanced in our portfolio, with vehicles for every season; in our global sales network across 107 countries; and in our world-class manufacturing footprint in five countries around the world. In addition, we continue to innovate to keep an edge over our competitors.

While we are continuously adjusting our plan based on past learning and business realities, the ultimate objective of reaching the \$6 billion mark and \$3.50 EPS by FY 2021 through 10% revenue CAGR and 15% normalized EPS CAGR remains the same.

→ Continued on page 4

\* See Non-IFRS Measures on p. 15.



1



2

## Strategic priorities

### GROWTH

ACCELERATE GROWTH  
CREATE A STRONG  
PIPELINE OF  
NEW GROWTH  
OPPORTUNITIES

### AGILITY

IMPLEMENT A MORE  
FLEXIBLE SUPPLY  
CHAIN TO IMPROVE  
CONSUMER EXPERIENCE  
AND REDUCE  
WORKING CAPITAL

### LEAN ENTERPRISE

RELENTLESS PURSUIT  
OF EPS IMPROVEMENT  
THROUGH ORGANIZATIONAL  
EXCELLENCE AND A LEAN  
MINDSET ACROSS BRP

↓ Continued

### GROWTH

Our growth is driven by the Can-Am brand, in particular the side-by-side vehicles such as the Defender and Maverick X3 models. These vehicles, addressing new markets, have significantly contributed to our excellent financial results in 2016, despite the X3 being introduced only in August.

An important element of our growth strategy is the expansion of our dealer network. We had aimed to sign on 200 to 300 new dealers and I'm pleased that we have succeeded in that goal. At the same time, we can see an important momentum among our worldwide dealers. Our Dealer Value Proposition, including the product lines and incentive programs, is being well received and creating exceptional engagement in the network. I'm very happy with the constitution of the network, and I'm confident that each dealer can have a successful business.

### AGILITY

In 2016, we introduced several more vehicles designed and built along the modularity principles of BM2, adapted from the automobile industry. These provide greater flexibility in the design, manufacturing and assembly of our vehicles, which allows us to offer an unprecedented number of new vehicles in a very short period of time.

I've always insisted that our strategic priorities apply not only to our products, but also to our administrative processes. An excellent example this year is the management cockpit, which is a new way of holding our management committee meetings that is proving to be a strong alignment tool for all members of my team, helping us to focus on what's important, act and react rapidly as needed, and consistently communicate key performance indicators.

→ Continued on page 7

1. BRP's products address a wide range of needs, including riding in the mud. Here's the Can-Am Maverick MAX 1000R Xmr model.  
2. Now in its third year, the Sea-Doo Spark model continues to bring new, younger users to the PWC market.



A global leader  
in motorized vehicles  
and engines

## Our product categories

Numbers indicate global market position.

### SEASONAL PRODUCTS

N<sup>o</sup>1

PWCs

SEA-DOO

N<sup>o</sup>1

SNOWMOBILES

SKI-DOO LYNX

### YEAR-ROUND PRODUCTS

SPYDER  
THREE-WHEEL  
VEHICLES  
(No direct competitor)  
can-am

### PARTS, ACCESSORIES AND CLOTHING (PAC)

N<sup>o</sup>4  
SIDE-BY-SIDE  
VEHICLES  
can-am

N<sup>o</sup>3  
ALL-TERRAIN  
VEHICLES  
can-am

### PROPULSION SYSTEMS

World's largest  
piston aircraft engine  
manufacturer  
ROTAX

N<sup>o</sup>4  
OUTBOARD  
ENGINES (30 hp+)  
EVINRUDE

## Moving people with passion and innovation

BRP is a global leader in the design, development, manufacturing, distribution and marketing of powersports vehicles and propulsion systems. Its portfolio includes Ski-Doo® and Lynx® snowmobiles, Sea-Doo® watercraft, Can-Am® off-road and Spyder® vehicles, Evinrude® and Rotax® marine propulsion systems, as well as Rotax engines for karts, motorcycles and recreational aircraft. BRP supports its line of products with a dedicated parts, accessories and clothing business.



## Company overview

\$4.2B  
ANNUAL SALES

8,700  
OUR DEDICATED  
EMPLOYEES  
WORLDWIDE

100+  
COUNTRIES WHERE  
OUR PRODUCTS  
ARE FOUND

4,200  
DEALERS WHO  
REPRESENT  
OUR BRANDS

35  
WORLDWIDE AWARDS  
RECOGNIZING BRP  
AS BEING A GOOD  
CORPORATE CITIZEN,  
INCLUDING THE  
LEED SILVER  
CERTIFICATION FOR  
BRP'S NEW JUÁREZ 2  
FACTORY IN MEXICO

3<sup>rd</sup>  
BEST PERFORMING  
STOCK IN THE  
S&P/TSX COMPOSITE  
INDEX CONSUMER  
DISCRETIONARY  
SECTOR IN 2016

0.6  
OUR WORLD-CLASS  
WORKPLACE  
ACCIDENT RATE\*

\* Lost time or restricted case frequency rate

# Financial highlights

## REVENUE BASE BY CATEGORY

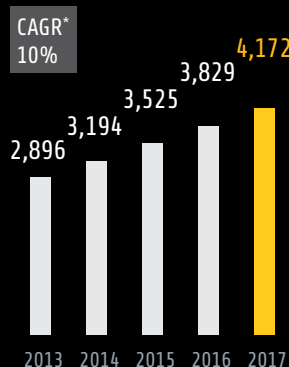
At January 31, 2017

- 39.3% YEAR-ROUND PRODUCTS
- 35.3% SEASONAL PRODUCTS
- 15.4% PARTS, ACCESSORIES AND CLOTHING
- 10.0% PROPULSION SYSTEMS



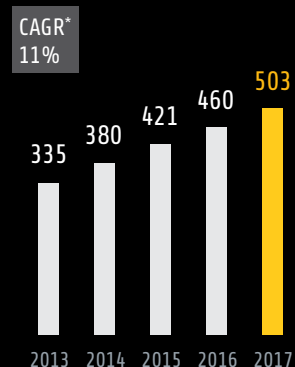
## TOTAL REVENUES

CA\$ millions, at January 31, 2017



## NORMALIZED EBITDA<sup>1</sup>

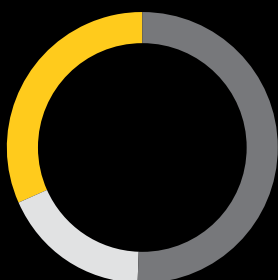
CA\$ millions, at January 31, 2017



## REVENUE BASE BY REGION

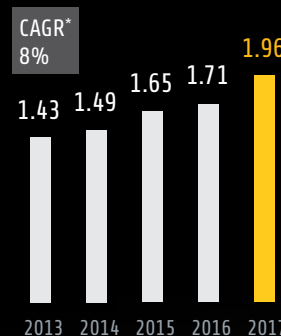
At January 31, 2017

- 50.8% UNITED STATES
- 31.5% INTERNATIONAL
- 17.7% CANADA



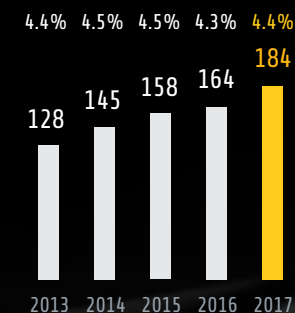
## NORMALIZED EARNINGS PER SHARE – DILUTED<sup>1</sup>

CA\$, at January 31, 2017



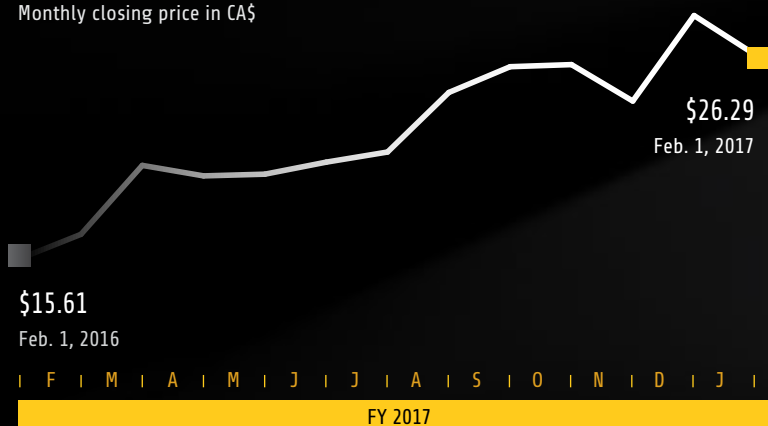
## RESEARCH AND DEVELOPMENT SPENDING

As a % of revenues and in CA\$ millions



## SHARE PRICE

Monthly closing price in CA\$



\* Compound Annual Growth Rate

<sup>1</sup> See IFRS and Non-IFRS measures section on p. 15.

## NEW POWERSPORTS DEALERS ADDED IN NORTH AMERICA

FY\* 2017  
(TARGET: 45-55+) **70**

SINCE FY 2014  
(TARGET: 200-300+) **289**

\* Fiscal year

**+33%**

**SIDE-BY-SIDE AND SPYDER  
COVERAGE IN NORTH AMERICA  
OVER THE PAST 4 YEARS**

## NEW EVINRUDE DEALERS ADDED IN NORTH AMERICA

FY 2017 **55**

## NEW EVINRUDE BOAT BUILDERS ADDED IN NORTH AMERICA

FY 2017 **13**



1

1. New retail environment to reach and engage their customers.
2. Strengthening our global footprint has allowed us to optimize our cost structure and our operational excellence. Here, our Juárez 2 assembly line in Mexico, inaugurated in April 2016.



2

↓ Continued

## LEAN ENTERPRISE

In December 2015, BRP announced a \$118 million investment in its Valcourt manufacturing site. The first phase of this five-year project is now complete and we can already see important cost reductions attributable in part to better material flow, inventory reduction, decreased set-up times, and new technologies that reduce our manufacturing costs and create value for our customers.

At our GunsKirchen site, the 2020 plan allowed us to reduce the number of assembly lines from five to two, to introduce new technologies such as plasma coating, and to begin the in-house fabrication of turbo-charged systems, enabling us to better design powerful and fuel-efficient engines.

Finally, our state-of-the-art Juárez 2 manufacturing facility in Mexico completed its scheduled ramp-up during 2016. This plant allows for the exceptional growth of our side-by-side vehicles, as well as our ability to launch a new SSV every six months. The one-piece flow system instituted there enables us to keep only 8 hours of inventory at all times, which is an important efficiency gain.

## WE OUTPERFORMED. PERIOD.

I cannot overstate how proud I am of all of our employees. The flawless execution, focused approach to our strategic priorities and projects, and our commitment to reaching our stated objectives are truly exceptional. What's more, our workplace safety rate keeps improving, reaching a record performance for the third year in a row.

We concluded an extremely good year, with record financial results, award-winning products celebrated by both dealers and consumers, and an engaged worldwide workforce. The powersports environment has been competitive, this past year in particular. BRP has maintained its sustained focus on its strategic priorities and succeeded in reaching its objective despite a challenging business environment.

I am convinced that this focus, along with our diversification strategy and our passion for innovation, is the key to our success. We said we were going to outperform, and we did.

BRP is on a roll! I hope you can feel it too.

### José Boisjoli

President and Chief Executive Officer



# YEAR-ROUND PRODUCTS

## MARKET INDICATORS

GLOBAL SALES UP

↑ **13.8%**

GLOBAL SALES AT JANUARY 31, 2017

**1,637.7** CA\$ MILLIONS

## AWARDS

SPYDER F3 LIMITED

**2016 Red Dot design award**

CAN-AM DEFENDER

**2016 Good Design award**

**2016 Red Dot design award**

CAN-AM DEFENDER XT

**2016 Grainews UTV Challenge**



## Can-Am Spyder vehicles

- GLOBAL ON-ROAD 500 CC+ MOTORCYCLE INDUSTRY GROWTH  
**Down 11% from season 2015**  
**Flat CAGR from season 2013**
- U.S. 3-WHEEL INDUSTRY  
**Generates approx. 40,000 units per year**
- N.A. 3-WHEEL INDUSTRY  
**10% CAGR over the past 2 years**

- CAN-AM SPYDER RT  
**#1 in the Touring segment in North America**
- SPYDER LINE-UP  
**20 models**
- FIRST-TIME RIDERS  
**Approximately one-third of Can-Am Spyder F3 owners**

The June 2016 Spyder Grossglockner Challenge, climbing Austria's highest peak, assembled nearly 300 participants from 17 countries.

A Y-Wheelers event in Sweden had more than 400 Spyder owners.

A new event in West Tokyo, Japan, in October 2016 brought together 100+ owners.

Spyderfest in Springfield, Missouri, United States, gathered over 1,000 Spyder owners together in April 2016.

## DEMOCRATIZING OPEN-AIR RIDING

The Can-Am Spyder three-wheel vehicle was first presented to the world in February 2007, in a virtually non-existent market. Ten years later, there are 40,000 units sold in the three-wheel vehicle market in North America every year.

Every Can-Am Spyder owner is part of something greater – the constantly growing Can-Am Spyder owners' community. This year, there were hundreds

of owners' gatherings around the world. Regardless of the size or location, the one common thread is bringing like-minded owners together to celebrate the freedom of the open road and the sense of community that comes with owning a Spyder vehicle.

For model year 2017, BRP launched the F3 Limited models at its semi-annual dealer meeting in August, specifically designed for couples or friends to unleash their spirit of adventure together.





1



2



3

1. Maverick Max X3 Xrs Turbo R side-by-side vehicle
2. Can-Am Defender XT CAB side-by-side vehicle
3. Can-Am Spyder RT-S

## Off-road vehicles

### ATV

- CAN-AM ALL-TERRAIN VEHICLES #3 worldwide
- GLOBAL ATV INDUSTRY GROWTH Up 1% from season 2015 Flat CAGR from season 2013
- 45 ATV MODELS Including youth and six-wheel models

### SSV

- CAN-AM SIDE-BY-SIDE VEHICLES #4 worldwide
- GLOBAL RECREATIONAL SSV INDUSTRY GROWTH Up 5% from season 2015 Up 12% CAGR from season 2013

- 42 SSV MODELS One of the broadest and deepest line-ups in the industry
- CAN-AM SIDE-BY-SIDE AND SPYDER DEALER COVERAGE Up 33% in North America in the past four years

### A NEW SSV EVERY 6 MONTHS

In September 2015, BRP's president and CEO, José Boisjoli, committed to introducing a new side-by-side vehicle every six months for the next four years. The 2016 Can-Am Defender utility-recreational model was the first, closely followed by its big brother, the six-seater Defender MAX, in March 2016. Then the 2017 model year line-up was marked by the introduction of the Can-Am Maverick X3 side-by-side vehicle, the pinnacle of performance design that is defiant, precise and powerful.

Retail sales of the sport Maverick X3 and utility Defender SSVs are spurring rapid growth worldwide, showing the success of our strategy to expand our product offering.

On the ATV side, the mid-cc models continue to shine. BRP introduced the mud-ready Can-Am Renegade X mr 570 mid-cc vehicle in 2016, and brought back the youth DS 70 model, suitable for ages six and up.

**ski-doo LYNX SEA-DOO**

# SEASONAL PRODUCTS

## MARKET INDICATORS

GLOBAL SALES UP

↑ **7.8%**

GLOBAL SALES AT JANUARY 31, 2017

**1,473.9** CA\$  
MILLIONS

## AWARDS

SKI-DOO

**Ski-Doo won 10 press awards, including 2 Snowmobile of the Year awards for the Ski-Doo MXZ X 850 E-TEC sled**

SEA-DOO GTX LIMITED 300

**Red Dot design award, Good Design award**

SEA-DOO SPARK

**International Design Excellence Award (IDEA)**



## Ski-Doo and Lynx snowmobiles

- SKI-DOO  
**#1 brand worldwide**
- SEASON 2015-16  
**Ski-Doo record market share worldwide**
- GLOBAL SNOWMOBILE INDUSTRY GROWTH  
**Down 14% from season 2015**  
**Down 6% CAGR from season 2013**
- NORTH AMERICA  
**82% of global snowmobile sales**
- 98 DIFFERENT KEY MODELS  
**Under two brand names, Ski-Doo and Lynx**

## REvolution

In February 2016, BRP made a major statement in the snowmobile industry by introducing the REV Gen4, a new generation of the REV platform, the chassis that helped propel the Ski-Doo brand to #1 back in 2003.

For the first time in almost 20 years, BRP designed a new platform and a new engine at the same time to deliver an incredible consumer experience. BRP engineers and designers followed its modularity approach in designing this vehicle, improving efficiency in our plants.

On the Lynx side, BRP introduced the Commander Grand Tourer model, a touring version of one of Europe's best-selling snowmobiles since its launch in 2009.

With a strong line-up and the agility of the team in launching sales programs to counter adverse snow conditions, the Ski-Doo brand ended the 2015-16 season by gaining market share and achieving its highest level since the industry began recording.



1



2



3



4

1. Sea-Doo Spark TRIXX watercraft
2. Ski-Doo MXZ family of snowmobiles
3. Sea-Doo RXP-X 300 watercraft
4. Lynx snowmobile

## Sea-Doo watercraft

- SEA-DOO  
#1 brand worldwide
- GLOBAL WATERCRAFT INDUSTRY GROWTH  
Up 10% from season 2015  
Up 12% CAGR from season 2013
- SEASON 2016  
Sea-Doo record market share worldwide
- 24 MODELS  
Under the Sea-Doo brand

### RECORD MARKET SHARE

The Sea-Doo brand had another strong season in 2016 with an increase in retail sales, growing its market share for a sixth consecutive season to a record market share position. The Sea-Doo Spark model has significantly contributed to the industry growth observed since its introduction in 2013. The growth in 2016 was driven by both the entry-level Sea-Doo Spark PWC and the traditional models, including the 300-hp watercraft introduced in 2015.

The 2017 Sea-Doo line-up unveiled a new engine in the fuel-efficient Rotax Advanced Combustion Efficiency (ACE) line and a new way to play on the water with the Sea-Doo Spark TRIXX PWC. Of particular note, the Spark TRIXX watercraft comes equipped with numerous innovations that help riders perform tricks like a pro.



**EVINRUDE ROTAX**

# PROPULSION SYSTEMS

## MARKET INDICATORS

GLOBAL SALES UP

↑ **5.4%**

GLOBAL SALES AT JANUARY 31, 2017

**416.7** CA\$  
MILLIONS

## AWARDS

EVINRUDE G2

**International Design Excellence  
Award (IDEA)**

ROTAX iNR (intelligent Neutral & Reverse)

**National Marine Manufacturers  
Association (NMMA)**

**Innovation Award in the Jet Boat  
category, Boating Industry's  
Product of the Year award**



## Evinrude and Rotax marine propulsion systems

- GLOBAL OUTBOARD ENGINE INDUSTRY GROWTH  
Up 1% from season 2015  
Up 4% CAGR from season 2013
- EVINRUDE: 55 NEW DEALERS AND 13 BOAT BUILDERS  
Added to its North American network
- EVINRUDE PRE-RIGGING AGREEMENTS IN EUROPE WITH Lomac, Ocqueteau, Ranieri International, RIBITALY (BWA), Saver, Select Plaisance, T.A. Mare and Zodiac boats
- NEW EVINRUDE DISTRIBUTORS  
Telwater in Australia, Marine Distributors Limited in New Zealand
- INBOARD JET PROPULSION INDUSTRY  
Relatively stable in recent years
- ROTAX JET PROPULSION SYSTEM  
New U.S. distribution agreement with Pacific Powertrain Inc.

## LOOKING AT GROWTH

Following the 2014 launch of the cutting-edge Evinrude E-TEC G2 outboard engine, BRP expanded its product line in June 2016 to now cover horsepower models from 150 to 300 hp. In Europe, BRP signed pre-rigging agreements to equip BWA, Lomac, Ocqueteau, Ranieri International, Saver, Select Plaisance, T.A. Mare and Zodiac boats with Evinrude engines, while concluding new distribution agreements in Australia and New Zealand.

During the past year, the Evinrude market share continued to increase in the 200-hp+ segment. The E-TEC G2 engine will continue to lead the way for the Evinrude brand renewal.

In the Rotax jet propulsion market, BRP signed a distribution agreement with Pacific Powertrain Inc. of Asotin, Washington, to tap into the lucrative aluminum riverboat market. Through this agreement, aluminum boat builders get the attention they require while benefiting from BRP's superior technology. BRP also concluded a supply agreement with AB Inflatables, a strong OEM with a reputation for high quality.





1. 300 HP Evinrude E-TEC G2 engine
2. RMC GF: One make, one engine
3. The largest piston aircraft engine manufacturer

## Rotax engines

- ROTAX JET PROPULSION SYSTEM  
New supply agreement with AB Inflatables
- U.S. RETAIL SALES OF ROTAX-POWERED BOATS  
Grew 12% year over year

- ROTAX AIRCRAFT  
World's largest piston aircraft engine manufacturer

### AT THE HEART OF EVERY BRP VEHICLE

The Rotax brand is at the heart of every BRP vehicle. Of particular note in 2016 was the introduction of the Rotax 850 E-TEC snowmobile engine that drew much praise from dealers and media.

As BRP is the largest piston aircraft engine manufacturer, Rotax engines also lie at the heart of many light and ultra-light aircraft around the world.

In 2015, BRP released the new Rotax 915 iS engine, a more powerful aircraft engine, opening the market to larger aircraft, gyrocopters and small helicopters. There has been very positive commentary and high interest from the market for the 915 iS engine.

BRP's 17th edition of the Rotax MAX Challenge Grand Finals (RMC GF) was held at the Circuito Internazionale Napoli in Italy in October 2016. The drivers, considered to be the crème de la crème in their home countries, demonstrated their world-class skills and talent battling against some of the most popular names in karting. The Rotax MAX Challenge (RMC) is a professional kart racing series established, owned and organized by BRP and its Rotax kart engine distributors. Approved by and in compliance with CIK / FIA, the RMC is a "one-make-engine" formula: only Rotax kart engines that are checked and sealed (for equal performance) are used. The success in the competition is mainly up to the skills of the driver.

# PARTS, ACCESSORIES AND CLOTHING

## MARKET INDICATORS

GLOBAL SALES UP

↑ 2.5%

GLOBAL SALES AT JANUARY 31, 2017

643.2 <sup>CA\$</sup> MILLIONS

## AWARDS

LinQ SYSTEM

Good design award



1. Winter accessories collection for Can-Am ATVs
2. Can-Am Defender accessories for work and play

## PAC

- RECORD 400+ ACCESSORIES INTRODUCED For 2017 Ski-Doo, Sea-Doo and Can-Am vehicles
- 1,600+ ACCESSORIES COMPATIBLE With 2017 Ski-Doo, Sea-Doo and Can-Am vehicles
- NEARLY 600 ACCESSORIES For 2017 Can-Am side-by-side vehicles
- NEARLY 150 ACCESSORIES SPECIFICALLY DESIGNED For 2017 Can-Am Maverick X3 and X3 MAX models
- 175+ ACCESSORIES AVAILABLE For 2017 Can-Am Spyder vehicles
- 475+ ACCESSORIES For 2017 Ski-Doo snowmobiles

## OFFERING CUSTOMIZATION

This year, the number of accessories introduced for 2017 Ski-Doo, Sea-Doo and Can-Am vehicles reached a record high at over 400. In particular, BRP developed a full line of accessories for its new Can-Am Maverick X3 model, and has teamed up with several aftermarket leaders who have developed co-branded accessories specifically for the vehicle.

In June, BRP released its Evinrude virtual dashboard that allows the display and direct control of important engine features from a mobile device.

The Evinrude E-Link transmits vital engine and vessel information over WiFi to any iOS or Android device.



3

3. Thanks to its impressive array of accessories, the Can-Am Maverick X3 pushes the limits of a sport SSV.



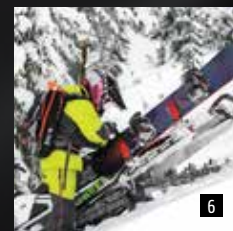
4

4. Consumers can add an Akrapovič exhaust to their Can-Am Spyder vehicle, a high-quality exhaust system renowned for its distinctive sound.



5

5. Fun in the sun, but a little shade doesn't hurt either!



6

6. BRP received a Good Design Award for its LinQ system in 2016.

- 105 ACCESSORIES SPECIFICALLY DESIGNED  
For the new Ski-Doo REV Gen4 platform
- 100+ ACCESSORIES  
For 2017 Sea-Doo watercraft

- 1,250+ ACCESSORIES AVAILABLE  
For Evinrude engines
- 340+ ACCESSORIES AVAILABLE  
For G2 engines specifically  
(excluding panel kits)

Finally, BRP renewed in 2016 its NASCAR sponsorship for the next two years through its collaboration with the GoFAS No.32 NASCAR Sprint Cup series racing team, in association with the Kappa and Cyclops Gear brands. The agreement provides BRP's Can-Am brand with the opportunity to sponsor 36 races, including 13 as primary sponsor, during the 2017 and 2018 seasons.



# CORPORATE SOCIAL RESPONSIBILITY



By 2020, BRP wants to be recognized as a worldwide sustainable powersport innovation leader.

In August 2011, we created a global structure for all of our sustainability initiatives and launched our CSR program. It is based on six pillars: Governance, Environment, Employees, Product Safety, Supply Chain Management and Role in the Community.

Three-year action plans have been developed and set out concrete and measurable means to increase CSR awareness and visibility, and take tangible steps to further improve BRP's good corporate citizenship.

Here are some of our 2020 goals:

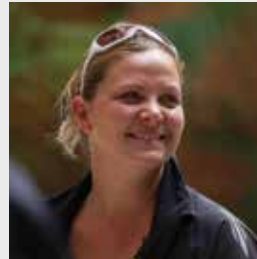
- Reduce our energy consumption intensity and our GHG emissions intensity by 25% based on FY 2011 levels.
- Achieve zero lost-time accidents in our facilities.
- Ensure BRP's donations represent 1% of the company's earnings before tax.
- Conduct stakeholder consultations for all manufacturing sites.



## 2017 CSR HIGHLIGHTS

- Our Querétaro facility received the State Business Merit Award in the Export Category.
- BRP's manufacturing plants in Mexico were recognized for their family-friendly policies.
- Our Guns kirchen facility obtained its ISO 14001 certification and received the klimaaktiv award for energy efficiency.
- Our Rovaniemi and Sturtevant facilities celebrated 365 days without a lost-time accident.
- Our Valcourt facility received the "performance" recognition from the Québec government's *ICI ON RECYCLE!* program for its 86.3% recycling rate.
- Our Sturtevant site received a certificate of excellence for 15 years of facility wastewater management from the Racine Wastewater Utility.





1

## BRP'S FY 2016 CSR REPORT RECOGNIZED BY THE FINANCE AND SUSTAINABILITY INITIATIVE (FSI)



BRP's FY 2016 CSR Report was recognized during the Finance Sustainability Initiative (FSI) Competition for Best Sustainability Report as a runner-up in the Consumer Products category.

Based in Montréal, the FSI is a non-profit organization that brings together finance professionals dedicated to promoting sustainable finance and responsible investment to financial institutions, companies, and universities.

The competition targets sustainability reports from Canadian companies that are part of the S&P/TSX Composite Index.

## 2017 CSR REPORT

Our FY 2017 CSR report is prepared according to the Global Reporting Initiative (GRI) G4 Core Level and the GRI Principles for Defining Quality. You can access it through [2017.brp.com/CSR](http://2017.brp.com/CSR).



2

1. Can-Am Defender HD5 vehicle
2. As part of its CSR efforts, the Rovaniemi team cleaned up their surroundings in May last year.

# INFORMATION FOR INVESTORS

An online version  
of this annual  
review is  
available at  
[2017.brp.com](http://2017.brp.com)

## Stock Exchange information

BRP Inc. subordinate voting shares are traded on the Toronto Stock Exchange under the symbol "DOO."

## Dividend Policy

Since the completion of its IPO in May of 2013, the Company has not to date declared or paid any dividend on its Shares. Any future determination to pay dividends on the Shares would be at the discretion of the Board of Directors and would depend on, among other things, the Company's results of operations, current and anticipated cash requirements and surplus, financial condition, contractual restrictions and financing agreement covenants (including restrictions in the Term Credit Agreement and the Revolving Credit Agreement or other material agreements of the Company), solvency tests imposed by corporate law and other factors that the Board of Directors may deem relevant.

## Research Coverage<sup>1</sup>

BMO Capital Markets • Canaccord Genuity • CIBC World Markets • Citigroup • Desjardins Securities • GMP Securities • Morningstar • National Bank Financial • Northcoast Research • RBC Capital Markets • Robert W. Baird & Co. • ScotiaBank • UBS • Wells Fargo

## Fiscal Year 2018 Tentative Earnings Calendar

**First Quarter:** Thursday, June 1, 2017  
**Second Quarter:** Friday, September 1, 2017  
**Third Quarter:** Friday, December 1, 2017  
**Fourth Quarter:** Thursday, March 22, 2018

## Issued and Outstanding Shares

As of April 28, 2017, the issued and outstanding shares of BRP Inc. consist of 32,800,865 subordinate voting shares and 79,023,344 multiple voting shares.

## Annual Shareholders' Meeting

The meeting will be held at 11 a.m. Eastern Time on June 1, 2017, at the Product Development Centre, 841 Cartier Street, Valcourt, Québec. The record date for shareholders is April 12, 2017.

## Request for information

Analysts, shareholders and interested investment professionals may direct their business-related inquiries to:

## Investor Relations Department

BRP Inc.  
726 Saint-Joseph Street  
Valcourt, Québec JOE 2L0 Canada  
Tel.: +1 (450) 532-2211  
Email: [ir@brp.com](mailto:ir@brp.com)

## Shareholder Services

For shareholder-related services, including estate change of name or address, stock transfers, settlement, lost stock certificates and duplicate mailings, please contact the transfer agent at:

## Computershare Investor Services Inc.

100 University Ave., 8th Floor  
Toronto, Ontario M5J 2Y1 Canada  
Tel: +1 (866) 245-4053  
[www.investorcentre.com/service](http://www.investorcentre.com/service)

## For more information

To view the Company's Annual Review and related financial information, to learn more about the products, to download product brochures or to find dealer locations, please visit the Company's website at [brp.com](http://brp.com).

<sup>1</sup> Analyst coverage known to the Company as at March 31, 2017.

## FORWARD-LOOKING STATEMENTS

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

Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments,

as well as other factors that the Company believes are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct or that the Company's business guidance, objectives, plans and strategic priorities will be achieved.

Many factors could cause the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, those identified in BRP's annual information form and management's discussion and analysis of financial condition and results of operations.

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 Review are made as of the date of this Annual Review 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 Review are expressly qualified by this cautionary statement.

## NON-IFRS MEASURES

This Annual Review 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 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, 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 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. Refer to the Company's management's discussion and analysis of financial condition and results of operations for Fiscal Year 2017, available on SEDAR at [www.sedar.com](http://www.sedar.com), for definitions and reconciliations of Normalized EBITDA, Normalized Net Income and Normalized Diluted Earnings per Share to the most directly comparable IFRS measures.



**ski-doo®**

**LYNX®**

**SEA-DOO®**

**EVINRUDE®**

**ROTAX®**


**can-am®**




[brp.com](http://brp.com)

**Corporate headquarters** 726 Saint-Joseph Street, Valcourt, Québec J0E 2L0 Canada

 [@BRPNews](https://twitter.com/BRPNews)

 [facebook.com/brpinfo](https://facebook.com/brpinfo)

 [linkedin.com/company/brp](https://linkedin.com/company/brp)

 [youtube.com/user/CommunicationsBRP](https://youtube.com/user/CommunicationsBRP)