



THE ULTIMATE POWERSPORTS EXPERIENCE



QUARTERLY REVIEW

FIRST QUARTER ENDED APRIL 30, 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

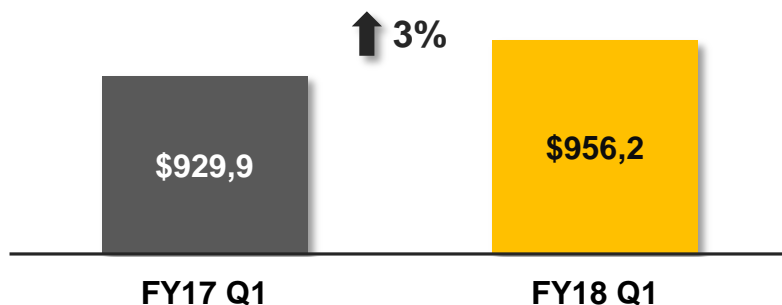
QUARTERLY REVIEW

FIRST QUARTER ENDED APRIL 30, 2017

FY18 Q1 Revenues and Normalized EPS^[1]

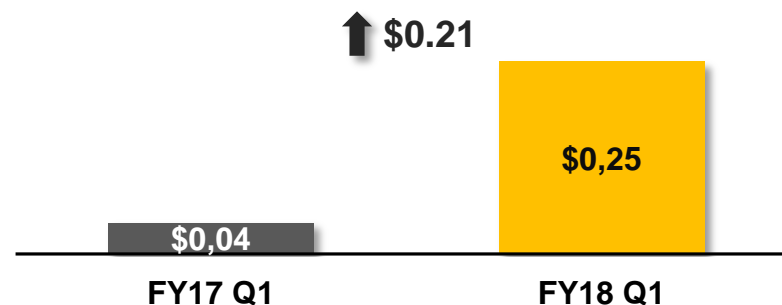
Revenues

CA\$ millions



Normalized EPS - Diluted^[1]

CA\$



Highlights vs. Year Ago

- **Increase of 3% in revenues** primarily driven by higher wholesale SSV, PWC and PAC
- **Gross profit margin increased 80 basis point to 21.7%**
- **Normalized EBITDA^[1] grew 41% to \$80.7M, Normalized net income^[1] grew \$23.5M to \$28.3M and Normalized diluted earnings per share^[1] was up \$0.21 to \$0.25**
- Net loss of \$18.5M, a decrease of \$129.2M
- North American BRP retail sales for *Seasonal Products* and *Year-Round Products* **increased 4%** primarily driven by continued strong momentum for SSV and PWC in the United States, partially offset by an overall weak powersports industry in Canada

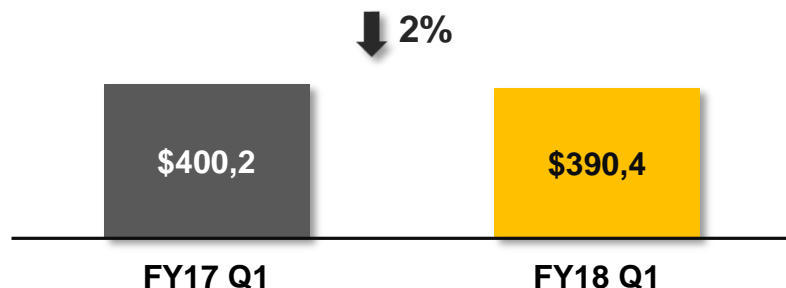
^[1] For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix



Year-Round Products




Revenues

CA\$ millions



Can-Am Outpacing the Industry

North American Industries
Retail Sales Growth - Season-to-date 2017

	BRP	INDUSTRY
 ATV Period: July to April	▲ LOW-SINGLE DIGIT %	▼ MID-SINGLE DIGIT %
 SSV Period: July to April	▲ ABOUT 30%	▲ MID-SINGLE DIGIT %
 SPYDER Period: November to April	▼ MID-SINGLE DIGIT %	▼ LOW-TEEN %

Business Dynamics

Revenue decrease of 2%:

- Mainly driven by lower Spyder vehicle volume, partially offset by a higher wholesale and favourable product mix in SSV due to the introduction of the Can-Am Maverick X3

Off-Road Vehicles

- Ten months into the 2017 season, North American ATV industry is down mid-single digit %
 - Can-Am ATV retail is up low-single digit %
- Season-to-date, North American SSV industry is up mid-single digit %
 - Can-Am SSV retail is up about 30%
 - Record market share for Can-Am SSV season-to-date

Spyder Vehicles

- Six months into the 2017 season, North American three-wheel motorcycle industry is down low-teen %
 - Can-Am Spyder retail is down mid-single digit % impacted by unfavourable weather conditions in Canada
 - Dedicated teams in key U.S. states driving positive retail momentum



MY18 Can-Am ORV: Maverick X3 Upgrade

**HORSEPOWER UPGRADE AVAILABLE
ON BOTH THE MAVERICK X3 AND THE
MAVERICK X3 MAX**

18HP

Now delivering
172HP



Maintaining the performance leadership in the Sport SSV category



Notable MY18 Can-Am ORV News

Maverick X3 Turbo R

Now at 172 hp - Up 18 hp from the previous Maverick X3 generation



Defender MAX HD10 XT CAB

Factory-built 6-passenger Defender with a full cab



Defender MAX HD8

Entry-level 6-passenger Defender



Commander

New 92 hp 1000R engine and 14 inches offset wheels



Outlander North Edition

Performance with comfort for the winter



Outlander X xc 1000R

The ultimate high-performance Rec-Ute ATV



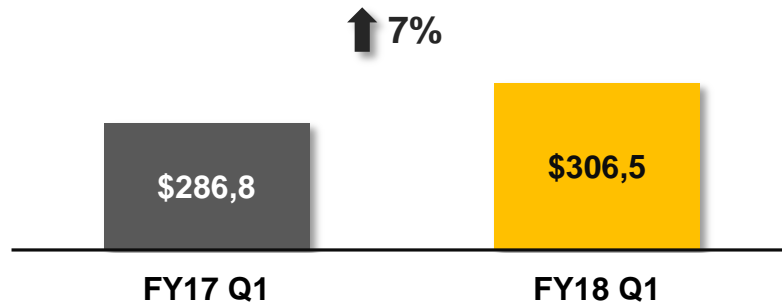
Reinforcing our ORV line-up to continue gaining market shares



Seasonal Products

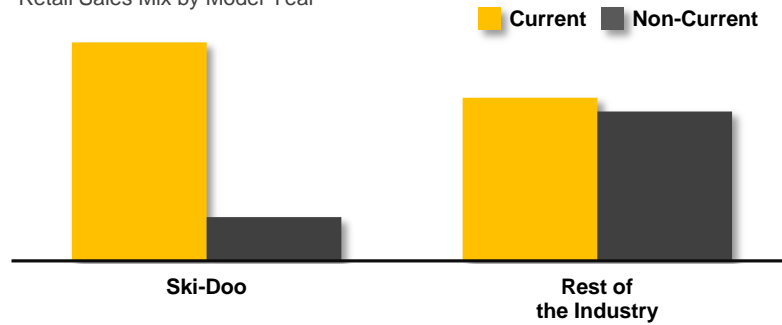
Revenues

CA\$ millions



New Gen4 Platform Driving Share Gains

North American 2017 Snowmobile Season
Retail Sales Mix by Model Year



Ski-Doo performed very well within the current model year units in season 2017, driven by the introduction of the Gen4 platform, and achieved record market share in current model year units

Business Dynamics

Revenue increase of 7%:

- Primarily driven by higher volume and favourable product mix of PWC sold

Snowmobiles

- North American snowmobile industry retail ended season 2017 down mid-single digit %
 - Ski-Doo retail was down high-single digit % due much lower availability of non-current units vs. the competition
 - Ski-Doo achieved its highest market share ever in the current model year units segment
- Season-to-date, the Scandinavian industry is down mid-single digit %
 - BRP retail was up low-single digit % driven by the success of the Gen4 platform

PWCs

- Early in the season, the North American PWC industry retail was up mid-teen %
 - Sea-Doo retail sales were up low-teen % over the same period
 - Strong boat show certificates momentum so far this season despite unfavourable weather

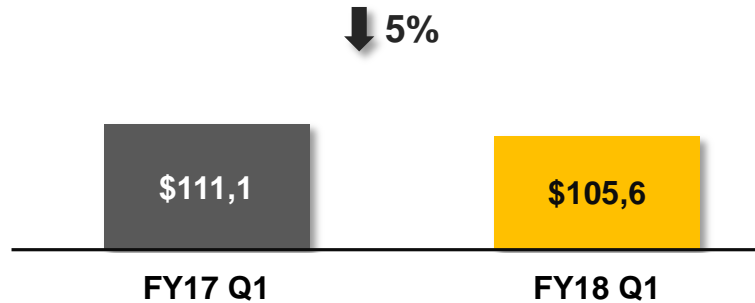


Propulsion Systems and Parts, Accessories and Clothing

Propulsion Systems

Revenues

CA\$ millions



Business Dynamics

Revenue decrease of 5%:

- Mainly driven by a lower volume of aircraft engines sold

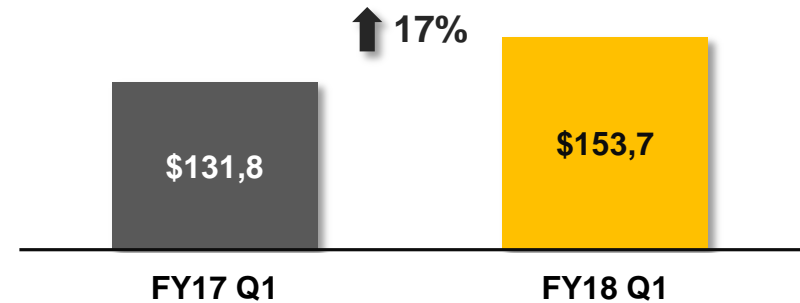
Outboard Engines

- Ten months into the 2017 season, North American outboard engines industry is up mid-single digit %
 - Evinrude retail is up low-single digit %

Parts, Accessories and Clothing

Revenues

CA\$ millions



Business Dynamics

Revenue increase of 17%:

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





SÉBASTIEN MARTEL

CHIEF FINANCIAL OFFICER

QUARTERLY REVIEW

FIRST QUARTER ENDED APRIL 30, 2017

FY18 Q1 - Financial Highlights

CA\$ millions	Q1 comparison		
	FY18	FY17	Change
Total Revenues	\$956.2	\$929.9	\$26.3
Growth			+2.8%
Gross Profit	\$207.2	\$194.1	\$13.1
As a % of revenues	21.7%	20.9%	
Operating Income	\$40.5	\$6.5	\$34.0
As a % of revenues	4.2%	0.7%	
Net Income (Loss)	(\$18.5)	\$110.7	(\$129.2)
As a % of revenues	(1.9%)	11.9%	
Normalized Net Income^[1]	\$28.3	\$4.8	\$23.5
Normalized EBITDA^[1]	\$80.7	\$57.1	\$23.6
Growth			+41.3%
EPS - Diluted	\$(0.17)	\$0.96	(\$1.13)
Normalized EPS – Diluted^[1]	\$0.25	\$0.04	\$0.21
Growth			+525.0%
Free Cash Flow^[2]	(\$34.9)	(\$40.3)	\$5.4
CAPEX	(\$35.1)	(\$36.5)	\$1.4

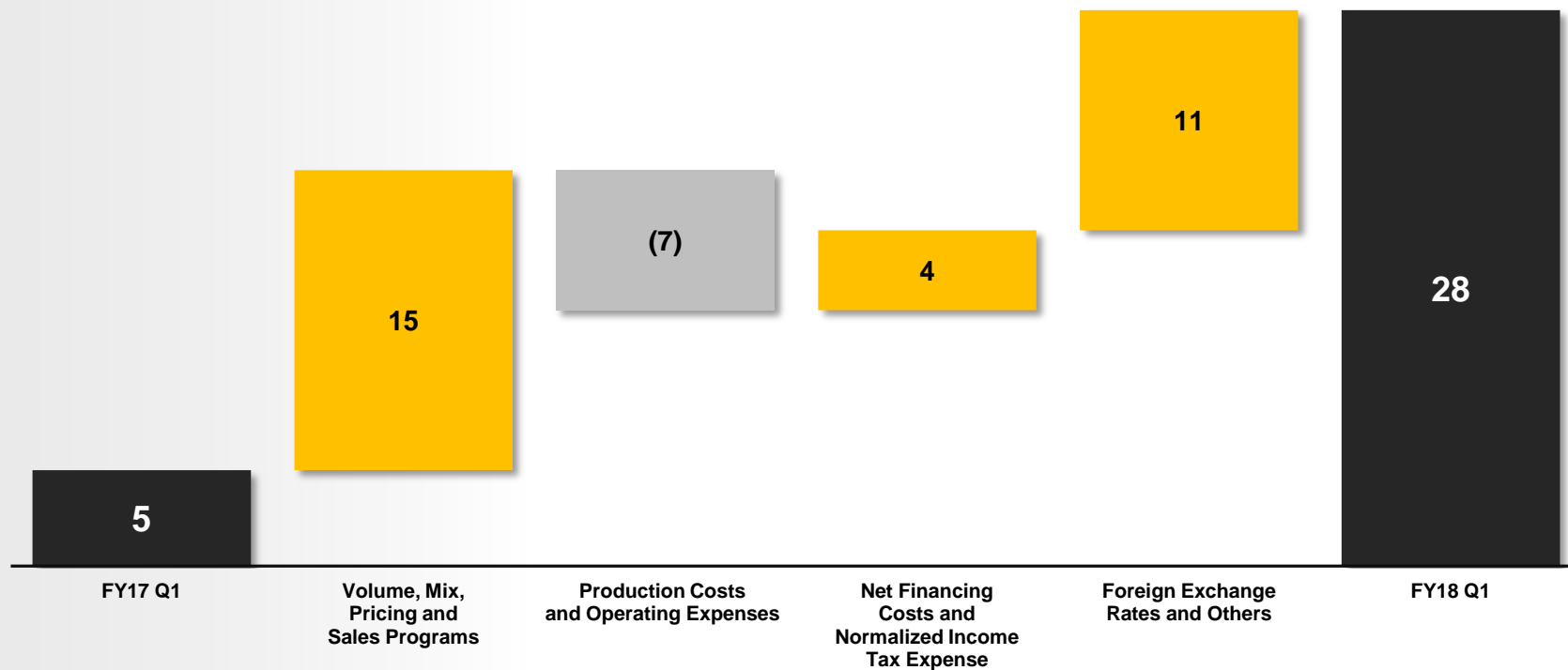
^[1] For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix

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



FY18 Q1 - Normalized Net Income^[1] Bridge

CA\$ millions



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

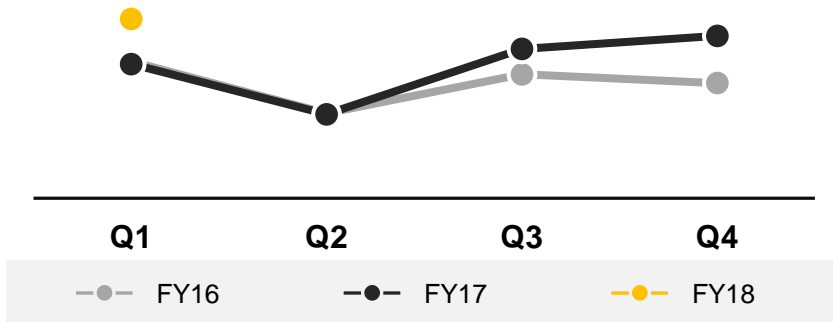
\$23M increase in Normalized Net Income^[1] for the quarter



BRP North American Powersports Dealer Inventory

Dealer Inventory Level

Units, Excluding Outboard Engines

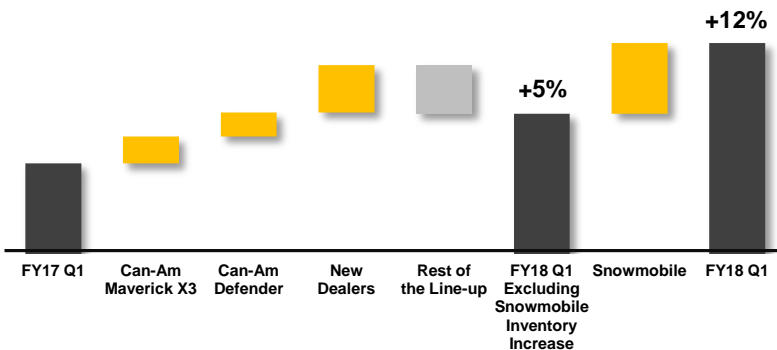


Dealer inventory^[1] ended FY18 Q1 up 12% from FY17 Q1 level

- Increase primarily driven by:
 - higher level of snowmobile inventory due to the weak snow conditions, notably in the U.S. Central and North East regions
 - the shipments ramp-up of the Can-Am Defender and Maverick X3, and;
 - the increase in the number of dealers
- 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 June 01, 2017

Financial Metric	FY18 Guidance vs FY17
Revenues	
Year-Round Products	Up 8% to 12% (increased from up 6% to 10%)
Seasonal Products	Down 1% to Up 3% (increased from down 4% to Flat)
Propulsion Systems	Flat to up 5%
PAC	Up 5% to 9% (increased from up 4% to 8%)
Total Company Revenues	Up 4% to 8% (increased from up 2% to 6%)
Normalized EBITDA^[3]	Up 10% to 13% (increased from up 7% to 10%)
Effective Tax Rate ^{[1] [3]}	28% - 29% (vs 28.6% in FY17)
Normalized Net Income^{[2] [3]}	Up 10% to 16% (increased from up 7% to 13%)
Normalized Earnings per Share - Diluted^{[2] [3]}	Up 12% to 18% to a range of \$2.20 to \$2.32 (increased from up 10% to 16%)
Capital Expenditures	\$240M to \$255M (increased from \$215M to \$230M)

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

^[2] Assuming ~\$155M Depreciation Expense (Increased from ~\$150M) compared to \$133M in FY17, ~\$59M Net Financing Costs (Increased from ~\$55M) and a share count of ~110.5M to 111.0M shares (accounting for shares repurchased under the "Normal Course Issuer Bid", but excluding any impact from the "Substantial Issuer Bid")

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



Declaration of a Quarterly Dividend and Launch of a \$350M Substantial Issuer Bid

Dividend

DECLARATION OF A QUARTERLY DIVIDEND OF \$0.08

- Represents ~\$36M annually
- First dividend to be paid on July 13 with a record date of June 30

Provides a recurring return of capital to our shareholders

Substantial Issuer Bid

LAUNCH OF A \$350M SUBSTANTIAL ISSUER BID

- To be executed through a Dutch Auction
- Provides return of capital to shareholders who will tender their shares
- Provides accretion to EPS for shareholders who will not tender their shares
- Major shareholders intend to participate in the Substantial Issuer Bid on a proportionate basis

Provides a compelling opportunity for all shareholders

Given the strong momentum we have across our product lines, the positive outlook for the business and the strength of our balance sheet, we have sufficient flexibility to continue to pursue growth opportunities while enhancing the return we provide to our shareholders





CLOSING REMARKS

QUARTERLY REVIEW

FIRST QUARTER ENDED APRIL 30, 2017

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



Q&A PERIOD

QUARTERLY REVIEW

FIRST QUARTER ENDED APRIL 30, 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

FIRST QUARTER ENDED APRIL 30, 2017

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

Reconciliation Tables

CA\$ millions	Three-month periods ended	
	Apr. 30, 2017	Apr. 30, 2016
Net Income (Loss)	\$(18.5)	\$110.7
Normalized elements:		
Foreign exchange (gain) loss on long-term debt	42.9	(119.2)
Restructuring costs reversal ^[1]	-	(0.5)
Loss on litigation ^[2]	4.8	19.5
Income taxes adjustment	(0.9)	(5.7)
Normalized Net Income	28.3	4.8
Normalized income taxes expense	3.9	5.6
Financing costs	13.8	15.8
Financing income	(0.7)	(0.7)
Depreciation expense	35.4	31.6
Normalized EBITDA	\$80.7	\$57.1

^[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] During the three and twelve-month periods ended April 30, 2017 and 2016, the Company recorded expenses of respectively \$4.8 million and \$19.5 million related to patent infringement litigation cases 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 first quarter of the year ending January 31, 2018.



Ski-Doo®

Lynx®

Sea-Doo®

Evinrude®

Rotax®

Can-Am®



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