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BRP REPORTS FISCAL YEAR 2023 SECOND QUARTER RESULTS

Highlights

- Revenues of $2,439 million, up 28% compared to the same period last year, a record performance for a single quarter in the Company's history;
- Normalized EBITDA [1] of $418 million, slightly higher compared to the same period last year and also representing a record performance for a single quarter;
- Retail sales increase on a percentage basis in the high single-digits and market share gains for SSV in North America despite limited product availability;
- Normalized diluted EPS [1][2] of $2.94, an increase of $0.05 per share or 2%, while diluted EPS of $2.94, an increase of $0.48 per share, or 20%, compared to the same period last year;
- Increasing full-year guidance for Revenues, Normalized EBITDA [1] and Normalized EPS – diluted [1] upward by $0.30, now ranging from $11.30 to $11.65.

Recent events:

- During its Club BRP 2023, the Company introduced three new *Can-Am* Off-Road youth ATVs and unveiled new PWC models and updates to its ORV products. It also introduced the fully redesigned *Manitou*, *Alumacraft* and *Quintrex* boats featuring the all-new *Rotax* outboard engine with Stealth Technology. The Company is also pushing forward with its EV plan and revealed two all-electric *Can-Am* motorcycle models and introduced the *Sea-Doo* Rise, a completely new electric hydrofoil board;
- Subsequent to the end of the second quarter, the Company completed the acquisition of 80% of the outstanding shares of Pinion GmbH, a leader in the design and manufacturing of mechanical gearboxes for traditional and electric bicycles. The Company also announced the signature of a definitive agreement with Kongsberg Automotive ASA for the acquisition of substantially all the assets related to the powersport business of Kongsberg Inc., a long-standing BRP supplier of electronic and mechatronic products;
- On August 8, 2022, the Company was the target of a cyberattack, impacting its operational and information technology systems. One week later, it announced that its production operations were progressively resuming.

Valcourt, Quebec, September 14, 2022 – BRP Inc. (TSX:DOO; NASDAQ:DOOO) today reported its financial results for the three- and six month periods ended July 31, 2022. 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.

"We delivered record second quarter results while continuing to advance on our strategic initiatives. Our team's agility and resilience and the strength of our portfolio allowed us to continue to deliver robust performance in this unique operating environment," said José Boisjoli, President and CEO.

"As we are entering the second half of the year, demand for our products continues to be strong across our portfolio of products and markets. With current improvements in supply chain and our additional production capacity, we are in a favourable position to deliver an expected record second half of the year**.** Taking these factors into account and a stronger than expected second quarter, we are increasing our full-year guidance with an expected Normalized EPS of $11.30 to $11.65," concluded Mr. Boisjoli.

Ski-Doo
Lynx
Sea-Doo
Can-Am
Rotax
Alumacraft
Manitou
Quintrex

Financial Highlights (in millions of Canadian dollars, except per share data and margin)	Three-month periods ended July 31, 2022	Three-month periods ended July 31, 2021	Six-month periods ended July 31, 2022	Six-month periods ended July 31, 2021
Revenues	$2,438.5	$1,903.8	$4,247.8	$3,712.4
Gross Profit	602.7	570.1	1,057.1	1,112.1
Gross Profit (%)	24.7%	29.9%	24.9%	30.0%
Normalized EBITDA [1]	418.3	415.0	690.4	794.0
Net income	237.7	212.9	358.7	457.3
Normalized net income [1]	237.9	249.5	375.0	471.6
Earnings per share – diluted [2]	2.94	2.46	4.38	5.25
Normalized Earnings per share – diluted [1]	2.94	2.89	4.58	5.42
Weighted average number of shares – diluted	80,505,043	86,329,617	81,582,927	86,956,236

[1] See "Non-IFRS Measures" section of this press release
[2] Earnings per share is defined as "EPS"

FISCAL YEAR 2023 UPDATED GUIDANCE & OUTLOOK

The FY23 guidance has been updated as follows:

Financial Metric	FY22	FY23 Guidance[5] vs FY22
Revenues		(vs. Previous Guidance)
Year-Round Products	$3,467.5	**Up 33% to 38%** (previously "Up 30% to 35%")
Seasonal Products	2,524.1	**Up 24% to 29%** (previously "Up 22% to 27%")
Powersports PA&A and OEM Engines	1,143.5	Up 17% to 22%
Marine	512.8	Up 12% to 17%
Total Company Revenues	**7,647.9**	**Up 26% to 31%** (previously "Up 24% to 29%")
Normalized EBITDA [3]	**1,462.1**	**Up 14% to 17%** (previously "Up 12% to 15%")
Effective Tax Rate [3][4]	25.4%	26.0% to 26.5%
Normalized Earnings per Share – Diluted [3]	**$9.92**	**Up 14% to 17% ($11.30 to $11.65)** (previously $11.00 to $11.35)
Net income	794.6	~$905M to $930M

Other assumptions for FY23 Guidance

- Depreciation Expenses: ~**$320M** (previously ~$335M)
- Net Financing Costs Adjusted: **~$100M** (previously ~$87M)
- Weighted average number of shares – diluted: **~81.5M shares**
- Capital Expenditures: **~$675M to $700M**

FY23 Quarterly Outlook [5]

The Company continues to expect another solid year with a Normalized EBITDA [3] increase ranging from 14% to 17% compared to the previous year. The Company anticipates that its Normalized EPS - Diluted [3] for the third quarter could be up over 50% compared to the third quarter of Fiscal 2022 as the Company intends to take advantage of an increase in planned production capacity towards the back half of the third quarter to accelerate the pace of product deliveries.

[3] See "Non-IFRS Measures" section of this press release [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 2023 guidance.

SECOND QUARTER RESULTS

The Company experienced a high level of demand for its products and a continuing level of supply chain related disruptions and inefficiencies in an increasingly inflationary environment when compared to the second quarter of Fiscal 2022 and the first quarter of Fiscal 2023. As a result, this limited the Company's ability to satisfy consumer demand, most notably for PWC, and to replenish dealer inventories and in turn further limited product availability in the network compared to seasonal optimal levels. Such supply chain related disruptions also resulted in an increased level of substantially completed units awaiting missing components.

Despite these challenges, the Company optimized the shipment of missing components to its dealer network which resulted in a high conversion rate of substantially completed units available for retail and it revised its production schedule based on seasonality and component availability. The Company implemented strategic pricing initiatives aimed at reducing inflationary pressures, which nevertheless unfavourably impacted the Company's profitability. The higher revenues achieved for the second quarter and first half of Fiscal 2023 compared to Fiscal 2022 were further supported by strong SSV retail sales, demonstrating the continued consumer interest, and by the ramping up of the new Juarez-3 facility dedicated to SSV production.

Revenues

Revenues increased by $534.7 million, or 28.1%, to $2,438.5 million for the three-month period ended July 31, 2022, compared to the $1,903.8 million for the corresponding period ended July 31, 2021. The increase was primarily due to a higher wholesale volume of SSV and 3WV sold due to strong retail demand, favourable pricing across all product lines and the introduction of the *Sea-Doo* pontoon. The increase was partially offset by a lower volume of PWC sold due to supply chain disruptions. The increase includes a favourable foreign exchange rate variation of $10 million.

- **Year-Round Products [6] (56% of Q2-23 revenues)**: Revenues from Year-Round Products increased by $402.5 million, or 42.1%, to $1,358.1 million for the three-month period ended July 31, 2022, compared to $955.6 million for the corresponding period ended July 31, 2021. The increase was primarily attributable to a higher volume and favourable mix of SSV and 3WV sold and favourable pricing across all product lines. The increase includes a favourable foreign exchange rate variation of $14 million.

- **Seasonal Products [6] (28% of Q2-23 revenues)**: Revenues from Seasonal Products increased by $116.7 million, or 20.3%, to $691.2 million for the three-month period ended July 31, 2022, compared to $574.5 million for the corresponding period ended July 31, 2021. The increase in revenues was primarily attributable to the introduction of the *Sea-Doo* pontoon and favourable pricing on PWC units sold, combined with a favourable mix of PWC. The increase was partially offset by an unfavourable foreign exchange rate variation of $7 million.

- **Powersports PA&A and OEM Engines [6] (11% of Q2-23 revenues)**: Revenues from Powersports PA&A and OEM Engines increased by $8.8 million, or 3.5%, to $257.5 million for the three-month period ended July 31, 2022, compared to $248.7 million for the corresponding period ended July 31, 2021. The increase in revenues was mainly attributable to favourable pricing due to the strong retail environment, partially offset by lower volume of PA&A sold due to the lower volume of PWC units sold. The increase includes a favourable foreign exchange rate variation of $1 million.

- **Marine [6] (5% of Q2-23 revenues)**: Revenues from the Marine segment increased by $10.7 million, or 8.3%, to $139.5 million for the three-month period ended July 31, 2022, compared to $128.8 million for the corresponding period ended July 31, 2021. The increase was primarily due to a favourable mix of boats sold and favourable pricing, partially offset by lower volume of boats sold due to supply chain disruptions. The increase includes a favourable foreign exchange rate variation of $2 million.

[6] The inter-segment transactions are included in the analysis.

North American Retail Sales

The Company's North American retail sales for powersports products decreased by 14% for the three-month period ended July 31, 2022 compared to the three-month period ended July 31, 2021. The decrease was mainly due to limited product availability driven by supply chain disruptions.

- **Year-Round Products**: retail sales decreased on a percentage basis in the low single-digits compared to the three-month period ended July 31, 2021. In comparison, the Year-Round Products industry recorded a decrease on a percentage basis in the high single-digits over the same period.

- **Seasonal Products:** retail sales decreased on a percentage basis in the high-twenties range compared to the three-month period ended July 31, 2021. In comparison, the Seasonal Products industry decreased on a percentage basis in the low-teens range over the same period.

- **Marine**: retail sales for Marine products decreased by 9% compared to the three-month period ended July 31, 2021 also as a result of lower product availability.

Gross profit

Gross profit increased by $32.6 million, or 5.7%, to $602.7 million for the three-month period ended July 31, 2022, compared to $570.1 million for the corresponding period ended July 31, 2021. Gross profit margin percentage decreased by 520 basis points to 24.7% from 29.9% for the three-month period ended July 31, 2021. The increase in gross profit was primarily due to a favourable volume of SSV and 3WV sold and favourable pricing across all product lines. The decrease in gross profit margin percentage was attributable to higher logistics, commodities and labour costs due to inefficiencies related to supply chain disruptions, partially offset by higher volume and favourable pricing.

Operating expenses

Operating expenses increased by $25.2 million, or 10.9%, to $256.9 million for the three-month period ended July 31, 2022, compared to $231.7 million for the three-month period ended July 31, 2021. The increase was mainly attributable to an increase in research & development ("R&D") expense to support future growth and higher general and administrative expenses mainly for the modernization of the Company's software infrastructure to support future growth.

Normalized EBITDA [7]

Normalized EBITDA [7] increased by $3.3 million, or 0.8%, to $418.3 million for the three-month period ended July 31, 2022, compared to $415.0 million for the three-month period ended July 31, 2021. The increase was primarily due to higher gross profit partially offset by higher operating expenses.

Net Income

Net income increased by $24.8 million to $237.7 million for the three-month period ended July 31, 2022, compared to the $212.9 million for the three-month period ended July 31, 2021. The increase was primarily due to a lower income tax expense and a favourable foreign exchange rate variation impact on the U.S. denominated long-term debt, partially offset by net financing costs.

[7] See "Non-IFRS Measures" section of the press release.

SIX-MONTH PERIOD ENDED JULY 31, 2022

Revenues

Revenues increased by $535.4 million, or 14.4%, to $4,247.8 million for the six-month period ended July 31, 2022, compared to $3,712.4 million for the corresponding period ended July 31, 2021. The increase in revenue was primarily due to a higher volume of Year-Round and Seasonal Products mainly attributable to SSV sold and the introduction of *Sea-Doo* pontoons, as well as favourable pricing across all product lines. The increase was mostly offset by lower volume in PWC and ATV due to supply chain disruptions, and by an unfavourable foreign exchange rate variation of $17 million.

Normalized EBITDA[8]

Normalized EBITDA[8] decreased by $103.6 million, or 13.0%, to $690.4 million for the six-month period ended July 31, 2022, compared to $794.0 million for the six-month period ended July 31, 2021. The decrease in normalized EBITDA [1] was primarily due to lower gross profit due to supply chain disruptions and higher operating expenses, mostly in R&D and general and administrative expenses.

Net Income

Net income decreased by $98.6 million to $358.7 million for the six-month period ended July 31, 2022, compared to $457.3 million for the six-month period ended July 31, 2021. The decrease in net income was primarily due to lower operating income and the unfavourable foreign exchange rate variation impact on the U.S. denominated long-term debt, partially offset by a lower income tax expense and lower net financing costs.

LIQUIDITY AND CAPITAL RESOURCES

The Company used net cash flows from operating activities totaling $1.0 million for the six-month period ended July 31, 2022 compared to net cash flows generated of $326.9 million for the six-month period ended July 31, 2021. Concurrently, there was an increase in revolving facilities totaling $237.4 million.

The Company invested $220 million of its liquidity in capital expenditures to add production capacity and modernize the Company's software infrastructure to support future growth. The Company also returned $331 million to its shareholders through quarterly dividend payouts and its Normal Course Issuer Bid and Substantial Issuer Bid programs.

On June 10, 2022, the Company added $400 million to its available commitment under its revolving credit facilities and increased availability to $1,500.0 million. The pricing grid and other conditions remained unchanged.

Dividend

On September 13, 2022, the Company's Board of Directors declared a quarterly dividend of $0.16 per share for holders of its multiple voting shares and subordinate voting shares. The dividend will be paid on October 14, 2022 to shareholders of record at the close of business on September 30, 2022.

CONFERENCE CALL AND WEBCAST PRESENTATION

Today at 9 a.m. EDT, BRP Inc. will host a conference call and webcast to discuss its FY23 second quarter results. The call will be hosted by José Boisjoli, President and CEO, and Sébastien Martel, CFO. To listen to the conference call by phone (event number 2279047), please dial 1 (888) 440-2167 (toll-free in North America). Click here for International numbers.

The Company's second quarter FY23 webcast presentation is posted in the Quarterly Reports section of BRP's website.

[8] See "Non-IFRS Measures" section of the press release.

About BRP

We are a global leader in the world of powersports products, propulsion systems and boats built on 80 years of ingenuity and intensive consumer focus. Our portfolio of industry-leading and distinctive products includes Ski-Doo and Lynx snowmobiles, Sea-Doo watercraft and pontoons, Can-Am on and off-road vehicles, Alumacraft and Quintrex boats, Manitou pontoons and Rotax marine propulsion systems as well as Rotax engines for karts and recreational aircraft. We complete our lines of products with a dedicated parts, accessories and apparel portfolio to fully enhance the riding experience. With annual sales of CA$7.6 billion from over 120 countries, our global workforce includes close to 20,000 driven, resourceful people.

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CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements in this press release, including, but not limited to, statements relating to our Fiscal Year 2023, including financial guidance and outlook and related assumptions of the Company (including revenues, Normalized EBITDA, Effective Tax Rate, Normalized earnings per share, net income, depreciation expense, net financing costs adjusted, weighted average of the number of shares diluted and capital expenditures), the Company's ability to convert new entrants into life-long customers, statements relating to the anticipated additional production capacity, statements relating to the declaration and payment of dividends, statements about the Company's current and future plans, and other statements about the Company's prospects, expectations, anticipations, estimates and intentions, results, levels of activity, performance, objectives, targets, goals or achievements, priorities and strategies, financial position, market position, capabilities, competitive strengths, beliefs, the prospects and trends of the industries in which the Company operates, the expected growth in demand for products and services in the markets in which the Company competes, statements relating to the impact that the cybersecurity incident will have on its systems and operations, the Company's ability to mitigate financial consequences due to the cybersecurity incident, and its lack of impact on its financial-year end guidance updated on September 14, 2022, 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 liquidities or any other future events or developments and other statements that are not historical facts constitute forward-looking statements within the meaning of Canadian and United States 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, as further described below.

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 its Annual Information Form dated March 24, 2022: the impact of adverse economic conditions such as those resulting from the ongoing coronavirus (known as COVID-19) health crisis (including on consumer spending, the Company's operations and supply and distribution chains, the availability of credit and the Company's workforce); any decline in social acceptability of the Company's products; fluctuations in foreign currency exchange rates; high levels of indebtedness; any unavailability of additional capital; any supply problems, termination or interruption of supply arrangements or increases in the cost of materials; any loss of members of the Company's management team or employees who possess specialized market knowledge and technical skills; unfavourable weather conditions and climate change more generally; any failure of information technology systems or security breach; the Company's international sales and operations; seasonal sales fluctuations; any inability to comply with product safety, health, environmental and noise pollution laws; the Company's large fixed cost base; any inability of dealers and distributors to secure adequate access to capital; the Company's competition in product lines; the Company's inability to successfully execute its growth strategy; any failure to maintain an effective system of internal control over financial reporting and to produce accurate and timely financial statements; any inability to maintain and enhance the Company's reputation and brands; any significant product liability claim; any significant product repair and/or replacement due to product warranty claims or product recalls; the Company's reliance on a network of independent dealers and distributors; the Company's inability to successfully manage inventory levels; any intellectual property infringement and litigation; the Company's inability to successfully execute its manufacturing strategy or to meet customer demand as a result of manufacturing capacity constraints; increased freight and shipping costs or disruptions in transportation and shipping infrastructure; any failure to comply with covenants in financing and other material *agreements; any changes in tax laws and unanticipated tax liabilities; any impairment in the carrying value of goodwill and trademarks; any deterioration in relationships with employees; pension plan liabilities; natural disasters; any failure to carry proper insurance coverage; volatility in the market price for the Subordinate Voting Shares; the Company's conduct of business through subsidiaries; the significant influence of Beaudier Inc., 4338618 Canada Inc. and Bain Capital Integral Investors II, L.P.; 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 the following: reasonable industry growth ranging from slightly down to up high-single digits, that is based on the assumption that the supply chain disruptions do not worsen; market share that will remain constant or moderately increase; stable global and North American economic conditions and a limited impact from the military hostilities in Ukraine and the ongoing global health crisis; main currencies in which the Company operates will remain at near current levels; inflation is expected to remain elevated from strong demand, supply shortages and high energy prices, and is expected to gradually decline as central banks gradually increase interest rates; there will be no significant changes in tax laws or free trade arrangements or treaties applicable to the Company; the Company's current margins, will remain at current or improved levels; the supply base will remain able to support product development and planned production rates on commercially acceptable terms in a timely manner; the cybersecurity incident and its consequences will be adequately contained and will have limited impact on the planned wholesale; no new trade barriers will be imposed amongst jurisdictions in which the Company carries operations; the absence of unusually adverse weather conditions, especially in peak seasons. BRP cautions that its assumptions may not materialize and that current economic conditions may render such assumptions, although believed reasonable at the time they were made, subject to greater uncertainty.

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 management and 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, gain or loss on litigation 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	Net income adjusted of normalized elements and related tax effect	In addition to the financial performance of operating activities, these measures consider 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	
Normalized effective tax rate	Based on Normalized net income before Normalized income tax expense	
Normalized earnings per share – basic & diluted	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 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 the aforementioned 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 table below for the reconciliations of the non-IFRS measures presented by the Company to the most directly comparable IFRS measure.

Reconciliation Tables

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

	Three-month periods ended		Six-month periods ended	
(in millions of Canadian dollars)	**July 31, 2022**	**July 31, 2021**	**July 31, 2022**	**July 31, 2021**
Net income	**$237.7**	$212.9	**$358.7**	$457.3
Normalized elements				
Foreign exchange (gain) loss on long-term debt and lease liabilities	**(0.1)**	27.3	**16.0**	(51.3)
(Gain) loss on NCIB	**—**	—	**(1.8)**	21.3
Depreciation of intangible assets related to business combinations	**1.0**	1.0	**2.1**	2.1
Transaction costs on long-term debt [2]	**—**	—	**—**	44.3
Transaction costs and other related expenses [3]	**—**	5.6	**—**	5.8
Evinrude outboard engine wind-down [4]	**—**	1.6	**—**	2.4
Restructuring and related costs [5]	**—**	—	**—**	(0.1)
Other elements	**(0.2)**	2.9	**1.1**	2.9
Income tax adjustment [1] [6]	**(0.5)**	(1.8)	**(1.1)**	(13.1)
Normalized net income [1]	**237.9**	249.5	**375.0**	471.6
Normalized income tax expense	**82.5**	87.1	**131.8**	164.1
Financing costs adjusted	**27.6**	15.8	**44.1**	32.9
Financing income adjusted	**(1.5)**	(1.6)	**(2.5)**	(2.8)
Depreciation expense adjusted	**71.8**	64.2	**142.0**	128.2
Normalized EBITDA [1]	**$418.3**	$415.0	**$690.4**	$794.0

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

[2] During Fiscal 2022, the Company incurred a prepayment premium of $15.1 million and derecognized unamortized transaction costs of $29.2 million related to the full repayment of its outstanding U.S. $597.0 million Term Loan B-2.

[3] Costs related to business combinations.

[4] The Company incurred costs related to the wind-down of the outboard engine production such as, but not limited to, idle costs and other exit costs.

[5] 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.

[6] Income tax adjustment is related to income tax on Normalized elements subject to tax and for which income tax has been recognized.

(millions of Canadian dollars, except per share data)	Three-month periods July 31, 2022	July 31, 2021	Six-month periods ended July 31, 2022	July 31, 2021
Depreciation expense reconciliation				
Depreciation expense	**$72.8**	$65.9	**$144.1**	$131.7
Depreciation of intangible assets related to business combinations	**1.0**	1.0	**2.1**	2.1
Evinrude outboard engine wind-down [2]	**—**	0.7	**—**	1.4
Depreciation expense adjusted	**$71.8**	$64.2	**$142.0**	$128.2
Income tax expense reconciliation				
Income tax expense	**$82.0**	$85.3	**$130.7**	$151.0
Income tax adjustment [3]	**(0.5)**	(1.8)	**(1.1)**	(13.1)
Normalized income tax expense [1]	**$82.5**	$87.1	**$131.8**	$164.1
Financing costs reconciliation				
Financing costs	**$27.8**	$15.7	**$44.3**	$98.4
Transaction costs on long-term debt [4]	**—**	—	**—**	44.3
Loss on NCIB	**—**	—	**—**	21.3
Other	**0.2**	(0.1)	**0.2**	(0.1)
Financing costs adjusted	**$27.6**	$15.8	**$44.1**	$32.9
Financing income reconciliation				
Financing income	**$(1.5)**	$(1.6)	**$(4.3)**	$(2.8)
Gain on NCIB	**—**	—	**(1.8)**	—
Financing income adjusted	**$(1.5)**	$(1.6)	**$(2.5)**	$(2.8)
Normalized EPS - basic [1] calculation				
Normalized net income [1]	**$237.9**	$249.5	**$375.0**	$471.6
Non-controlling interests	**1.2**	0.3	**1.3**	0.5
Weighted average number of shares - basic	**78,959,785**	83,857,134	**80,000,264**	84,402,885
Normalized EPS - basic [1]	**$3.00**	$2.97	**$4.67**	$5.58
Normalized EPS - diluted [1] calculation				
Normalized net income [1]	**$237.9**	$249.5	**$375.0**	$471.6
Non-controlling interests	**1.2**	0.3	**1.3**	0.5
Weighted average number of shares - Diluted	**80,505,043**	86,329,617	**81,582,927**	86,956,236
Normalized EPS - diluted [1]	**$2.94**	$2.89	**$4.58**	$5.42

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

[2] During Fiscal 2022, the Company incurred costs related to the wind-down of the outboard engine production such as, but not limited to, idle costs and other exit costs.

[3] Income tax adjustment is related to income tax on Normalized elements subject to tax and for which income tax has been recognized.

[4] During Fiscal 2022, the Company incurred a prepayment premium of $15.1 million and derecognized unamortized transaction costs of $29.2 million related to the full repayment of its outstanding U.S. $597.0 million Term Loan B-2.

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