

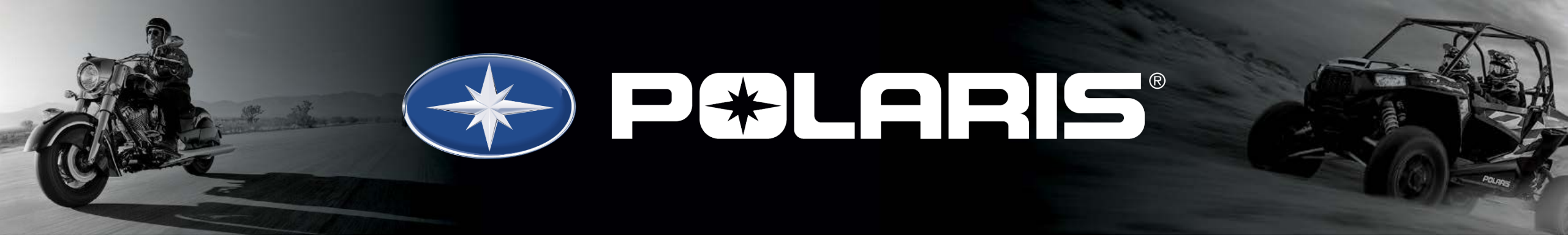
POLARIS®

POLARIS INDUSTRIES INC.

ANALYST & INVESTOR MEETING

JULY 26, 2017





Richard Edwards
Director of Investor Relations

ANALYST & INVESTOR MEETING

JULY 26, 2017



AGENDA – Analyst & Investor Meeting

Wednesday, July 26, 2017

7:30 AM – 11:00 PM

Pacific Time

Venetian/Palazzo - Las Vegas

Webcast Link at: ir.polaris.com

Wireless Internet Connection
Select the network: Nadell7
Password: march123

Please limit WiFi connection to one device per person;
Valid only on Wed. July 26th

2017 Investor Meeting App
Mobile Phone:
App store, search "pii2017"

Tablet/Computer:
eventmobi.com/pii2017



PDT	Topic	Presenter
7:30 am	Opening Remarks / Overview	Scott Wine, Chairman & CEO
7:40 am	PG&A / Aftermarket	Steve Eastman & Greg Adler
8:05 am	Customer Experience	Tim Larson
8:25 am	Motorcycles	Steve Menneto
8:50 am	Global Adjacent Markets	Bob Mack
9:05 am	International	Mike Dougherty
9:20 am	*Break*	
9:35 am	Snowmobiles	Chris Wolf
9:50 am	Off-Road Vehicles	Matt Homan
10:15 am	Global Operations, Eng. & Lean	Ken Pucel
10:40 am	Closing Comments / Q&A	Scott Wine & Mike Speetzen
11:00 am	Meeting Ends	

Thank You for Joining Us!

SAFE HARBOR & NON-GAAP MEASURES

Except for historical information contained herein, the matters set forth in this presentation, including management's expectations regarding 2017 future sales, shipments, net income, and net income per share, and operational initiatives are forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from those forward-looking statements. Potential risks and uncertainties include such factors as the Company's ability to successfully implement its manufacturing operations expansion initiatives, product offerings, promotional activities and pricing strategies by competitors; economic conditions that impact consumer spending; acquisition integration costs; product recalls, warranty expenses; impact of changes in Polaris stock price on incentive compensation plan costs; foreign currency exchange rate fluctuations; environmental and product safety regulatory activity; effects of weather; commodity costs; uninsured product liability claims; uncertainty in the retail and wholesale credit markets; performance of affiliate partners; changes in tax policy and overall economic conditions, including inflation, consumer confidence and spending and relationships with dealers and suppliers. Investors are also directed to consider other risks and uncertainties discussed in documents filed by the Company with the Securities and Exchange Commission. The Company does not undertake any duty to any person to provide updates to its forward-looking statements. The data source for retail sales figures included in this presentation is registration information provided by Polaris dealers in North America and compiled by the Company or Company estimates. The Company must rely on information that its dealers supply concerning retail sales, and other retail sales data sources and this information is subject to revision.

This presentation contains certain non-GAAP financial measures, consisting of "adjusted" sales, gross profit, operating expenses, net income and net income per diluted share as measures of our operating performance. Management believes these measures may be useful in performing meaningful comparisons of past and present operating results, to understand the performance of its ongoing operations and how management views the business. Reconciliations of adjusted non-GAAP measures to reported GAAP measures for Q2 are included on slide 3 and Q2 year-to-date are included in the appendix contained in this presentation. These measures, however, should not be construed as an alternative to any other measure of performance determined in accordance with GAAP.

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Scott W. Wine, Chairman & CEO

ANALYST & INVESTOR MEETING

JULY 26, 2017





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STEVE EASTMAN
President – PG&A & Aftermarket

Analyst & Investor Meeting

July 26, 2017



FIRST HALF 2017

CORE PG&A REVENUE-PER-UNIT CONTINUES TO GROW

TAP INTEGRATION & PERFORMANCE ON TRACK

AFTERMARKET PRODUCTS & BRANDS GAINING MOMENTUM

VIP & LEAN DRIVING MARGIN EXPANSION AND PRODUCTIVITY

RETAIL INITIATIVES DRIVING STOCKING & CONVERSION

INITIATIVES AND STRONG EXECUTION DRIVING PROFITABLE GROWTH

FIRST HALF 2017 RESULTS

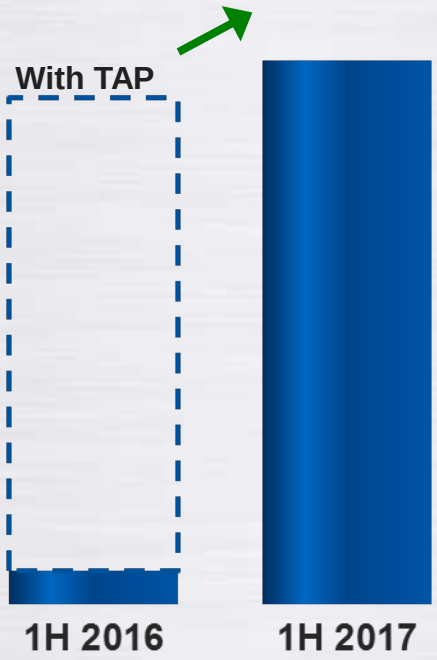
1H 2017 Core PG&A Revenue

+8% Organic



1H 2017 Aftermarket Revenue

+7% Proforma Reported: Up Significantly



Additional Commentary

Strong revenue growth across geographies and segments

- ↑ North America
- ↑ International
- ↑ ORV/Snow
- ↓ Motorcycles (Victory impact)
- ↑ Adjacent Markets
- ↑ Aftermarket Brands

SUSTAINED GROWTH ACROSS THE PORTFOLIO

DIVERSIFIED PG&A / AFTERMARKET PORTFOLIO

CORE PG&A PRODUCT LINES

POLARIS ENGINEERED PARTS ACCESSORIES & APPAREL
SLINGSHOT
TIMBERSLED™
POLARIS
Indian MOTORCYCLE

Strengthen OEM Competitive Advantage
Integrated Product Solutions
Integrated Go-To-Market Approach
Sold Exclusively Through Polaris Dealers

AFTERMARKET BRANDS

Transamerican AUTO PARTS
PRO ARMOR
4 WHEEL PARTS
TRAIL TECH
KOLPIN OUTDOORS
509
Klim

Broaden Consumer Aftermarket Reach
Access Incremental Channels
Gain Enthusiast Brand Loyalty

CHANNELS

Polaris Dealers

Polaris E-com

Other Dealers

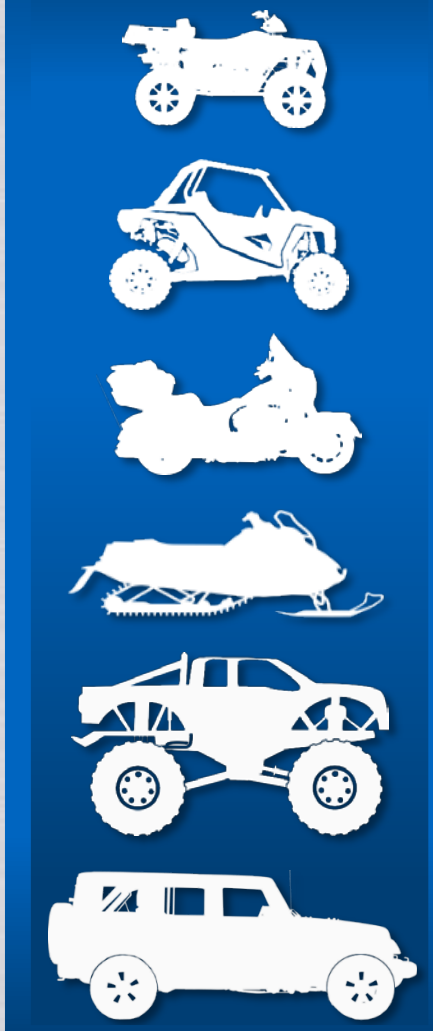
Aftermarket E-com

Big Box Retail

Distributors / Jobbers

4X4 Retail

CONSUMERS



POLARIS®

ENGINEERED PARTS
ACCESSORIES & APPAREL



POLARIS ENGINEERED PG&A

2017 FOCUS

1

MAXIMIZE PRODUCT INNOVATION & QUALITY

2

DRIVE RETAIL DEMAND & CONVERSION

3

BE EASIER TO DO BUSINESS WITH

INITIATIVES AIMED AT IMPROVING THE CUSTOMER EXPERIENCE

2017 FOCUS

CUSTOMER-FOCUSED SOLUTIONS

HIGHEST LEVELS OF INTEGRATION

POLARIS ENGINEERED QUALITY

OVER **400** NEW MY18 ACCESSORIES







MAXIMIZE PRODUCT INNOVATION AND QUALITY

RANGER PRO SHIELD CAB SYSTEM



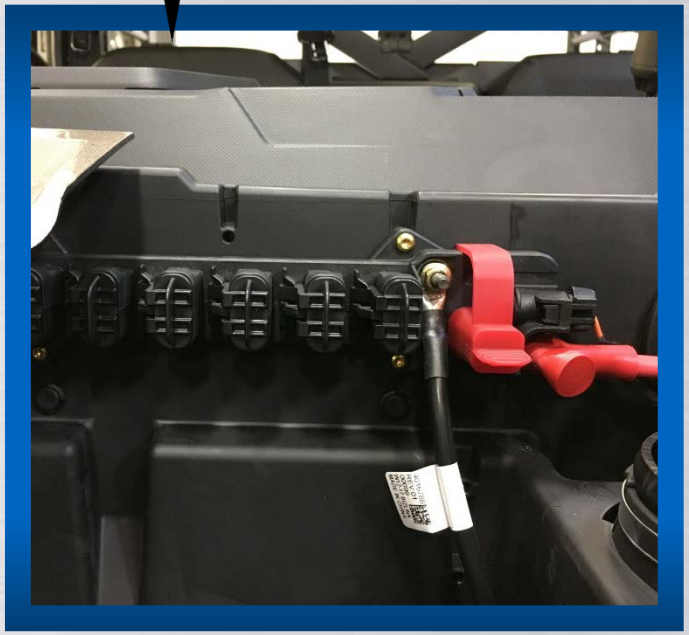
3X better dust protection
Class-leading comfort

GLACIER PLOW SYSTEM



Integrated plow mount

POLARIS PULSE Electrical System



Plug and Play installation

INDUSTRY-LEADING FIT, FINISH, AND EASE OF INSTALLATION

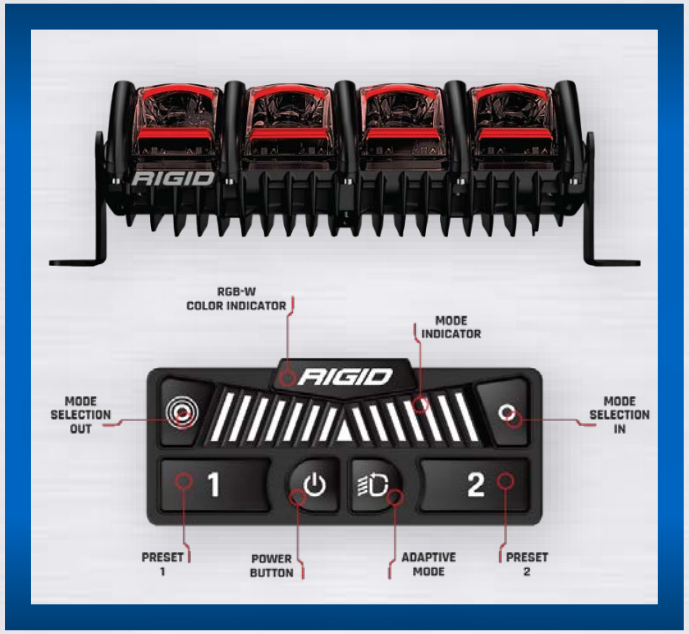
MAXIMIZE PRODUCT INNOVATION AND QUALITY

PRO ARMOR



Innovative tread solutions

RIGID



Adaptive lighting systems

Premier O.E.M.



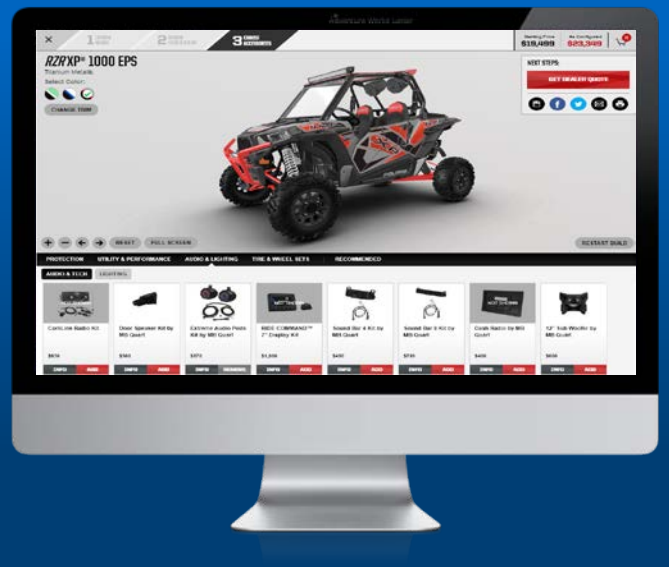
Retains ice 30 hours longer than Yeti

SELECTIVELY LEVERAGE PROPRIETARY AND 3RD PARTY BRANDS

DRIVE RETAIL DEMAND AND CONVERSION

E-Commerce

Product Content / Guides
New Configurator
Over 8 million annual visits



Retail Execution

Retail Sales Specialists
Power Item Leverage
Merchandising Tools

POLARIS PG&A POWER items



Consumer Marketing

Direct Mail Catalogs
Seasonal Promotions



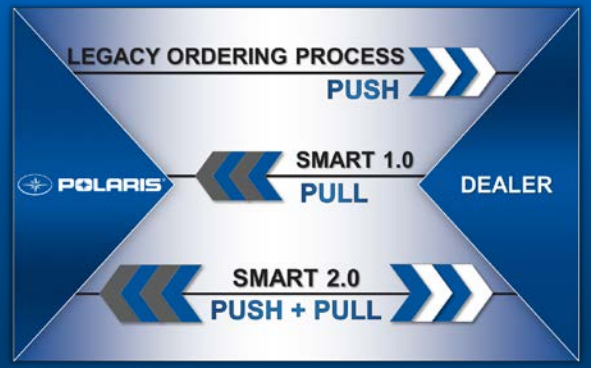
DRIVE RETAIL DEMAND & CONVERSION

BE EASIER TO DO BUSINESS WITH

Sales Process

SMART refinements
Order Quality Emphasis
Data Analytics / Tools

POLARIS S·M·A·R·T



Order Fulfillment

New Daily Order System
Simplified Freight Policy



Promotions

Coupon Redemption
More Impactful Promotions

Arrowhead PROMOTION & FULFILLMENT



ELIMINATE DEALER DISTRACTIONS – KEEP IT SIMPLE!


AFTERMARKET
BRANDS

POWERSPORTS AFTERMARKET BRANDS

PG&A

1 **AMPLIFY** BRAND POSITION

2 **STRENGTHEN** E-COMMERCE

3 **DRIVE** DEALER-DIRECT SALES AND CUSTOMER / CHANNEL DEVELOPMENT

4 **REDUCE** SYSTEM-WIDE COSTS

TRAIL TECH

Klim

PRO ARMOR

KOLPIN OUTDOORS

509

ACCELERATE GROWTH & PROFITABILITY



PRODUCT DESIGN, QUALITY, COST ADVANTAGES



TRANSAMERICAN AUTO PARTS

INTEGRATION PROGRESS

COST

MANUFACTURING – Pro Armor moved to Chula Vista

LOGISTICS – new carrier agreements in place

SOURCING – supplier consolidation nearly complete

OTHER – corporate functions

REVENUE

NEW STORES – accelerated growth plan

UTV SEGMENT – category rollout, upfit packages

OTHER – cross marketing, event coverage & impact

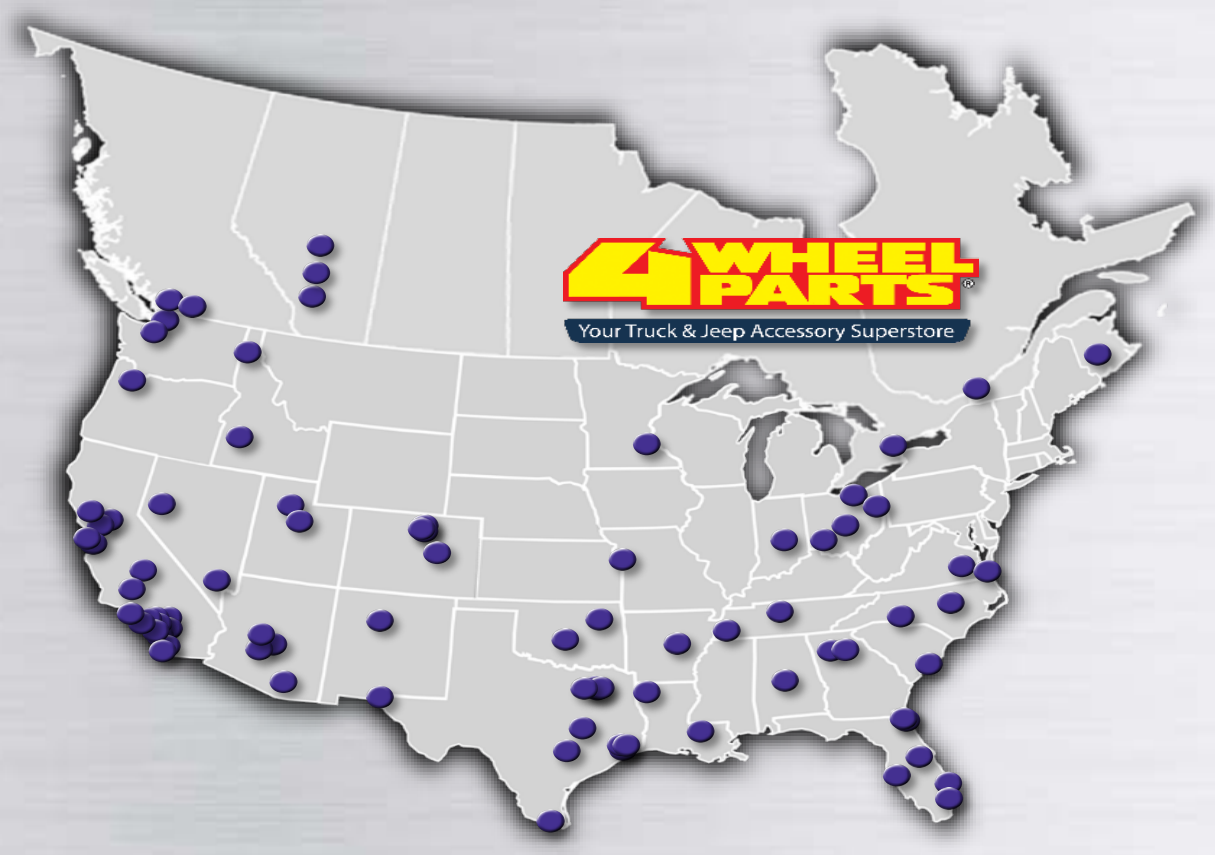
INTEGRATION PROGRESS ON TRACK

BUSINESS PROGRESS

RETAIL	**SAME STORE SALES** – up high single digits **NEW STORES** – record store openings
DIRECT	**E-COMMERCE** – new ATG platform launched **PICK-UP-IN-STORE** – up 27% YTD
WHOLESALE	**CONSUMER-FACING RESELLERS** – sales up low teens **CUSTOMER MIX** – brick & mortar outpacing E-com
TMG	**PRODUCT DEVELOPMENT** – new R&D facility **NEW OEM MODELS** – focus on speed-to-market, quality

STRONG 1H PERFORMANCE – CONTINUED & SUSTAINABLE GROWTH

2017 NEW STORE GROWTH



2017 New Stores

- Charleston, SC
- Brooklyn Park, MN
- Cincinnati, OH
- Denver, CO
- Glendale, AZ
- Columbus, OH
- Boise, ID
- Ogden, UT







LARGEST NUMBER OF NEW STORES TO DATE

TRANSAMERICAN MANUFACTURING GROUP





TMG
Transamerican Manufacturing Group











STRONG BRAND, R&D, & MANUFACTURING PLATFORM

LOOKING FORWARD

COMPLETE TAP INTEGRATION

STRENGTHEN & GROW POLARIS-OWNED BRANDS

DRIVE MULTI-CHANNEL RETAIL DEMAND & CONVERSION

VIP - REDUCE COST & LEVERAGE OPERATIONAL SCALE

ACCELERATE NEW PRODUCT INNOVATION & QUALITY

MULTIPLE AVENUES FOR SUSTAINED & PROFITABLE GROWTH



POLARIS®

Steve Eastman
President – PG&A & Aftermarket

QUESTIONS?



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POLARIS INDUSTRIES INC.



TIM LARSON

Chief Marketing Officer & SVP Customer Experience

Analyst & Investor Meeting

July 26, 2017





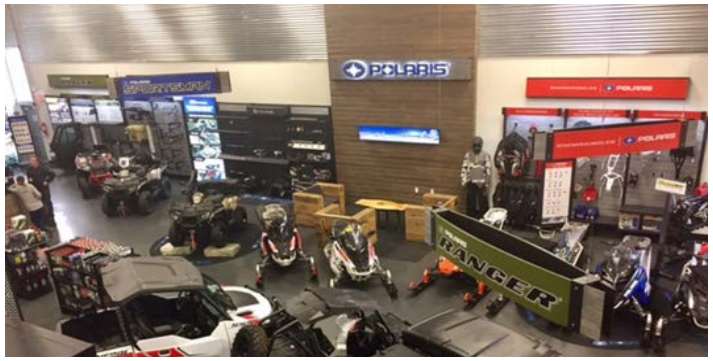



Polaris Customer Experience Transformation

ENGAGE DIGITALLY



DEALERSHIP EXPERIENCE



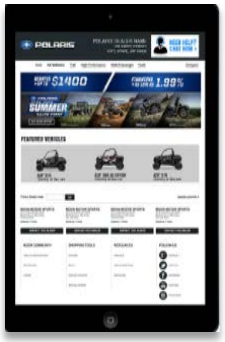
SERVICE & OWNERSHIP



Shop → Buy → Ride → Own

SEAMLESS: DIGITAL TO DEALERSHIP

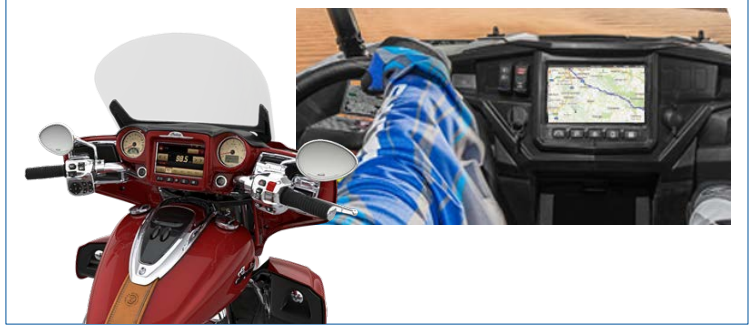




SEAMLESS DELIVERY EXPERIENCE



RIDE COMMAND



Delivering On The Key Moments Of The Customer & Dealer Experience

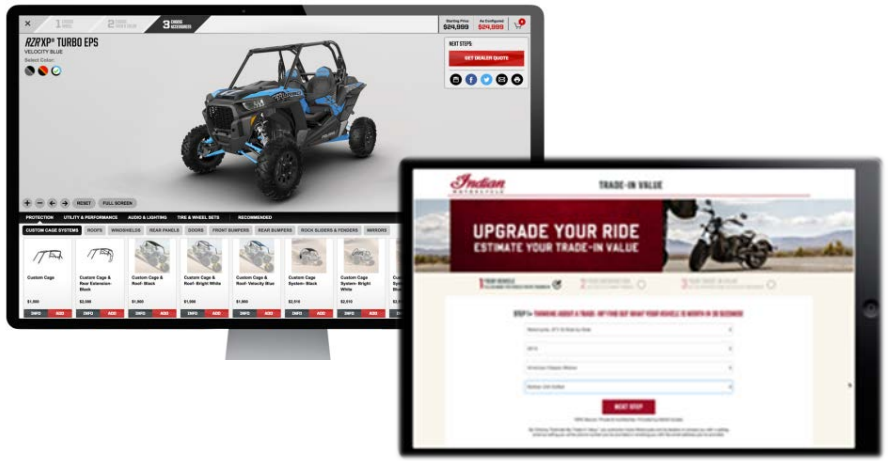
Engaging & Earning Customers Digitally

New Digital Experience

Trade In Estimator

3D Vehicle Configurator

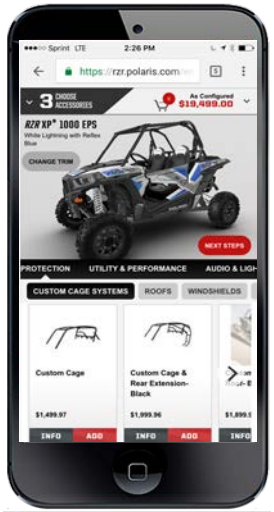
Drives Retail & Profit/Unit



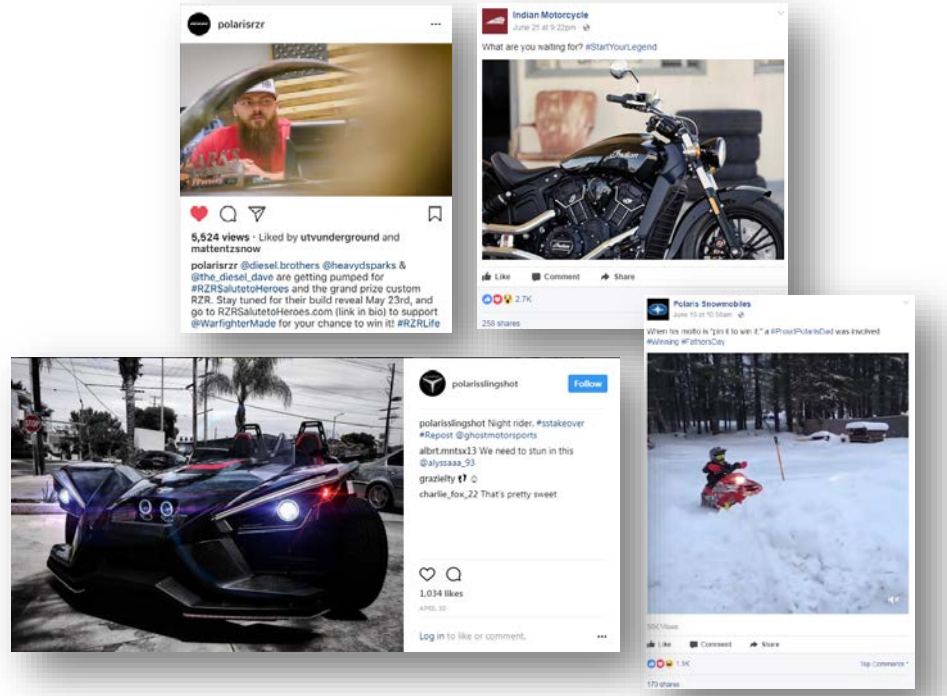
65% Traffic ➔ Mobile

Fully Responsive

Driving Leads & Dealer Visits



7.6 Million Social Followers



+143%

increase in digital engagements

Facebook, YouTube, Email Opens, Web Traffic

Leveraging Digital To Drive Retail: Engaging Customers Before, During & After Their Dealership Visit

Ride Command Expansion & Differentiation



Expanding for General & RZR models & as RC Accessory

Group Ride with Follow the Leader

Integrated Audio and Video Experiences



Now Standard on Roadmaster & Chieftain

Route Importing & Sharing

Customizable Ride Screens

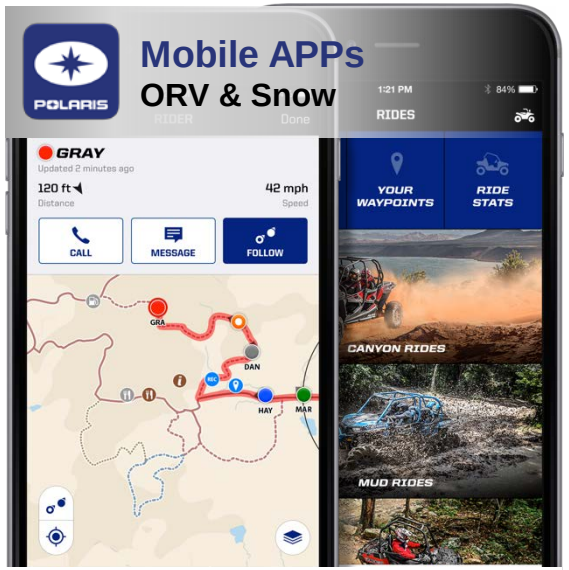
Two-Finger Glove Touch



New for MY 18 Slingshot

Turn by Turn Navigation

Customizable, Split View, Rider Information Screens



Free RideCommand APP iOS & Android Devices

Group Ride with Follow the Leader

300,000 Miles of Trail Maps, 22,000 Riding Areas & 250 Active Clubs

"These electronics [Ride Command] will pull more riders from the [competitor] ranks than any other part of this bike."

CommonTread-Revzilla

Powersports Technology Leadership: Be in Command with Ride Command®

Dealer Profitable Growth

Rewards

+183%
IN REWARD DOLLARS YTD

$18.4M
IN TOTAL REWARDS

$10K
MORE PER DEALER

Cash Flow

60%
Faster Payments To Dealers

Retail Experience & Specialists



"With a finite amount of show floor space, you have to ask yourself, "Is this going to generate a return, or is it just going to look pretty?" And I'll tell you first hand, it'll generate a return."

Polaris Retail Exp. Dealer

Inventory Optimization

RFM
SMART
17% Reduction In Interest Payments

Driving Dealer Profitability: Right Products, Demand, Inventory, Rewards & Retail Processes

Elevating Service & Dealer Support

Increased Responsiveness

50% REDUCTION IN HOLD TIMES + **99%** SAME DAY RESPONSE VIA **ASK POLARIS**



COAST TO COAST SUPPORT

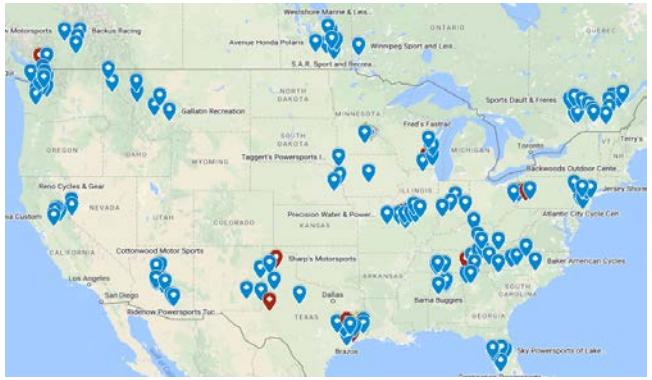
EXPANDED *CASE REVIEW* **HOURS** TO 7 PM CST TIME

+SATURDAY AM

Dealer Training & Certification



In-Field Support & Training (YTD)

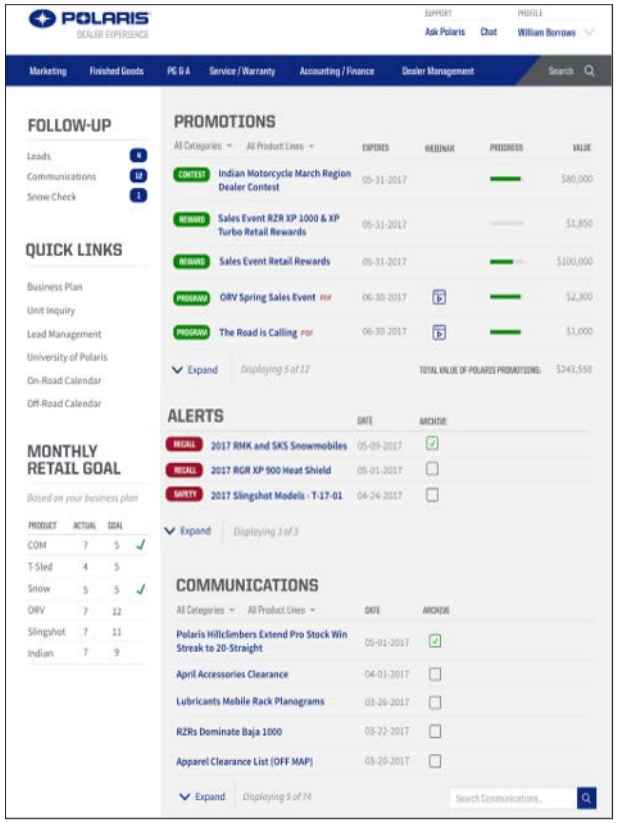




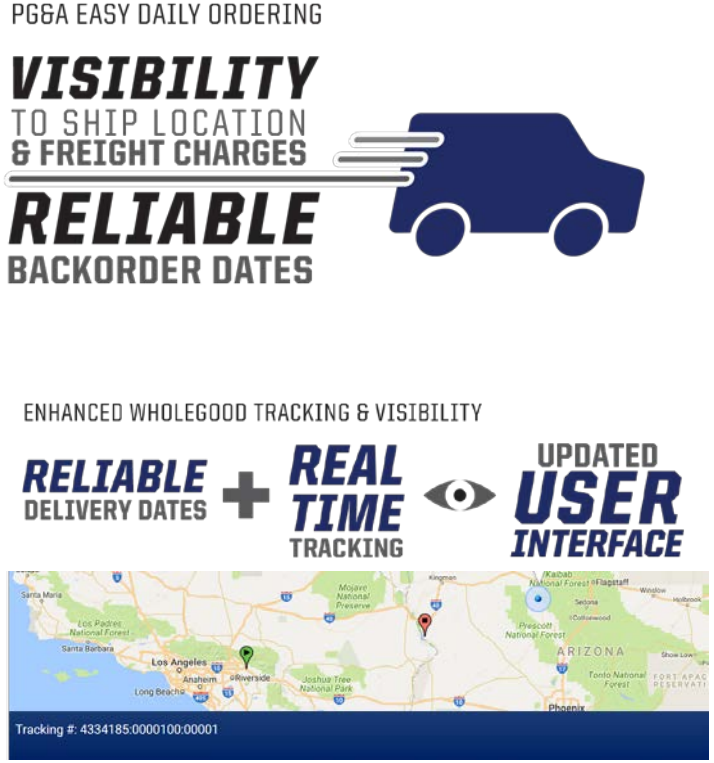
Driving Service Speed For Customers…Support & Service Profitability For Dealers

Ease of Business

Dealer Driven Systems



Simplified Ordering & Mgmt.

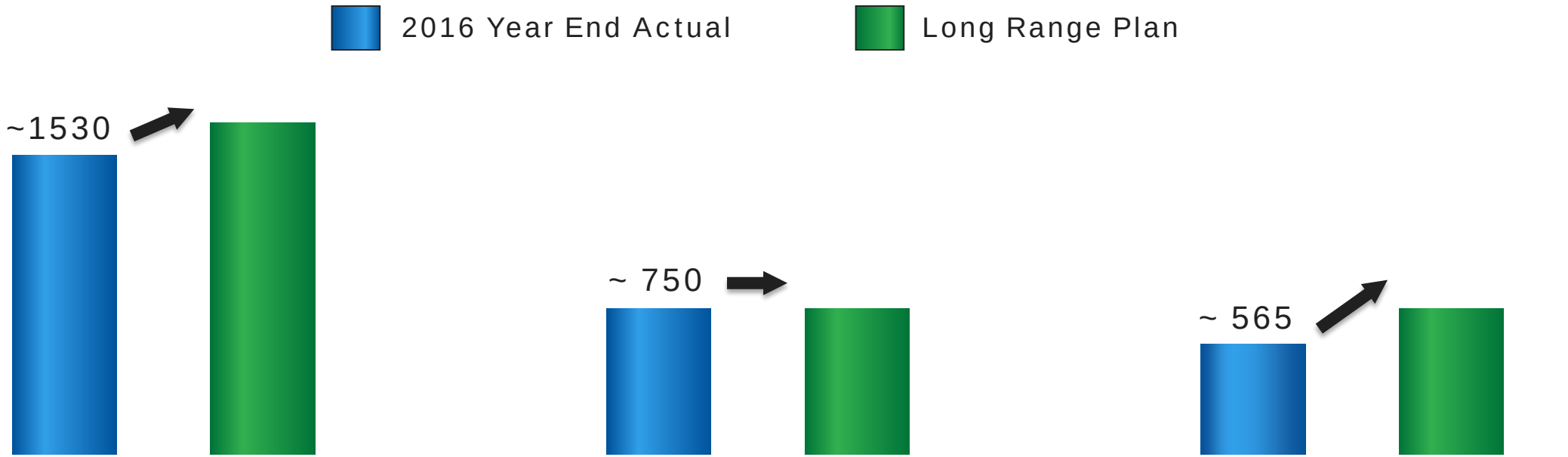


Turnkey Lead Mgmt. & Retail Results



Simplifying & Strengthening Dealer Communication & Capabilities

Strong Dealership Count Positions



SxS + ATV

Optimizing opportunity markets

Snowmobiles

Sustain leadership position

Indian + Slingshot

On-Road: fully penetrate top markets

Polaris Leadership Position in Key Markets

Formula Delivering #1 In Total Dealer Volume & Overall Value

Polaris Dealer Value Proposition:

+ **Best WG Innovation, Volume & Demand:** *Products, Brands, Adv, Promo, Events*
+ **Best PG&A Innovation, Volume & Demand**: *Products, Brands, $/unit*
+ **Strongest Install Base For Post Sale & Repurchase:** *WG, PG&A, F&I, ESC, Service*
+ **Inventory Optimization & Order Systems**: *RFM, SMART*
+ **Dealer Certification & Business Process Training:** *MSD, U of Polaris, In-Field Training*
+ **Dealer Rewards & Support:** *Retail Rewards, Field Teams, Service, Dealer Systems*

= Polaris #1 In Total Dealer Volume & Value

Polaris Delivering Strongest Total Dealer Volume & Value



POLARIS®

Tim Larson

CMO & SVP Customer Experience

QUESTIONS?



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STEVE MENNETO
President – Motorcycles

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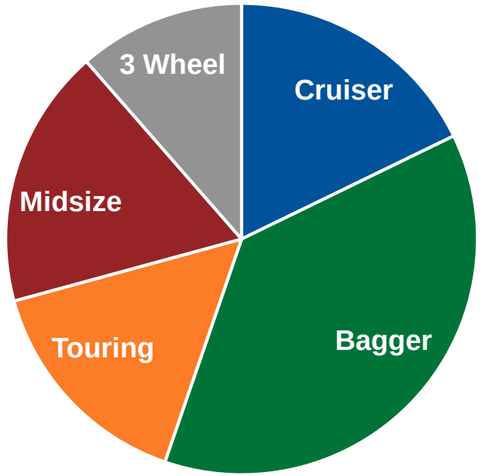
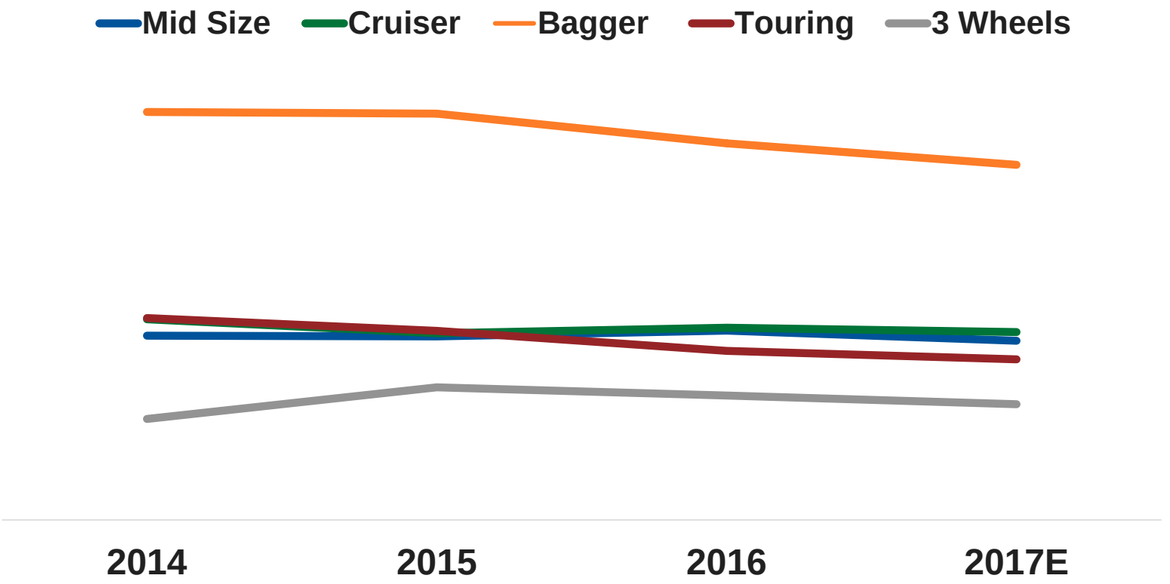
2017 N.A. 900+cc Industry

2017 N.A. Industry Retail YTD



Industry Retail Trends



YTD Trends:

2017 N.A. 900+ cc Industry down upper-single digits YTD

Mid – Size Industry down low-double digits YTD

Cruiser Industry down low-double digits YTD

Bagger & Touring down low-single digits YTD

3 wheeled down high-double digits YTD

2017 Industry Off to a Choppy Start

2017 N.A. 900+cc Competitive Summary

Rank	Manufacturer	Strategy	Share Trend
1	Harley	Aggressive Financing, Promotions, Dealers Discounting Focusing on Cruiser, Sportster, Street Products Huge Installed Owner Base	
2	Indian	American Heritage, Edgier Models High Owner Satisfaction	
3	Metrics	Aggressive Promotions, Low Investment in New Product Breadth of Distribution Bases	
4	Triumph	Historical Brand, New Products	

Indian Motorcycle Largest Share Growth

Victory Wind Down

Retail YTD:

N.A. ~3% ahead of last year

Int'l ~flat to last year



Network inventory is down 65% vs. LY

Conversion:

Victory riders to Indian & Slingshot – programs available to convert

Victory store space is converting to ORV, Indian & Slingshot space

Global Dealer Network remains in tact for servicing, less than 10% terminations

Wind Down is Progressing Well – Going As Planned

Slingshot Video



Slingshot Business Improvements

Quality – our engineering team is attacking our quality issues

Product – we're clear on what our customers want for new product, we're moving quickly to deliver on their requests

Distribution – we have dealers doing very well and dealers who are not, we're increasing our support to drive new customers in our brand

Regulatory – Legal in 50 states (HI 1/1/18), 9 of 10 provinces (Nova Scotia), auto cycle in 36 states and 9 provinces

Brand – Slingshot is the open-air roadster that combines exotic looks with raw performance to deliver an adrenaline and attention rush like no other

Increasing our Adrenaline and Attention on the Business

CY17 Slingshot Product News

S



***New* Price $19,999**

Key New Features:
Larger Center Storage
Ride Command Up-Fit Opportunity
New Accessory Options

SL



***New* Ride Command**
***5 New* Special Colors**

Key New Features:
Ride Command Standard
Navigation Upsell Opportunity

SLR



Ride Command w/Nav
***New* Color Offered**

Key New Features:
Ride Command w/ Nav Standard
Bilstein Shock Upsell Opportunity

SLR LE



***New* Limited Edition**
***New* Bilstein Shocks**

Key New Features:
Ride Command w/ Nav Standard
10 way Adjustable Bilstein Shocks
2X Output Rockford Fosgate Speakers

Improving Slingshot Product Across the Line

Slingshot Ride Command

Key Features:

7” Multi-Touch Screen Technology

100% Brighter vs. MY17 Screen

Most Intuitive System in Industry

Turn-by-Turn Navigation

Vehicle Information

Customizable Drive Screens

Easy Device Pairing (Phone & Audio)

Bluetooth & USB Connections

AM, FM, & Weather Radio



Improving & Expanding Ride Command

New Slingshot PGA for 2018



Ride Command Kit: $2,499
Navigation Upgrade: $499

Fits MY18 Models Forward



10-Way Adjustable Bilstien Shock Kit: $1,899

Fits MY17 SLR Forward



SL Rear Fender: $699
SLR Rear Fender: $799

Fits MY17 Models Forward



Quilted Comfort Seats: $799

Fits MY17 Models Forward



200w Premium Audio Kit: $799

Fits MY17 Models Forward



New Colored Accents Kits: $49+

Fits All Models

New Accessories To Drive Customization & Dealer Profitability

Slingshot Brand Building

Partnerships & PR









BONNIER

CAR AND DRIVER

SUPERSTREETBIKE.COM
SSB
PERFORMANCE | CUSTOMIZATION | STYLE

Influencers



SS Takeover Group
Full Throttle & Adrenaline
Lifestyle Magazines



Genevieve Schmidt
Women Riders Now



Dax Shepard – Actor
~110K likes ~2K comments



Sportbike Inc
Life in the Fast Lane (TV show)

Events

+50% event participation vs. 1H ‘16

11k+ NEW leads collected

Nearly **4k** demo rides resulting in **~144 units sold**



X GAMES

SEMA SHOW

ROC
RACE OF CHAMPIONS

NITRO WORLD GAMES

Showcasing Slingshot – Driving Awareness

Indian Motorcycle Video









CY17 Indian Product News



Roadmaster Classic
February 21, 2017
$26,999



Scout FTR 750
March 1, 2017
$50,000



Jack Daniel's
Limited Edition Chieftain
March 10, 2017
$34,999



Chieftain Limited
April 4, 2017
$24,499



Chieftain Elite
April 4, 2017
$31,499



Scout Bobber
July 14, 2017
$11,499



Springfield Dark Horse
July 25, 2017
$20,999



Roadmaster Elite
July 25, 2017
$36,999

Incredible Amount of News in 1H of 2017

Grow PG&A

New Accessories









Accessories for Chief Line

- 19” Wheel / Open Fender
- Updated Seats / Backrests / Bars
- Engine Cover Kits

Accessories for Scout Line

- Performance Exhaust & Intakes
- Solo rack, Solo rack bag
- Passenger seat/ pegs

Apparel & General Merchandise

New Categories
Made in America Line









Largest Opportunity for Dealers & Polaris Motorcycles

Indian Racing

BEGINNING JULY

NBCSN Mon/Thurs

2-3 minutes on IMC Wrecking Crew





9/10 Wins – 23 of 30 Podiums





It's the first time a female rider has won at Punks Peak and the first time an Indian has competed.

Wheels & Waves – Biarritz, France 2017

Driving Global Awareness & All Ages to the Brand

Indian Brand Building

Media

+3.5X total investment over 2H 2016

107M impressions | **+200%** vs 2H 2016

Heavy TV Starts in August

Partnerships







MAXIM

JACK DANIEL'S OLD No 7 BRAND



Call of Duty:

Player Reach: **40 Million**

Social Following: **32 Million**

Launch Budget: **$150 Million**

Age: **25 - 44** (41% of players)

Average Income: **$61K**

Events













EAA THE SPIRIT OF AVIATION

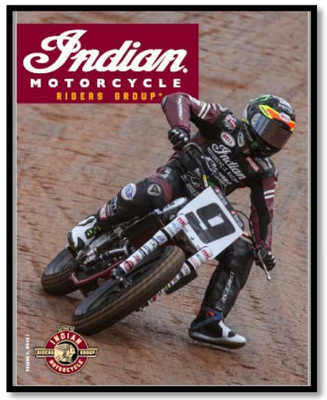
SEMA SHOW

SBK SUPERBIKE FIM WORLD CHAMPIONSHIP

Driving Indian Awareness

Customer Experience

OWNER NEWS







Owner Magazine

Owner Emails

OWNER SPECIAL OFFERS



Owner Direct Mail

IMRG Offers

OWNER EXCLUSIVE CONTENT





New Product Launches

Event Invitations

Driving Repeat and Referrals by Treating Our Owners as VIPs

Growing our Motorcycle Dealer Network







Dealer Count	North America	International
Indian MOTORCYCLE	~200	~170
SLINGSHOT	~475	~100

Developing The Right Distribution For Profitable Growth & The Desired Customer Experience

Motorcycle Operations

Spirt Lake/Spearfish



Stable, Consistent Quality

Paint capabilities/capacity has become a Profit Driver

Better processes, Cost Down through Lean

Huntsville



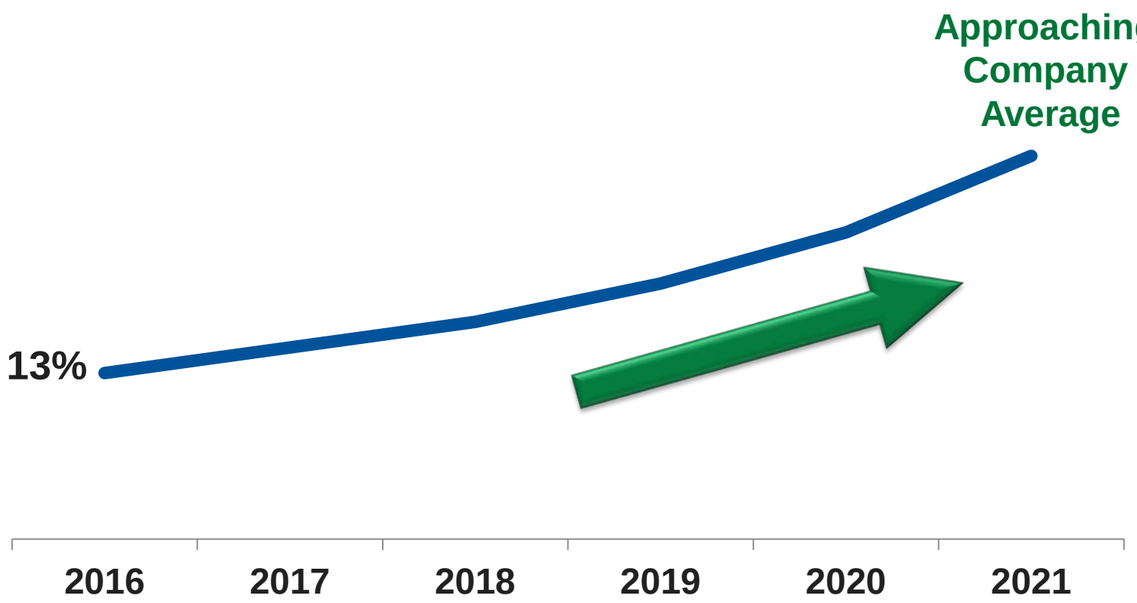
Large Investments In Quality:

- In Sourced Painting & Paint Protection
- Stricter Testing Requirements
  Verification Photo Booth
- Vehicle Crates from Factory to DC, Improved Transport Processes
- New Packaging Standards for PG&A

Improving Quality & Margins

Motorcycle Profitability

Motorcycle Gross Profit % of Sales



Aggressive Product Plan

Robust PGA Business

Leverage Growing Scale

Integrate Suppliers in Margin Expansion

Lean Tools & Standard Work

Relentless Attack on Profitability



POLARIS®

Steve Menneto
President – Motorcycles

QUESTIONS?



POLARIS®

POLARIS INDUSTRIES INC.

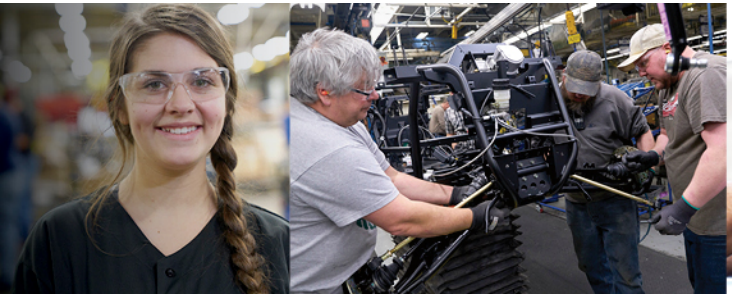
2017 ANALYST / INVESTOR MEETING – LAS VEGAS



BOB MACK
President – Global Adjacent Markets

Analyst & Investor Meeting

July 26, 2017





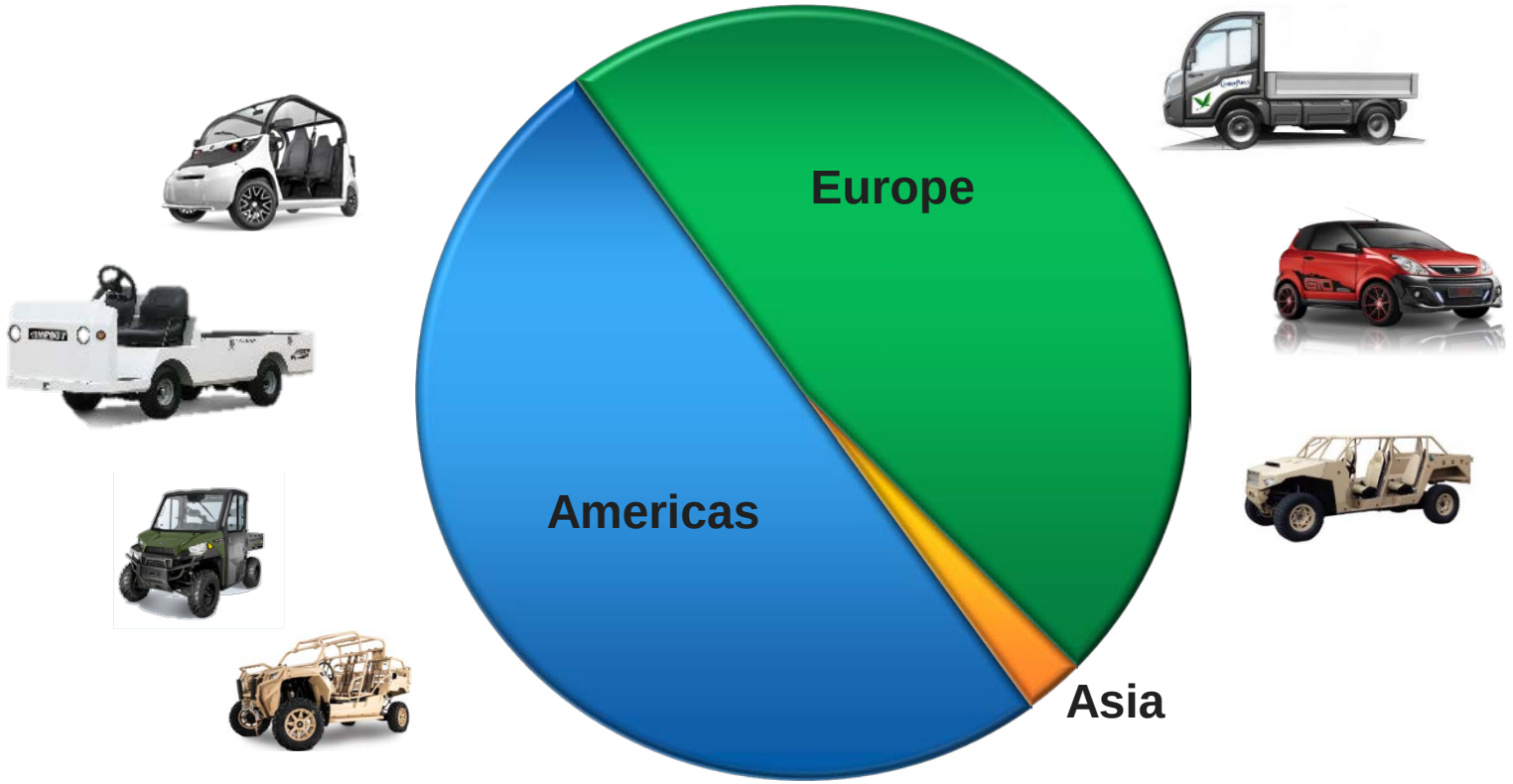



Global Adjacent Markets

	Consumer	Commercial	Government	Defense
Brands	AIXAM, GEM	GEM, GOUPIL INDUSTRIE, TD, POLARIS	GEM, GOUPIL INDUSTRIE, TD, POLARIS	POLARIS
Key Products	 	   	   	 
Primary Region	EMEA (Aixam) USA (GEM)	North America EMEA	North America EMEA	USA Allied Nations
Primary End Markets	Rural Drivers (Aixam) Young Drivers (Aixam) Golf Communities (GEM)	Colleges & Universities Material Handling Rental Urban Deliveries Urban Mobility	Federal, State, Local Police Fire Border Patrol Municipalities	Army, Navy, Marines, Air Force Special Operations

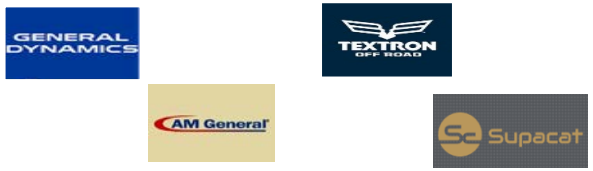
Focused on an $4B+ Market Incremental to Polaris Retail Businesses

Global Adjacent Markets – 2016 Revenue by Region



Geographically Balanced Business Targeting $4+ Billion Market

Competitive Landscape

Market	Competitors	Comments
Consumer		Ligier sold to private equity in 2016 Club Car launched new PTV in 2017 EZGO first mover in Li-Ion golf cars
Commercial / Industrial		Diverse end-markets and competitors Textron consolidating its various vehicle platforms Construction players more aggressive in rental
Government		Budgetary and discretionary spend drives demand / timing for vehicle purchases Typically upfit of consumer or commercial products
Defense		Polaris a niche player focused on light mobility platforms Competitors have strong legacy and significant resources for vehicle programs

Diverse Set of Competitors

Global Adjacent Markets Strategy

Create and acquire strong brands that offer task oriented small vehicles that meet the needs of our commercial and government customers

Establish Polaris as the leading provider of ultra-light combat vehicles to global defense customers, leveraging our commercial off-road innovation

Drive innovation through both the Global Adjacent Markets and Polaris consumer products by leveraging government and customer-funded advanced R&D

Optimize our global operations to maximize profitability and customer service across our varied brands and businesses

Pull Together Brands/Products to Bring Comprehensive Solution to Customers

Global Adjacent Markets – Growth Drivers

	Growth Drivers	Polaris Strategy
Consumer	Transition from older, rural buyers to younger, urban consumers Improved range and performance of electric vehicles	Youth oriented Aixam products and accessories Shared Li-Ion development and supply across the Polaris portfolio
Commercial	Sustainability goals of end customers Availability and cost of labor	Focus on key vertical markets Autonomous and autonomous ready products
Government	Focus on security and border patrols Infrastructure spend	Targeted solutions for government agencies with highly customized accessory offerings
Defense	Growth in Special Operations forces Mobility and transportability Higher tech vehicle / soldier protection systems	Lead with innovation in ultra-light combat vehicles Leverage government R&D programs and commercial expertise to deliver the most technically capable products

Strong Growth Potential

Growth in Consumer Markets

Aixam continues to lead the European Quadricycle (EQC) market

- “No license” vehicles compliant with European legislation
- Sold throughout Europe with both diesel and electric powertrains
- Historically purchased mainly by rural buyers

New Li-Ion based electric vehicle launched in 2017

- More power and range than previous models
- Updated styling and ergonomics
- Targeting an urban buyer who may have previously bought a scooter
- Significant increase is electric sales year over year





Customer Focused Innovation Driving Growth

Consolidation and Leverage – Taylor Dunn

Operations / Supply Chain

- Transferring GEM manufacturing and assembly to Taylor Dunn facility in Anaheim, CA
- Will leverage facility, management, suppliers and logistics to improve GEM business performance
- Project will be completed in Q4

Channels

- Expanding GEM channels via addition of Taylor Dunn dealers
- More than 30 new dealer locations added in the last 14 months
- GEM unit volume through this channel has doubled
- Improved service and support capabilities for GEM commercial customers

Products

- Launched Taylor-Dunn G-100 utility vehicle leveraging Polaris technology
- Utilizes Polaris Pro-Star engine
- Vehicle has a 1,000 lb payload and 1,500 lb towing capacity
- Gives the Taylor-Dunn dealer base a new way to compete in the market

Improving Operating Performance, Quality and Dealer Profitability







Taylor-Dunn Results on Track with Acquisition and Synergy Plan

Polaris Innovation Win – Urban Grocery Delivery





Urban grocery delivery business is expanding rapidly in the Netherlands

- Goupil customer Picnic recently raised €100M in B series round
- Company utilizes customized electric vehicles to make deliveries in urban centers
- Delivery is free to the company's 30,000+ customers

Goupil launched new G4 electric vehicle in 2017

- Combination of the best of the Mega E-Worker and the Goupil G3
- Long life Li-Ion battery option
- Increased cargo capacity
- Improved ergonomics and quality

Opportunities to leverage the electric vehicle portfolio (GEM, Goupil, Taylor-Dunn)

Sales for the Goupil business up 15+% YoY

Solving Customer Needs with Market Leading Innovation

Polaris Defense Win – Canadian Special Forces

$15.5 Million contract awarded for DAGOR Ultra-Light Combat Vehicles (ULCV)

- Competitive vehicle selection process including field trials
- Contract includes options for additional units

Custom vehicles with new features and capabilities

- Redesigned payload configuration
- New weapons mounts
- Electrical systems upgrades and integrated communications systems

Success driving interest from other allied nations

- Global need for flexible, customizable, air transportable ultra-light combat vehicles for growing Special Forces missions
- Already won another major allied contract award





Leveraging our Off-Road Experience to Drive a Revolution in Military Affairs

DAGOR Video



Polaris Defense –Success with MRZR-D (Diesel)





MRZR D4 launched May 2016 and MRZR D2 Launched February 2017

- New military only Turbo Diesel engine, 80% more efficient than gas
- Operates on heavy fuel typically available at bases

Diesel option accelerates growth of MRZR

- Canadian Military for Light Infantry Battalions
- U.S. Army expands MRZR fleet
- U.S. Marine Corps for fleet of internally transported vehicles (F-ITV)
- Various allied nations have made purchases

Cost, performance and flexibility driving sales

Platform of choice for multiple missions

"The UTV is a perfect example of how we can do acquisition faster and more efficiently. It may be a model for obtaining items from industry quicker in the future." – Mark Godfrey, vehicle capabilities integration officer at Marine Corps Combat Development and Integration.

Leveraging Polaris Commercial Technology to Expand our Business

Global Adjacent Markets Outlook

2017 Objective	2017 Expectations	2017 Comments
Revenue (incl. PG&A)	Up Mid-Single Digits %	**Solid Growth Expected** GOV, Aixam, Goupil and Taylor-Dunn annualization
Gross Profit (% of sales)	Similar to Prior Year	**Gross Margin Opportunity** Sales leverage, mix, expense management

Strong Global Adjacent Markets Results in 2017



POLARIS

BOB MACK

President – Global Adjacent Markets

QUESTIONS?

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POLARIS INDUSTRIES INC.



MIKE DOUGHERTY
President – International

Analyst & Investor Meeting

July 26, 2017



2017 YTD Overview

INTERNATIONAL

EMEA

Rev & Profit Growth. Clean Inventory. Opole improving.
ORV growing led by RGR. Indian strong growth throughout region.

Latin America

Polaris growth momentum continues led by Mexico ORV & MC.

Asia Pacific

Australia strong growth in both ORV & MC. China Indian MC business up.

Product

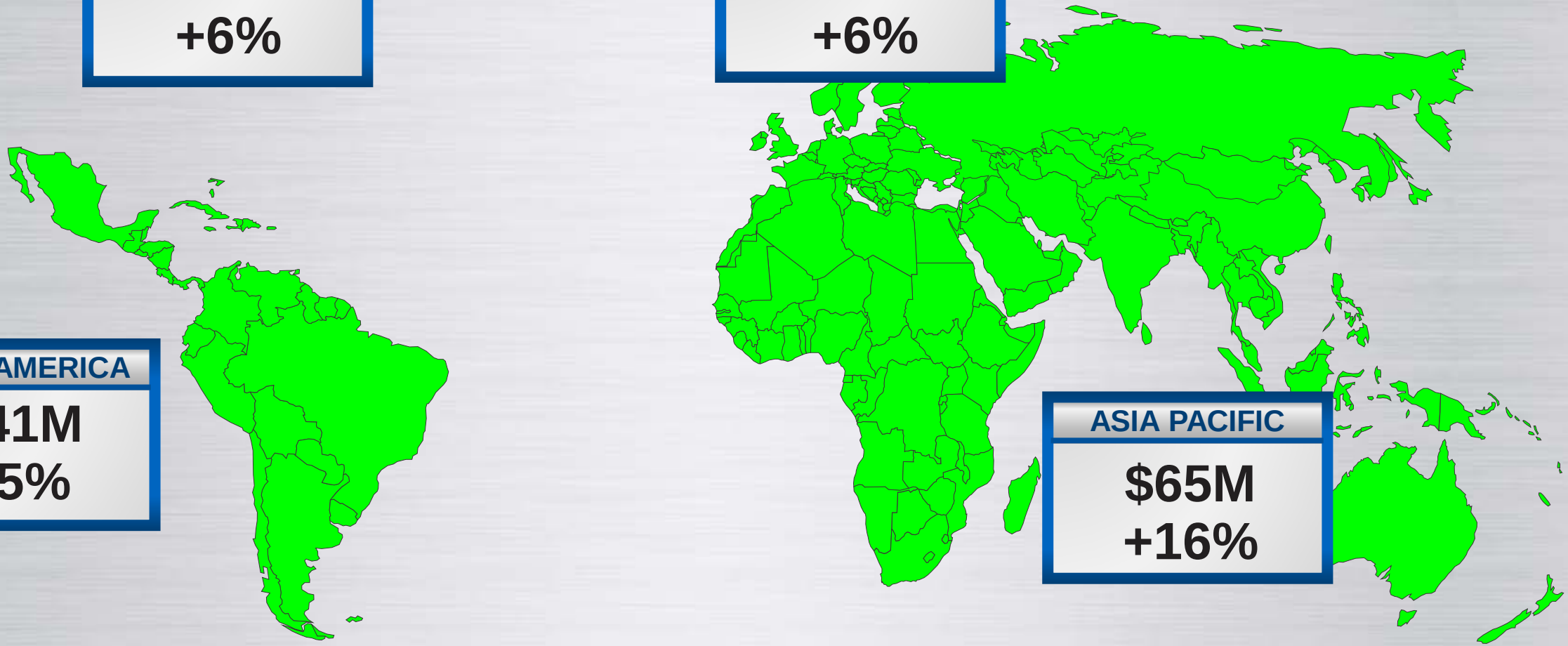
MY18 ORV: Strengthening RGR with new XP1000 and EU General.
MY18 Motorcycle: Scout Bobber key new model.

Growing Business. Beating Plan. Building Global Foundation.

2017 International Revenue Growth YTD

INTERNATIONAL
$357M
+6%

EMEA
$251M
+6%



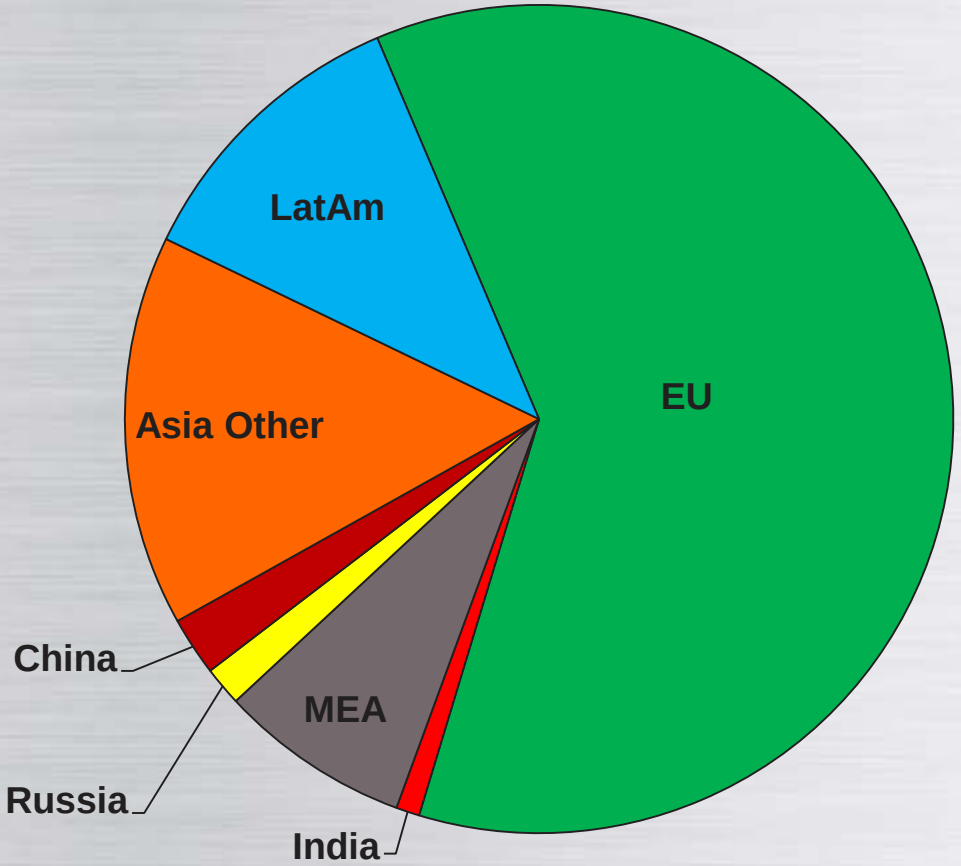
LATIN AMERICA
$41M
+5%

ASIA PACIFIC
$65M
+16%

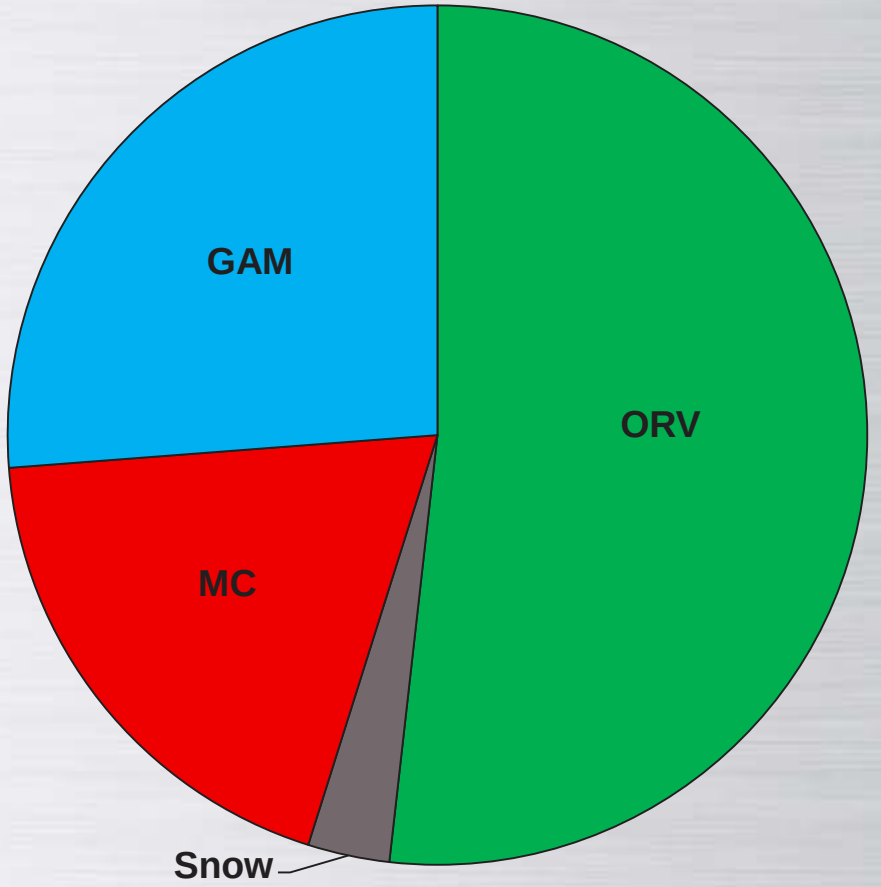
All Regions Growing. Australia/New Zealand +34% Driving Asia Pacific

International Revenue Breakdown

1H 2017 Revenue by Region



1H 2017 Revenue by Business Unit

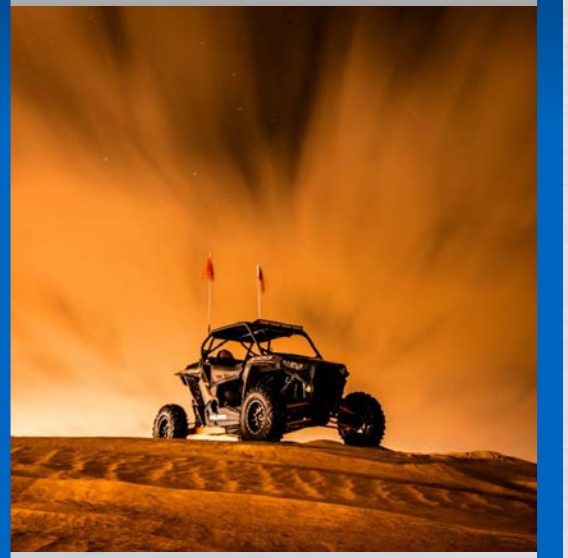


EU #1 Region. ORV #1 Business Unit.

2017 – INTERNATIONAL OVERVIEW

REGAINING OFF-ROAD MOMENTUM

RZR REBOUND



Defend #1 Business

Mexico, China, UAE Lead

Customer Loyalty

RANGER Growth

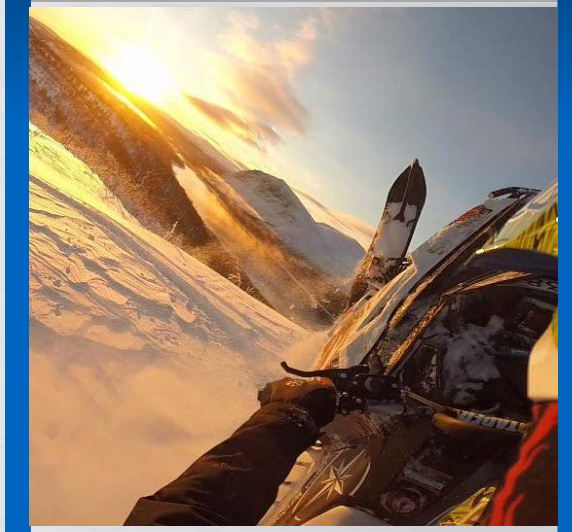


GENERAL Focus

EU Built

+20% YTD

MAXIMIZE SNOW



Titan Launch!

Dealer Engagement

Russia Rebound

2017 – INTERNATIONAL OVERVIEW

DRIVE INDIAN GROWTH!

EUROPE



Rev & Share Growth

Building Brand

IMRG Experience

ASIA PACIFIC



Australia +60%

China 1200cc+

Japan Focus

LATIN AMERICA

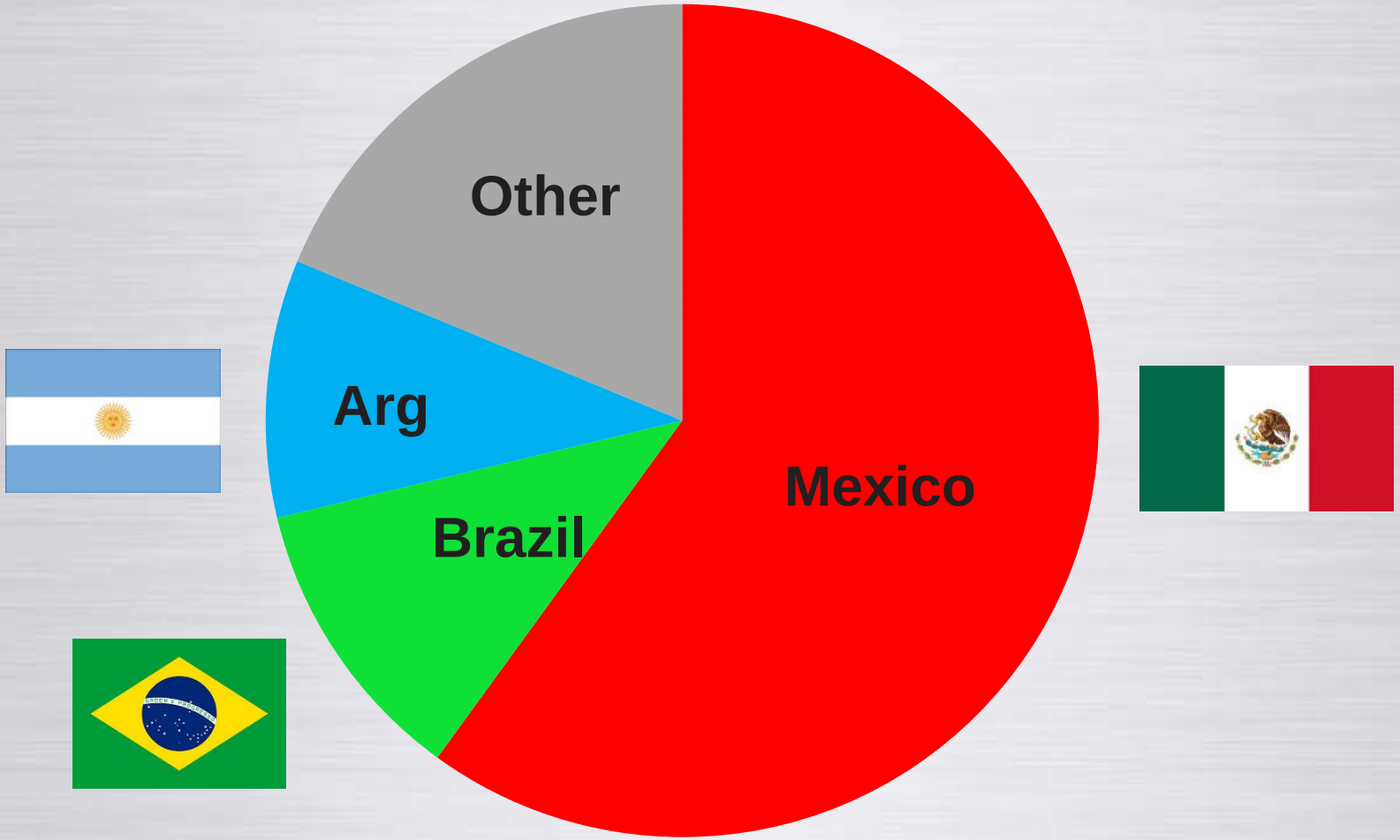


Mexico Expansion

Brazil Stability

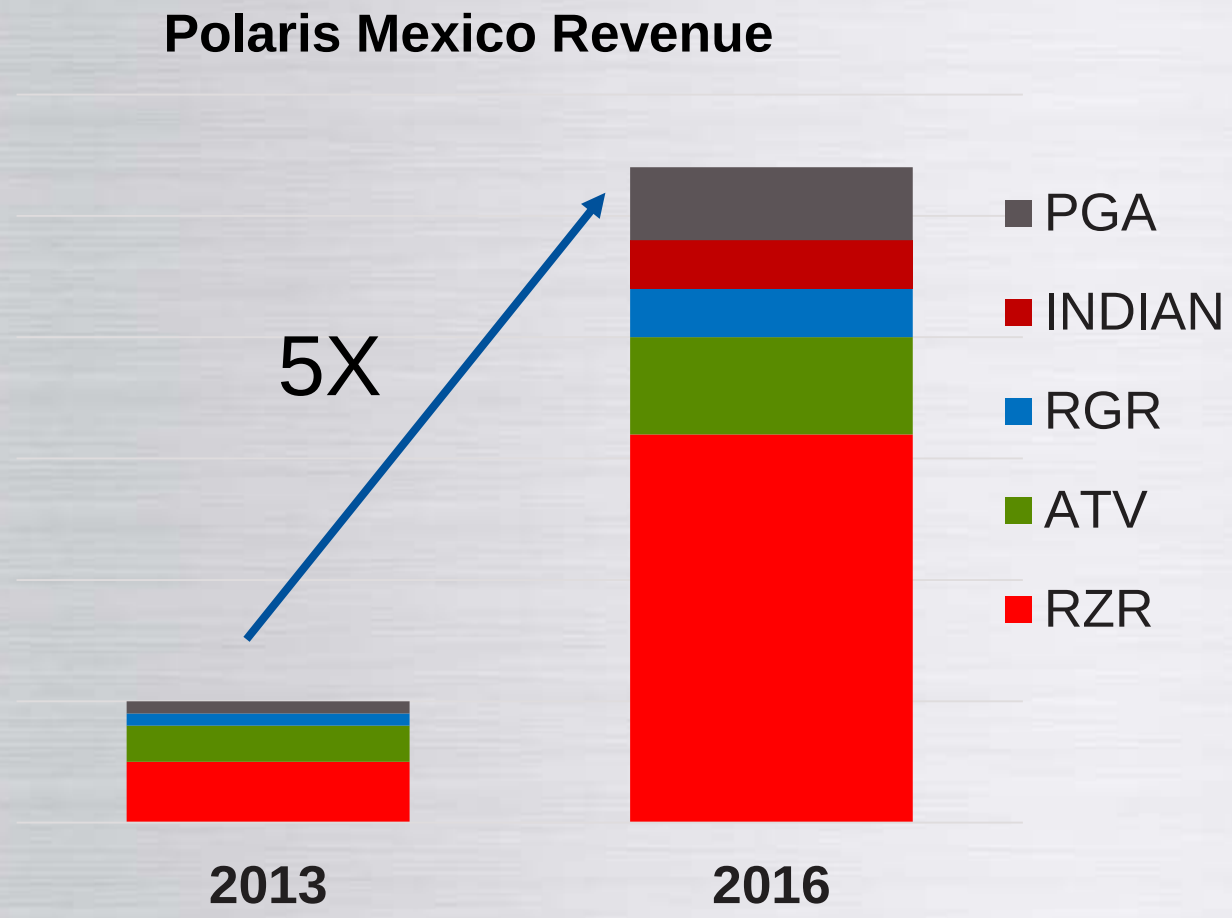
3 New Distributors

Latin American Revenue



México es Muy Importante!

Maximize Mexico



#1 International *RZR* Market

ATVs +25%

Indian 10% MS in 1st Yr.

Slingshot on Track

PG&A Ramping Up

Adding Taylor-Dunn and TAP

Growth despite Peso -40%+ since ‘13

Leveraging Great Team to Drive Growth in All Product Lines

Polaris Mexico Video

2017 DIRECTION – HOW WE WILL WIN

REGAIN OFF-ROAD MOMENTUM

DRIVE INDIAN GROWTH

MAXIMIZE MEXICO

Grow Business. Beat Plan. Build International Foundation



POLARIS®

Mike Dougherty
President – International

QUESTIONS?



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CHRIS WOLF
President – Snowmobiles & Timbersled

Analyst & Investor Meeting

July 26, 2017



MY18 Snowmobile Brand Video (1:58)



Snowmobile Industry



213,000
Miles of Trails



1.8 Million
Registered Units in N. America



$39 Billion
in Economic Activity



3,000
Snowmobile Clubs

Healthy Sport, Driven by the World's Most Passionate Enthusiasts

So, what does 213,000 miles of trails, built by 3000 clubs for 1.8 million sleds look like?

POLARIS
RIDECOMMAND™

MAP | RIDES | MAINTENANCE | Club/Trail Manager | Support | Create Account | Log In

Riding Areas

RIVERGATE TRAIL
OPEN Trail System

BLACK RIVER FEEDER CANAL TRAIL
CLOSED Trail System

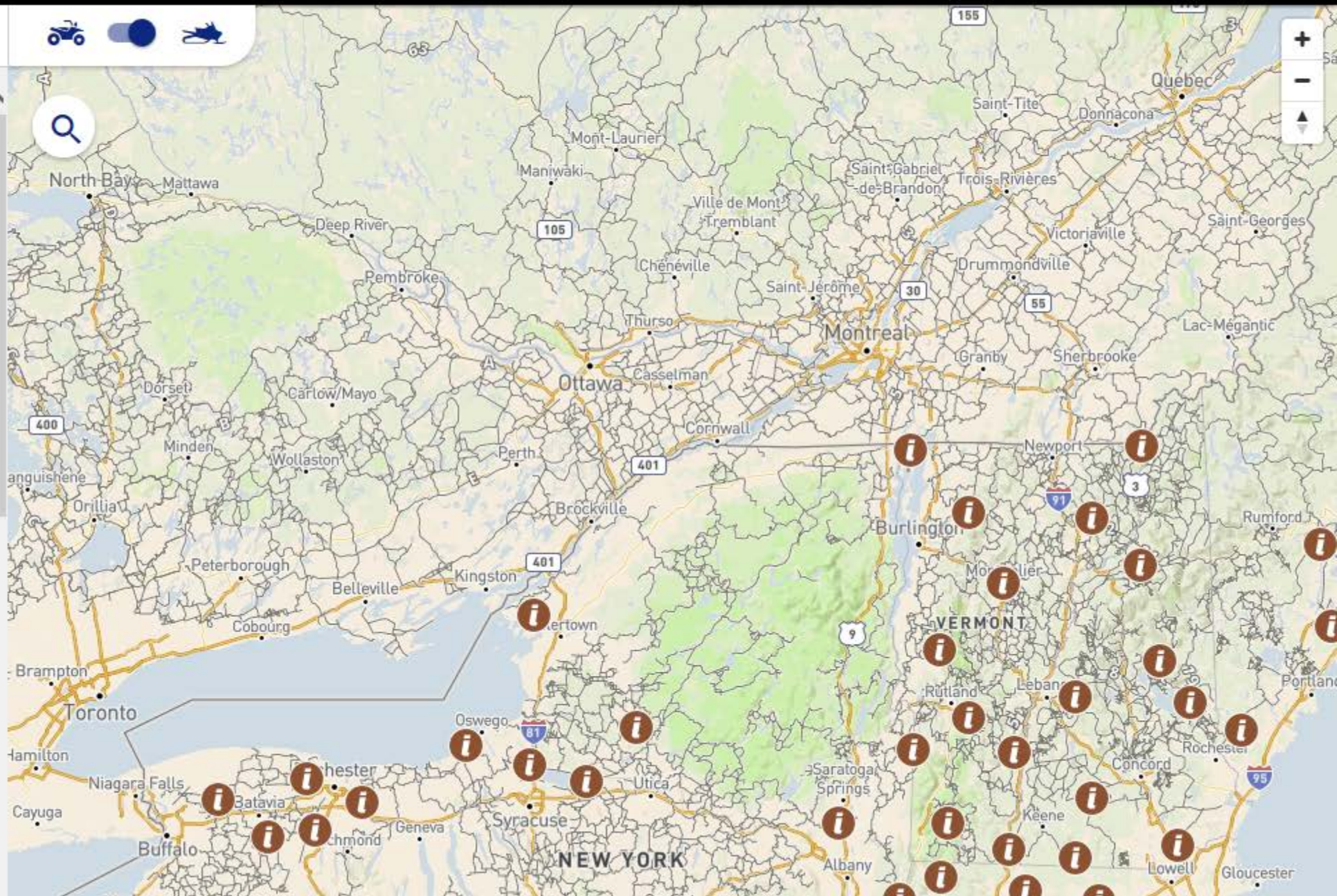
ADIRONDACKS TUGHILL
OPEN Trail System

VERONA BEACH STATE PARK RAIL TRAIL
OPEN Trail System

OSWEGO COUNTY TRAIL
CLOSED Trail System

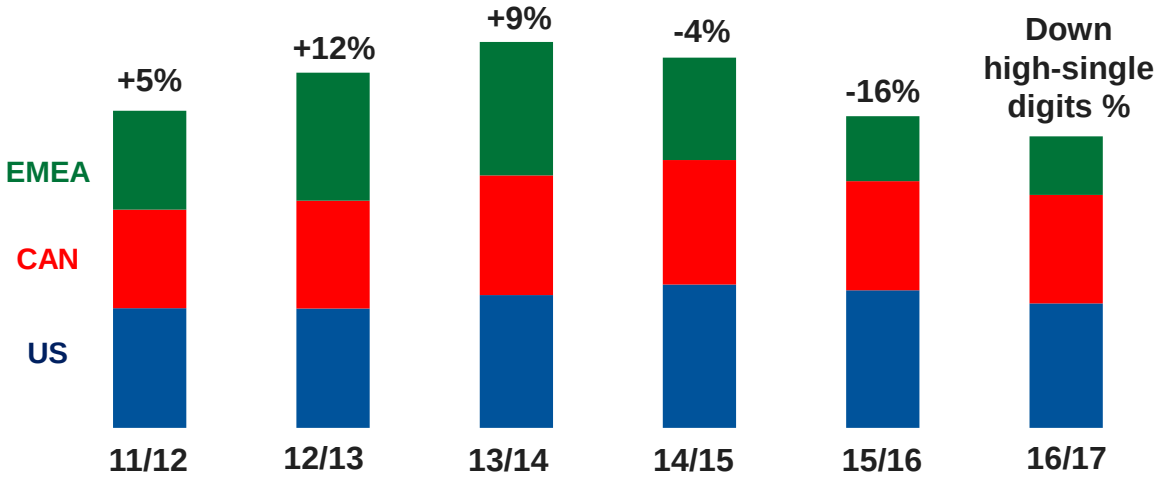
CATO-FAIR HAVEN TRAIL
OPEN Trail System

ALBURG RECREATIONAL RAIL-TRAIL

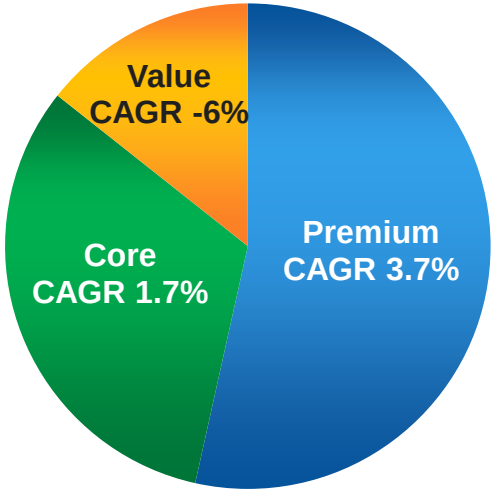


Global Snowmobile Industry Performance

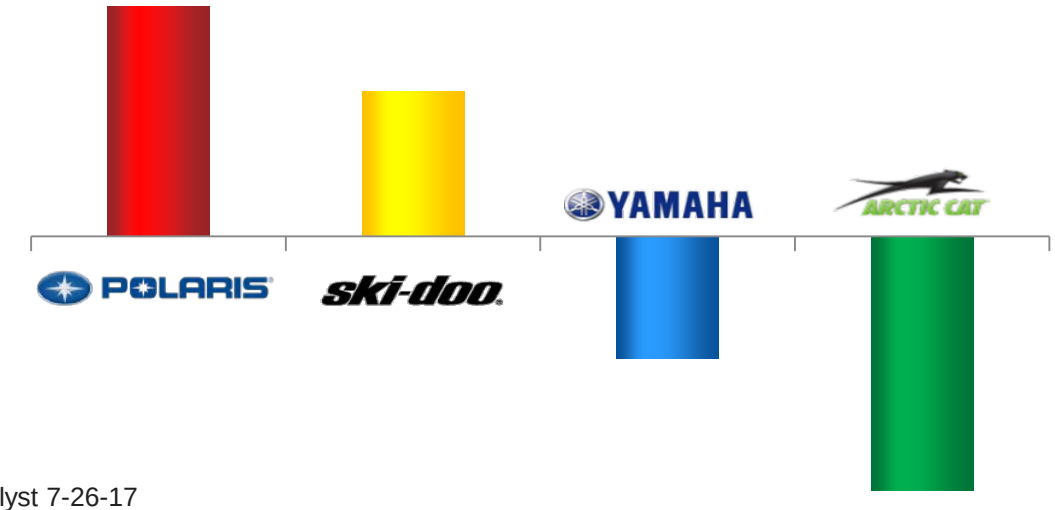
Industry Retail Units (5-year CAGR -1.7%)



Premium Segment is Healthy and Growing



N.A. Share Growth by OEM Since 2010



Snowmobile Industry Outlook

Industry down mid-single digits due to spotty snowfall

Dealer inventory, promotions elevated

Polaris competes strongest in Premium segments

Market Share (North America, Norway, Sweden, Finland)

Worldwide Share	13/14 Season	14/15 Season	15/16 Season	16/17 Season
BRP	↓	↑	↑	↓
POLARIS	↓	↑	↑	↓
ARCTIC CAT	↑	↓	↓	↓
YAMAHA	↑	↓	↓	↑

Polaris Performance Highlights During 16/17 Season

Polaris share erosion driven primarily by soft retail performance of Value models

Premium AXYS-chassis models retailed well and continued to earn high satisfaction scores

Timbersled awareness campaign and improved distribution is fueling growth

MY 2018 Product News



MY 2018 News Summary

Expanded SKS and XCR Lineups





All New Titan Extreme Crossover







All New Timbersled ARO





Exciting New Product Introductions for Existing and New Customers

NEW POLARIS TITAN



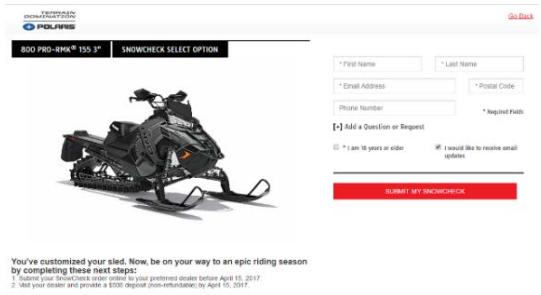
NEW TIMBERSLED ARO



Marketing Leadership

Industry-Leading Reach





High Quality Traffic, Leads with Industry's Most Engaged Fans

Top Partners and Athletes

WINTER X GAMES





AMSOIL CHAMPIONSHIP SNOCROSS ISOC

The Weather Network



Reaching New Audiences Through Key Partners, Athletes

Rewarding Loyalty





☐ 50% OFF ANY JACKET
— OR —
☐ 50% OFF ANY STORAGE BAG



Building Loyalty with Targeted Marketing, Events, Promos

Building Our Brands and Reaching New Customers

Growth Strategy Roadmap

1. Industry Leading Quality and Satisfaction

Innovative AXYS platform driving improved customer satisfaction

2. Product Innovation

Frequent product news drives retail excitement and share growth

Investing to extend our lead in snow bikes

3. Strong Marketing Support

Passionate, loyal customers

Industry's best athletes and partnerships

Driving Snowmobiles and Snow Bikes Forward with Quality and Innovation



POLARIS®

Chris Wolf
President – Snowmobiles

QUESTIONS?



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POLARIS INDUSTRIES INC.



MATT HOMAN
President – Off-Road Vehicles

Analyst & Investor Meeting

July 26, 2017



AGENDA

1. Market Overview

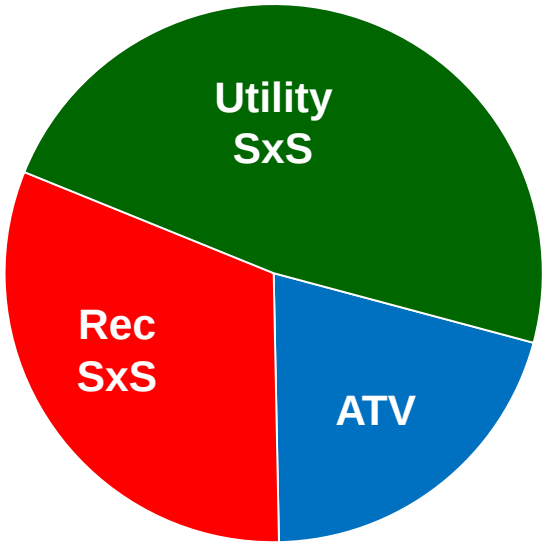
2. 1H Results

3. 2H Launch Plan

Market Overview

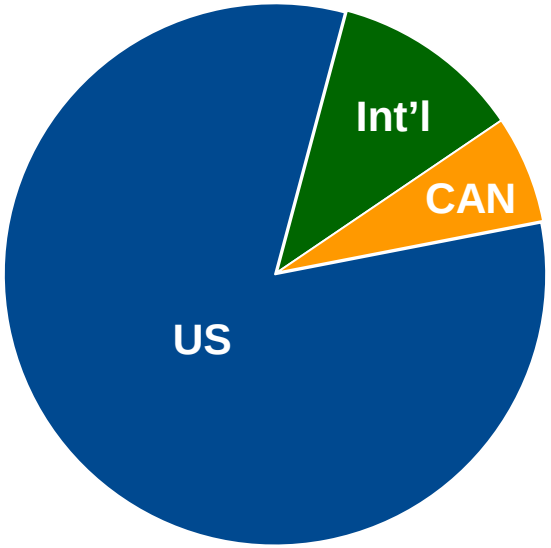
POLARIS ORV OVERVIEW

Revenue



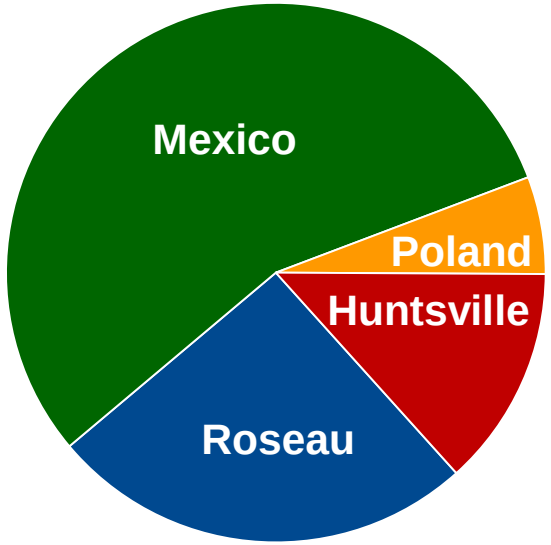
Utility SxS #1
Rec SxS #2
ATV important

Region



NA continues to lead
Int'l important long-term

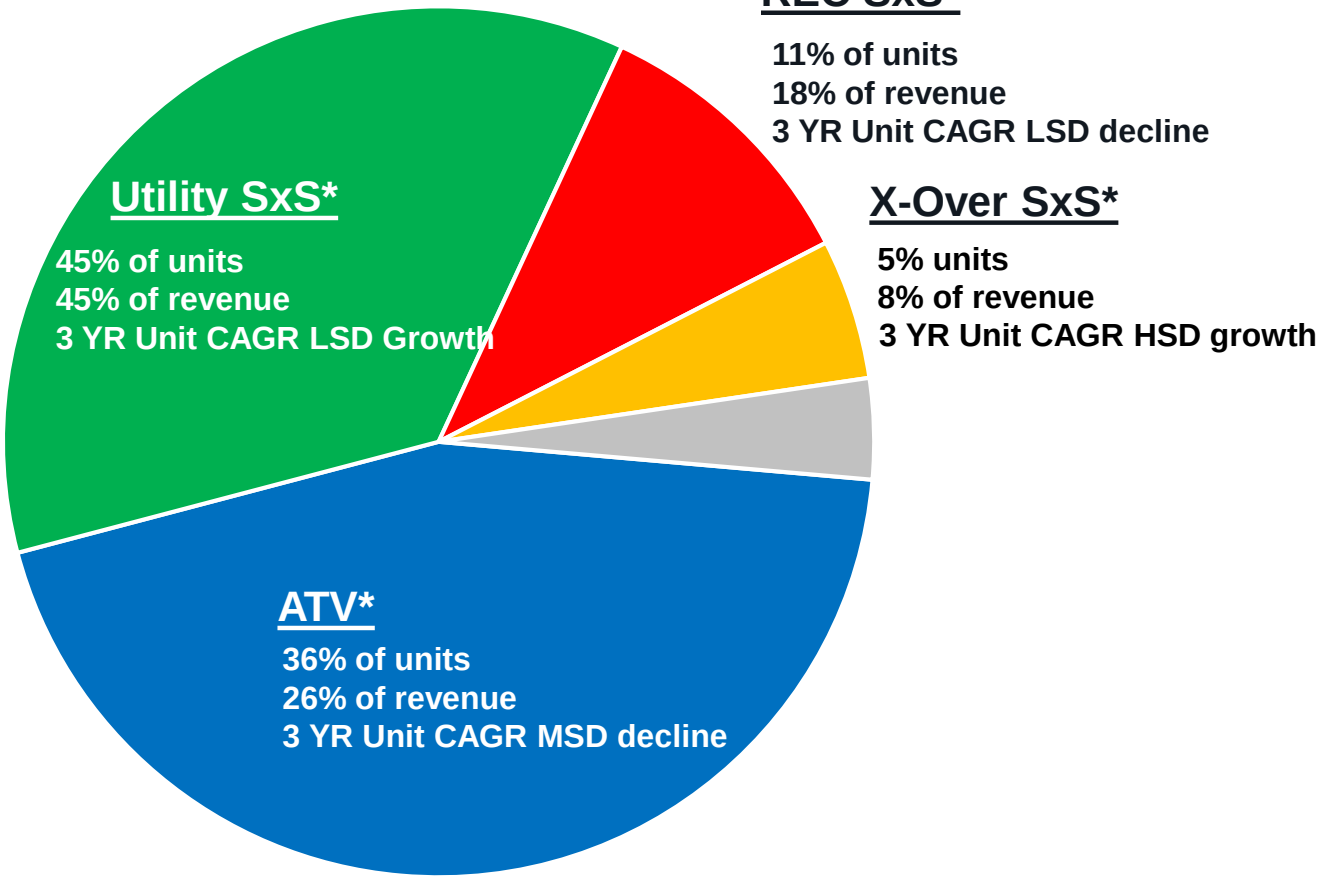
Manufacturing



Huntsville live
Roseau/Mexico critical
Poland feeds EMEA

DIVERSE PRODUCT AND GEOGRAPHIC PORTFOLIO

ORV INDUSTRY OVERVIEW



Summary

Polaris #1 In ALL Segments

3 Year CAGR Units = Down LSD

3 Year CAGR $ = UP LSD

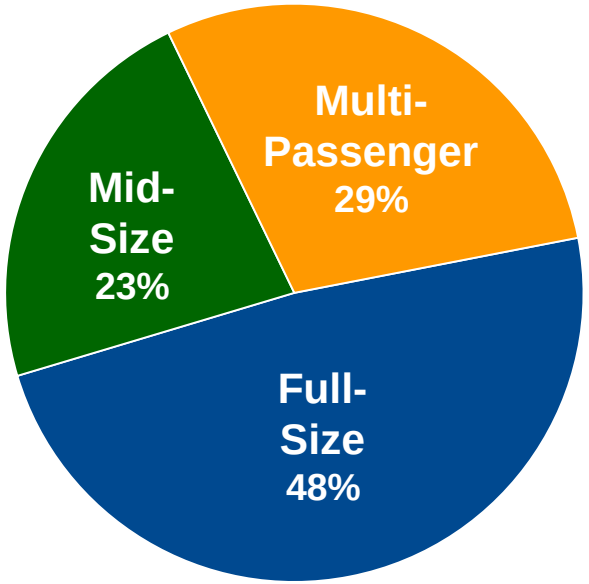
Growth Driven by SxS

Off-Road Vehicle Market in units (estimated)

SXS DRIVING THE INDUSTRY

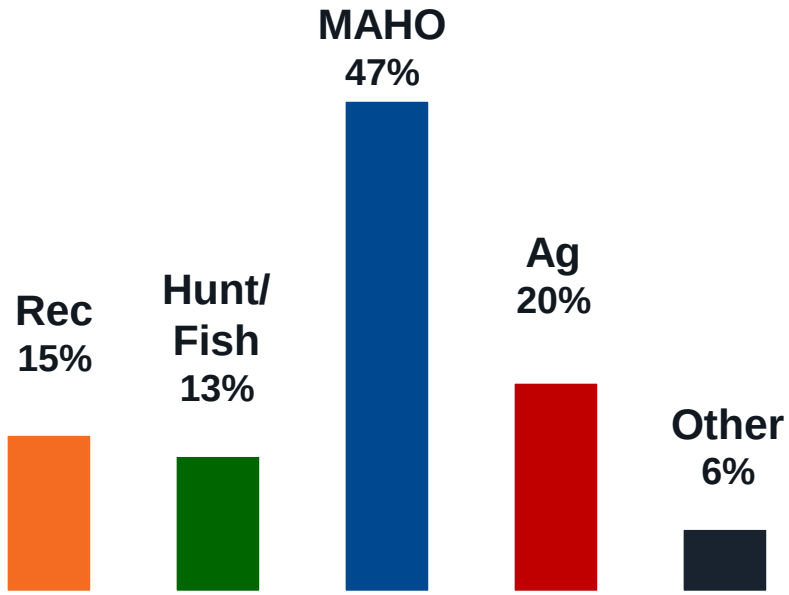
UTILITY SXS OVERVIEW

What Sells



Full size most critical

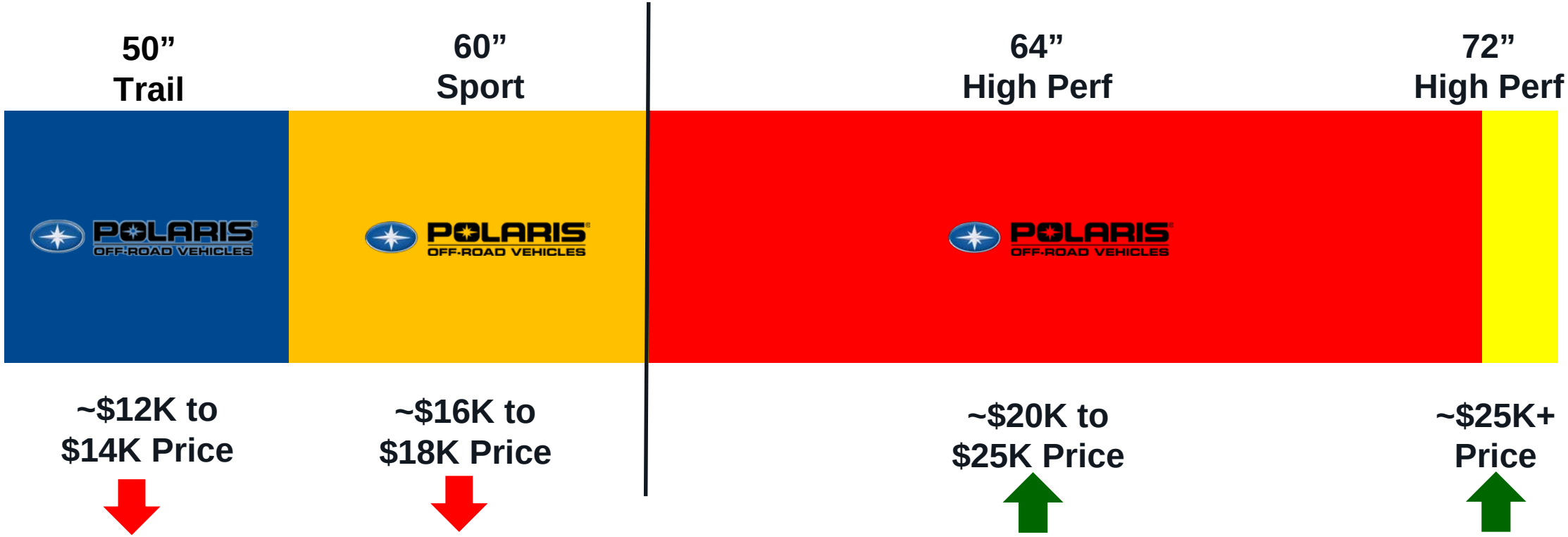
Who Buys



MAHO #1
Ag #2
Hunt/Fish #3

LANDOWNERS = CRITICAL CUSTOMER; FULL-SIZE MOST IMPORTANT

RECREATION SXS OVERVIEW



64” High Performance dominates market – outstanding performance + versatility

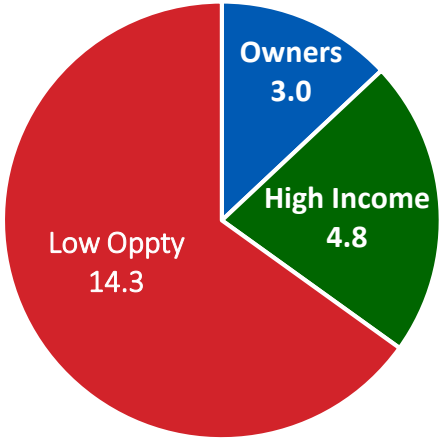
72” Emerging space

Primary buyer = 43 year old male with $140K HH income – has family and uses for recreation 80%+

64” SEGMENT EMERGED AS HEART OF THE MARKET

GROWTH OPPORTUNITIES

RECREATION INTENDERS



3M
Intenders on PII.com

5M
High-Income Rec Enthusiasts

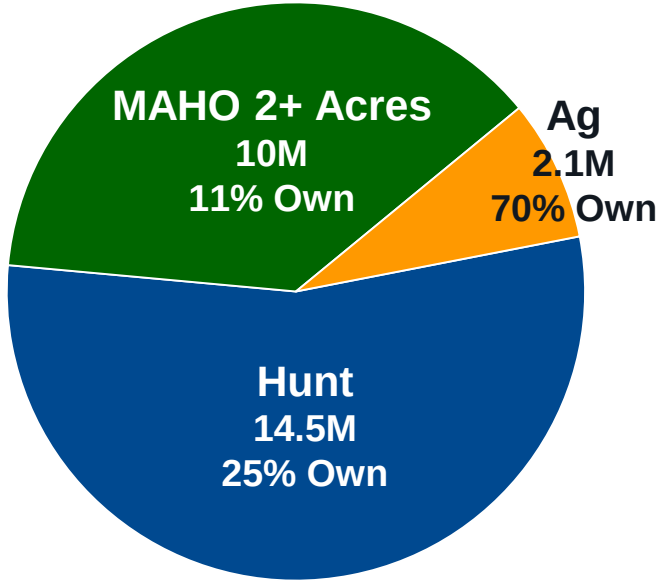
POLARIS INSTALLED BASE

Polaris Owners

2.5M



UTILITY INTENDERS



LARGE UNTAPPED TARGET GROUPS + LARGE INSTALLED BASE

1H Results

INDUSTRY PERFORMANCE TRENDS

	ATV	SxS	
POLARIS OFF-ROAD VEHICLES	↓	↓	2017 Improvement vs 2016 – more work to do
HONDA	↓	↑	Utility SxS
YAMAHA	↑	↓	Youth/value driven
	↑	↑	ATV value + Rec SxS + Utility SxS
Kawasaki Let the good times roll.	↓	↔	Utility SxS
JOHN DEERE		↓	Continued threat

RETAIL TRENDS IMPROVED SEQUENTIALLY – SHARE CHALLENGED

1H SUMMARY

Improve Full-Size RANGER Retail		**Double digit sequential improvement vs. Q4**
Gain Share in 500cc ATVs		**500cc solid – share issues outside**
Drive GENERAL Growth		**High double digit growth – #1**
Deliver RZR Retail Plan & Improve Quality		**Retail on plan, MY17 early quality ~30%+ improvement**
Hit Financial Commitments		**Modestly ahead of financial plan**

IMPROVEMENT PLAN ON TRACK – TREMENDOUS WORK REMAINS

2H Launch Plan

BIG CHANGES

ATTACK

FUTURE

BIG INVESTMENTS CHANGES

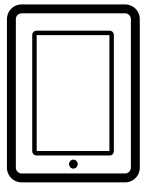
BIG Changes – Dealer Partnership

BIG Investment – Product Quality

BIG Investment – Retail Support

BIG CHANGES – DEALER PARTNERSHIP

EASIER TO DO BUSINESS WITH



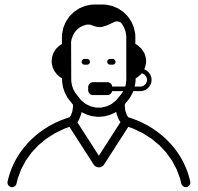
SIMPLIFIED COMMUNICATIONS PROCESS



EASIER DEALER EXTRANET SYSTEM



LONGER CUSTOMER SERVICE HOURS



FASTER CALL RESPONSE TIMES

BECOMING BETTER PARTNERS

BIG CHANGES – DEALER PARTNERSHIP

SIDE-BY-SIDE RFM

SEPTEMBER	OCTOBER	NOVEMBER
PROFILE AGREEMENT	ORDERS BEGIN	FIRST SHIPMENTS

SxS RFM GOES LIVE IN THE 2H OF THIS YEAR

GRADUAL IMPROVEMENTS THROUGH Q4 AND EARLY 2018

FULLY OPERATIONAL DURING 1H'18

IMPROVED SHIP DATES & VISIBILITY PLUS RETAIL FOCUS

NEEDED IMPROVEMENTS TO MANAGE INVENTORY AND RETAIL

BIG INVESTMENT – PRODUCT QUALITY



QUALITY SYSTEM DRIVING BIG IMPROVEMENTS

BIG INVESTMENT – DRIVE RETAIL



STRONG ADVERTISING

~60%+

DEALER REWARDS

$12M

RZR & RANGER NEWS! – MOTIVATE RETAIL

POLARIS RANGER®

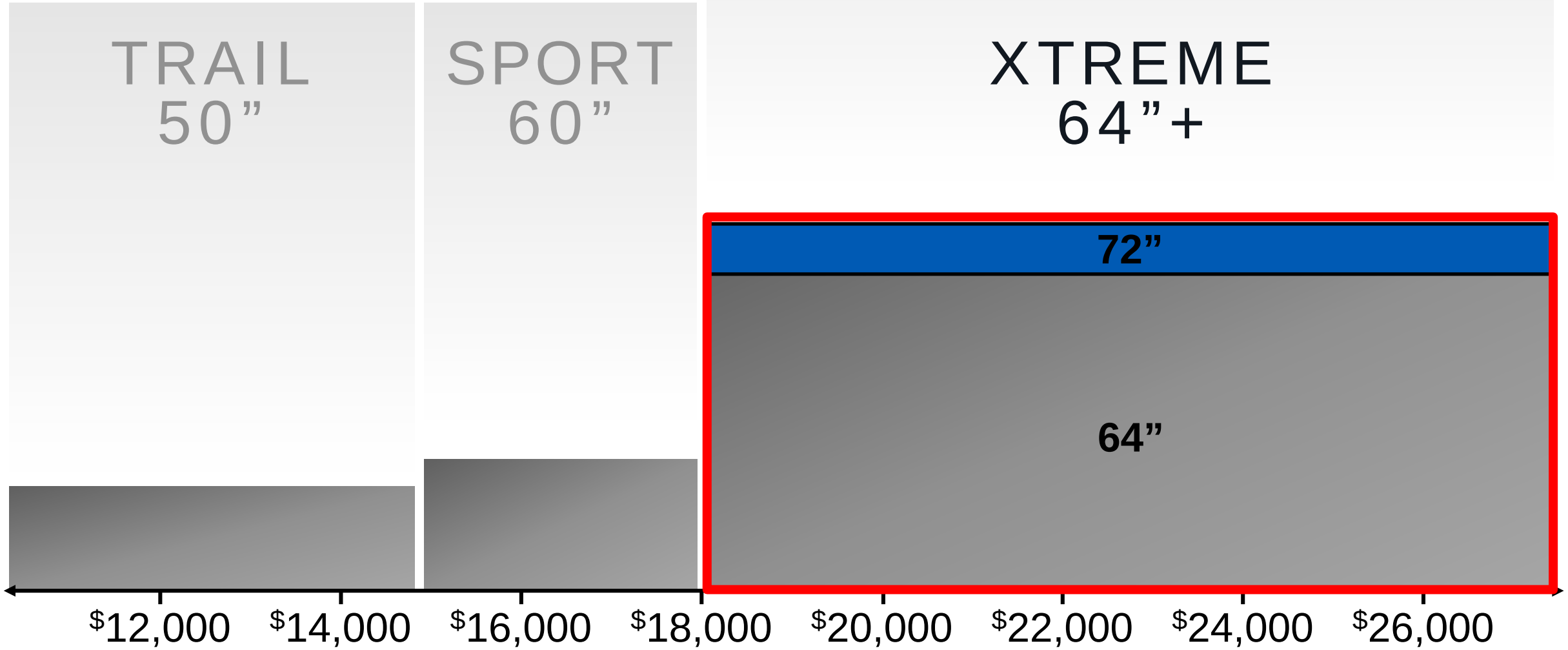
POLARIS RZR®

HUGE INVESTMENT TO DRIVE FAC RETAIL


POLARIS®
RZR®
BOLD
ATTACK

RECREATION SXS: 64” = HEART OF MARKET

92% of XTREME PERFORMANCE = 64”



WHY 64” IS HEART OF THE MARKET?



ONLY **12%** RIDE IN
JUST DUNES + DESERT

NEARLY **75%** RIDE IN
3+ TERRAINS





WINNING FORMULA

ULTIMATE COMBINATION

POWER + SUSPENSION + AGILITY

~EQUAL	~EQUAL	SUPERIOR

RZR IS MOST AGILE 64” MACHINE

6º BETTER

BETTER APPROACH ANGLE



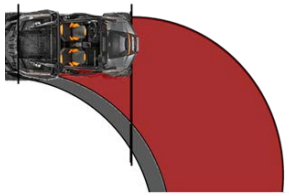
15% BETTER

RAMP OVER ANGLE



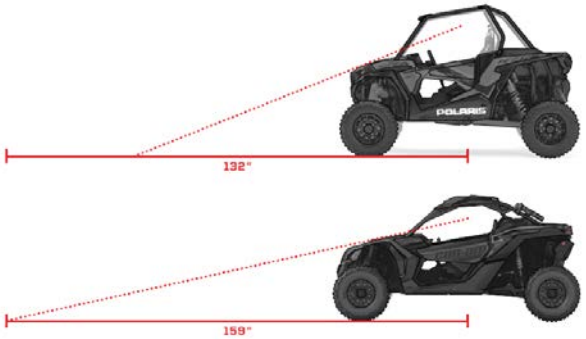
29% BETTER

OFF-TRACKING



Over 2 Feet Better

SIGHTLINES



ENGAGES FASTER

AWD SYSTEM



~EQUAL

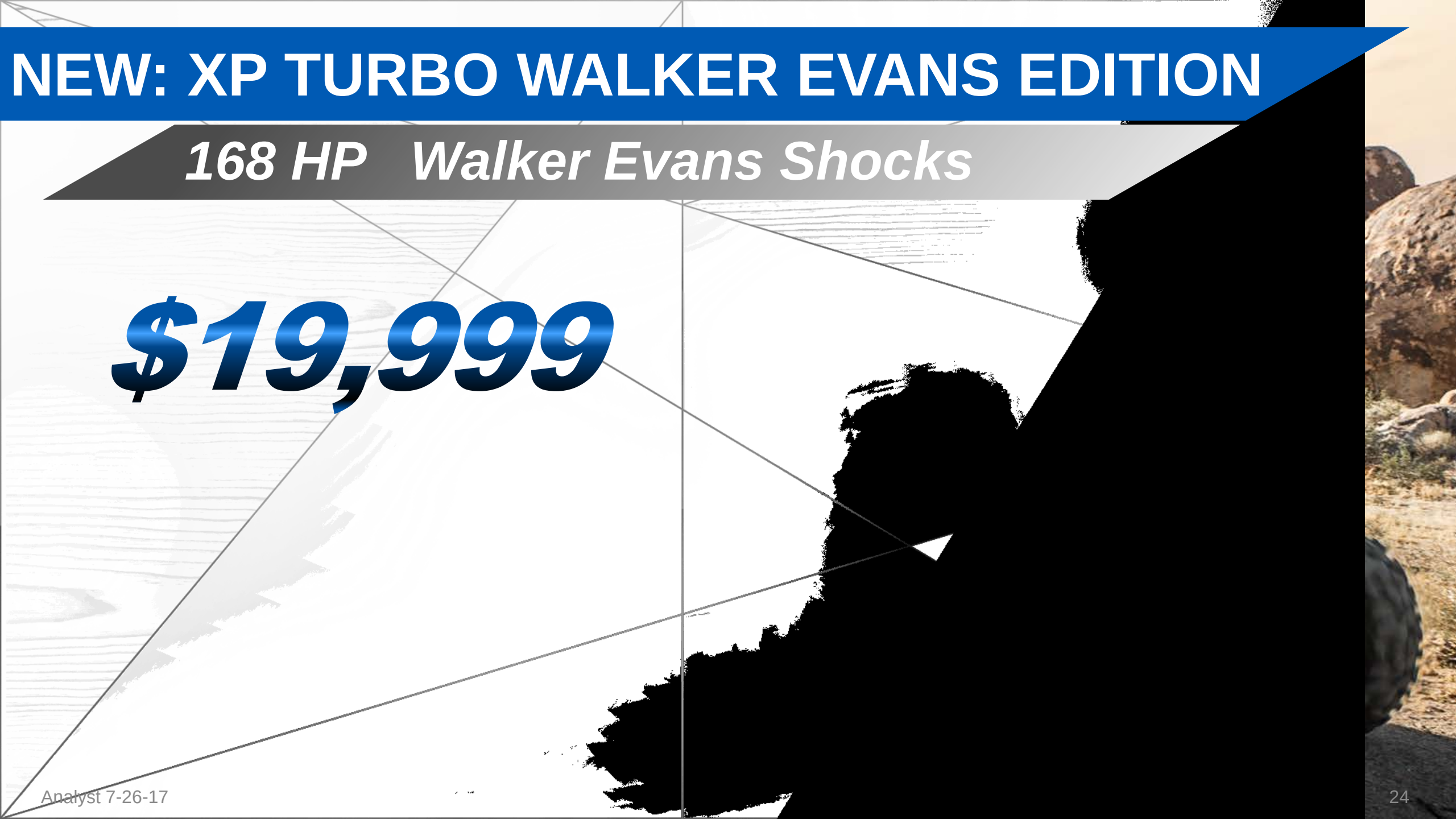
Center of Gravity



NEW: XP TURBO WALKER EVANS EDITION

168 HP Walker Evans Shocks

$19,999



NEW: XP TURBO DYNAMIX ACTIVE SUSPENSION

168 HP

ADDITIONAL FEATURES

RIDE COMMAND
REAR CAMERA
BLACKED OUT HEADLIGHTS
PAINTED GRILL

$25,999 US

INDUSTRY LEADING RZR XP LINE-UP



RZR XP EPS Turbo
NEW! $19,999

RZR XP EPS 1000
Now $17,999

RZR XP Turbo DYNAMIX
NEW! $25,999

RZR XP Turbo Fox Edition
Now $22,999

MUCH STRONGER "HEART OF MARKET" LINE-UP


BRIGHT
FUTURE
STARTS
NOW!

INTRODUCING THE ALL NEW RANGER XP1000

MORE RUGGED
MORE REFINED
MORE RANGER

OVER 100 NEW FEATURES INSPIRED ENHANCEMENTS!

CLASS-LEADING 82 HP
CLASS-LEADING 2,500 LB. TOWING
CLASS-LEADING 13” GROUND CLEARANCE

ALL-NEW REDESIGNED INTERIOR
PRECISE HANDLING & THROTTLE CONTROL
MODERN, REFINED EXTERIOR DESIGN

NEW ONE-YEAR WARRANTY
ALL-NEW DRIVELINE
ONE-PIECE CHASSIS

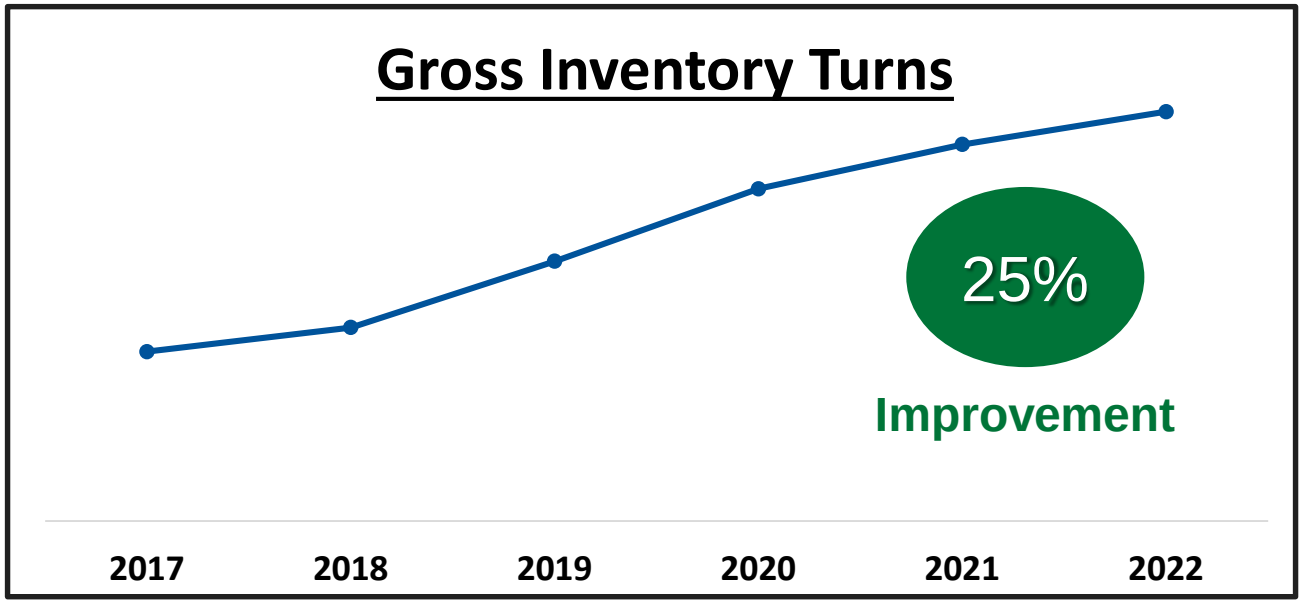


MY’13 RANGER WAS BIG
NEW RANGER = BIGGER

Inventory Improvement 2016-2022



Develop capabilities, processes & tools to drive ongoing rates of improvement



Lean Initiatives & Capabilities

Automation of SIOP Process

Forecast accuracy
Inventory optimization

Manufacturing flexibility

Enable RFM and F&O strategies

$100 million reduction achieved in 2016

Additional 25% inventory utilization improvement 2018-2022

Lean Will Continue to Drive Inventory Performance

Safety and Quality Systems Focus



Polaris is focused on improving product safety and quality by improving our systems and execution

Quality System Focus Areas

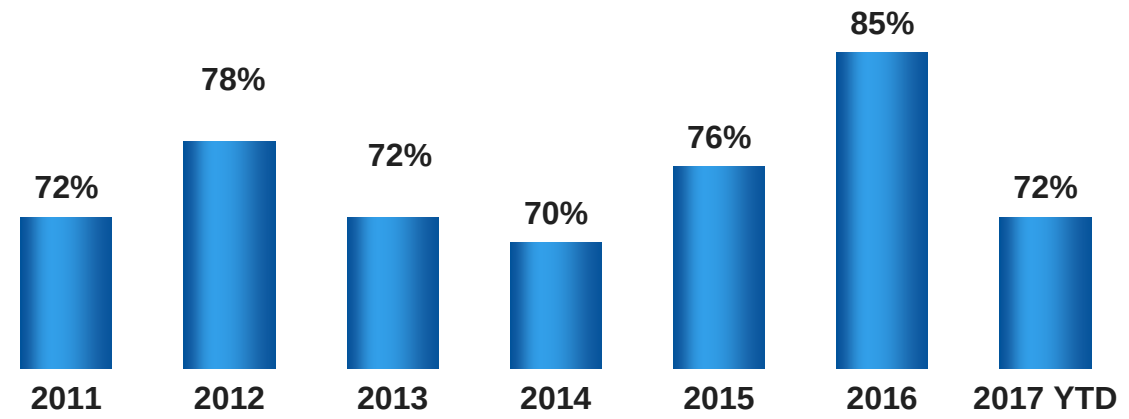
- ***Post Sales Surveillance***
- ***Design Controls***
- ***Supplier Quality***
- ***Manufacturing Controls***

Measure	Total Improvement (2017-2022)
Safety/Quality Events	Faster Response Root Cause Elimination
Net Promoter Scores	Industry Leading
Warranty Rate	→ ~30%
Internal Rework	→ ~60%
Supplier Quality	→ ~35%

Safety and Quality Improvements Continue

New Product Development

Product Development Vitality Index



% Contribution to Sales of Vehicles Introduced in Past 3 Years

Product Design Focus

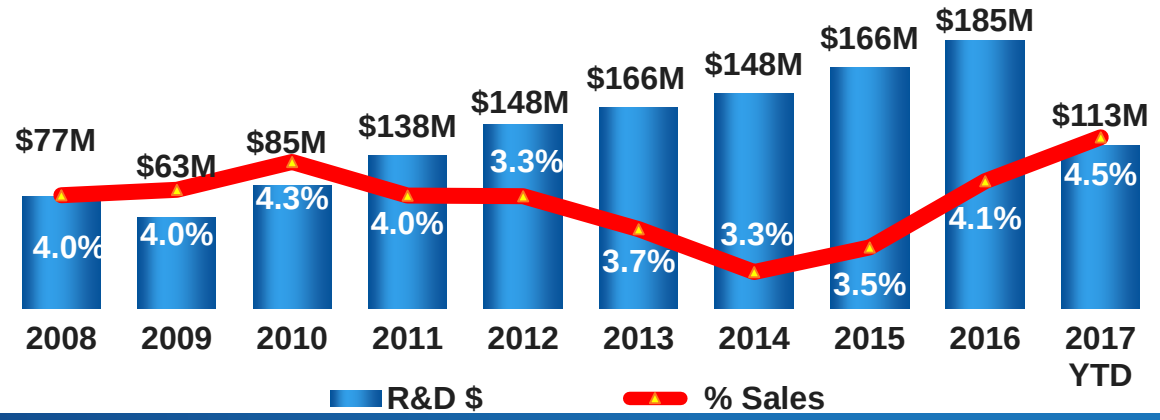
Increasing Investments in **Safety and Systems** Engineering

Product Innovation:

- Superior Ride and Handling
- New Market Knowledge and Expertise
- Exceptional Powertrains – Gas and Electric
- Electronics and Software for the Rider Experience
- Rider Comfort and Style

Cross-Functional Design for Manufacturing and Value

R&D Investment



Priorities

Product Development Systems for Safety and Quality

Product Execution Capacity, Capability, Market Knowledge

Product Innovation and Customer Focused Technology

Value Improvement and waste reduction

Enabling Product Development Process

Increasing Investments in Product Development for Innovation



POLARIS®

Ken Pucel

EVP – Global Ops, Eng. & Lean

QUESTIONS?

