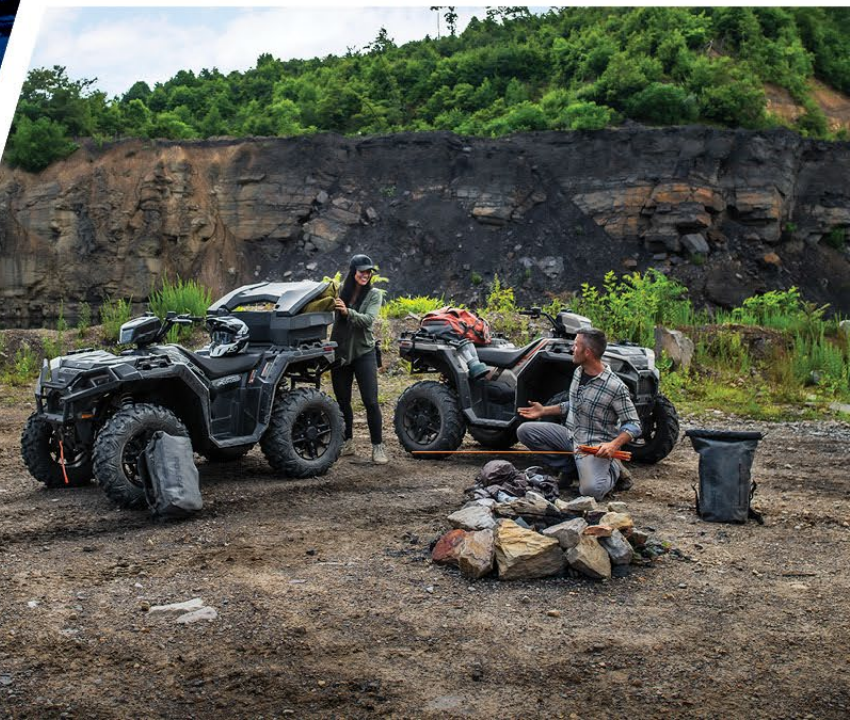


POLARIS

First Quarter 2024 Earnings Presentation

April 23, 2024





Except for historical information contained herein, the matters set forth in this [presentation] 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 strategy and supply chain initiatives; the Company's ability to successfully source necessary parts and materials on a timely basis; the ability of the Company to manufacture and deliver products to dealers to meet demand, including as a result of supply chain disruptions; the Company's ability to identify and meet optimal dealer inventory levels; the Company's ability to accurately forecast and sustain consumer demand; the Company's ability to mitigate increasing input costs through pricing or other measures; product offerings, promotional activities and pricing strategies by competitors that may make our products less attractive to consumers; the Company's ability to strategically invest in innovation and new products, including as compared to our competitors; economic conditions that impact consumer spending or consumer credit, including recessionary conditions and changes in interest rates; disruptions in manufacturing facilities; product recalls and/or warranty expenses; product rework costs; 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 on the Company's supply chain, manufacturing operations and consumer demand; commodity costs; freight and tariff costs (tariff relief or ability to mitigate tariffs); changes to international trade policies and agreements; uninsured product liability and class action claims (including claims seeking punitive damages) and other litigation expenses incurred due to the nature of the Company's business; uncertainty in the consumer retail and wholesale credit markets; performance of affiliate partners; changes in tax policy; relationships with dealers and suppliers; and the general global economic, social and political environment. 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 except as otherwise may be required by law.

The data source for retail sales figures included in this presentation is registration information provided by Polaris dealers in North America and Europe compiled by the Company or Company estimates and other industry data sources. The Company relies on information that its dealers or other third parties supply concerning retail sales, and other retail sales data sources related to Polaris and the powersports industry, and this information is subject to change. Retail sales references to total Company retail sales includes only off-road vehicles (ORV), snowmobiles, On Road and Marine in North America and International unless otherwise noted.

This presentation contains certain non-GAAP financial measures, consisting of "adjusted" sales, gross profit, income before income taxes, net income attributed to Polaris Inc., diluted EPS attributed to Polaris Inc., EPS attributed to Polaris Inc., EBITDA, EBITDA Margin, and free cash flow as measures of our operating performance. Management believes these measures may be useful in performing meaningful comparisons of past and present operating results, and to understand the performance of its ongoing operations and how management views the business. Reconciliations of reported GAAP historic measures to adjusted non-GAAP measures are included in the financial schedules 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.

First Quarter 2024 Overview



Total Company Results⁽¹⁾

	<u>Q1'24</u>	<u>Y/Y Change</u>
Sales	\$1,736M	↓ 20%
Adjusted Gross Profit Margin	19.0%	↓ 248 bps
Adjusted EBITDA Margin	6.3%	↓ 459 bps
Adjusted EPS	\$0.23	↓ 89%

First Quarter Drivers

- **North America retail down 10%, +3% after excluding Snow**
 - Off Road: Utility up, Recreation and Snow down
 - On Road up
- **Share gains in ORV, Motorcycles and Marine**
- **Sales down due to lower volumes partially offset by positive mix**
- **Dealer inventory down ~14% year-over-year in softer retail categories (RZR and Marine)**
- **Adjusted gross profit margin pressures included net price, higher warranty expense somewhat offset by favorable operational costs**
- **Adjusted EBITDA margin benefitted from favorable operating expenses**
- **Adjusted EPS modestly better than our original expectations**

Continue to Take Share | Favorable Operating Costs



• Retail Trends

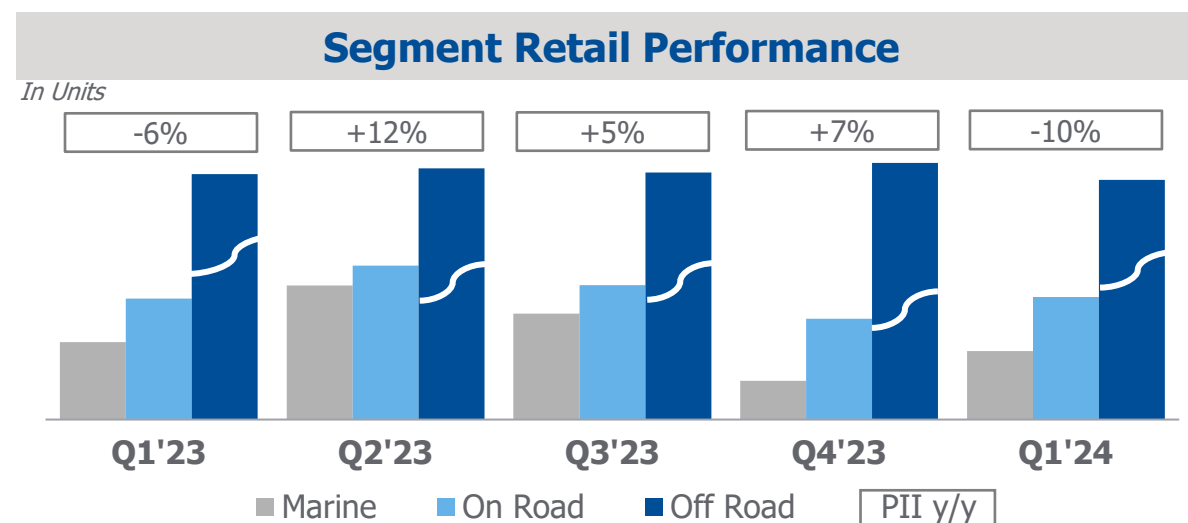
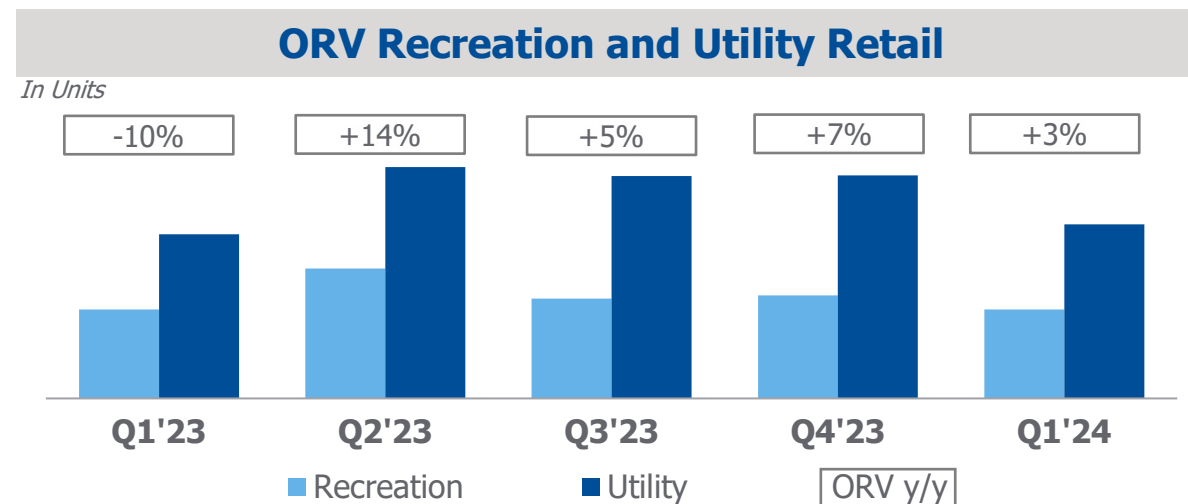
- ORV Premium and Utility continue to grow
- ORV Recreation down for six quarters in a row
- Elevated promotions that began in Q4'23 are expected to continue

• Dealer Sentiment

- Early excitement around Indian Scout and MY'25 RANGER; products shipping in the second quarter
- Frustration over broad industry issues related to margins, flooring interest, inventory and retail

• Inventory Backdrop

- Q1'24 Polaris dealer inventory is flat sequentially
 - Actively driving down inventory in weaker categories
 - RZR, Snow and Marine
 - Elevated Snow inventory given weak season
 - Dealer inventory down sequentially ex Youth, Polaris XPEDITION and RANGER XD
- Actively working with dealers to help manage inventory
- Heading into peak seasonality



Disciplined Approach to Dealer Inventory Given Current Levels and Trends

New Products: Indian Scout and RANGER



All-New Indian Scout Family

- **Next generation Scout combines iconic American style, legendary balance of power & control, and rider centric technology**
 - Completely redesigned 1250cc liquid-cooled V-Twin engine with up to 111 hp
 - Iconic tubular steel frame with class leading fit and finish
 - Optional 4" digital round display including Ride Command+
- **Expanding profitability on highest volume bike platform**
- **Five distinct models headlined by the all-new Indian 101 Scout**
 - Indian Scout Bobber, Indian Sport Scout, Indian Scout Classic, Indian Super Scout and the Indian 101 Scout.
- **Over 100 accessories and four uniquely tailored accessory collections:** Overnighter, Commuter, Stealth, and Open Roads
- **Will begin shipping in May**



2025 Full-Size RANGER Lineup

- **Refresh in RANGER core lineup, a high volume, high growth segment**
- **Owner-inspired upgrades**
 - Upgraded Gen 2 transmission for reduced shifting effort
 - Bold, restyled front-end design with new, stronger bumper
 - New JBL Audio on NorthStar Ultimate
- **More consumer value**
 - Factory-installed winch and roof on Premium trims
 - Lower opening price point on base trims
- **Special Editions**
 - New RANGER CREW XP 1000 NorthStar Texas Edition
 - RANGER CREW XP 1000 Waterfowl Edition returns
- **Started shipping in April**

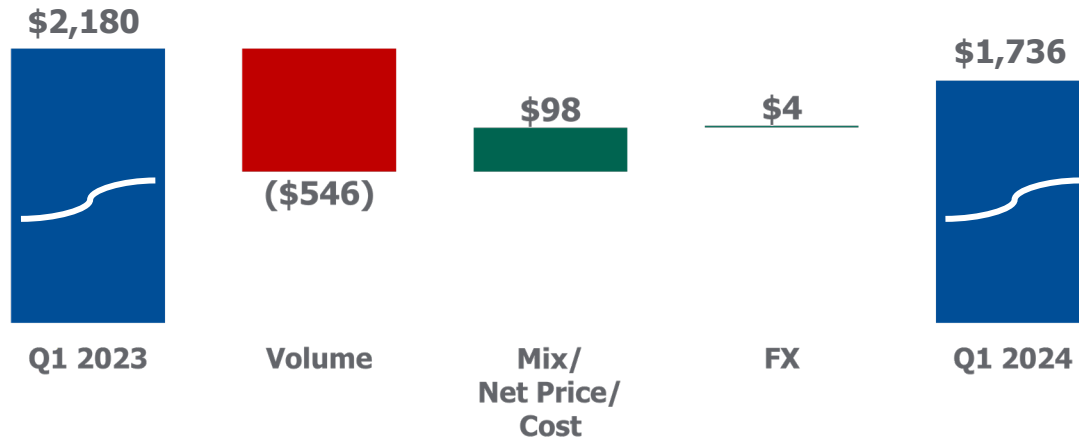


Innovation Engine Continues to Produce

Q1 2024 Financial Results



Sales



Adjusted* EBITDA



Financial Highlights (Y/Y)

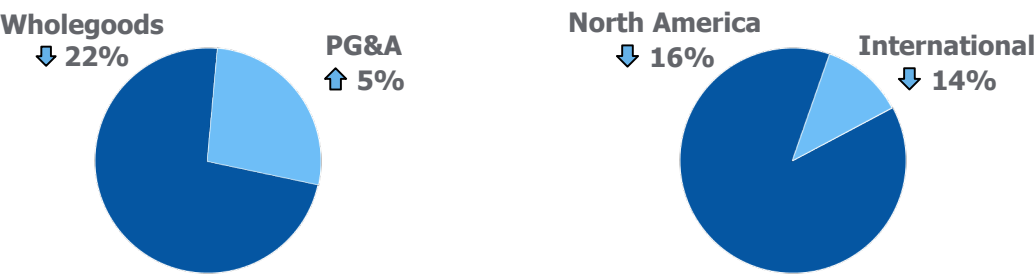
- **Quarterly sales of \$1.7B, down 20%**
 - Lapping channel fill in Q1'23
 - Difficult Snow season
 - International sales down 13%
 - PG&A sales up 3%
- **Adjusted* EBITDA margin down 459 bps**
 - Unfavorable net price, warranty expense and finance interest
 - Partially offset by favorable operating costs despite volume deleverage
 - Negative 90bps FX impact
- **Adjusted* EPS of \$0.23, down 89%**
- **Other items:**
 - Net interest expense of \$32M
 - Average outstanding diluted shares ~57M
 - Down ~1% year-over-year

Results Within Expectations Given Year-Over-Year Headwinds



Q1 Results & Y/Y Change

Sales: **\$1,336M** **↓ 16%**



Gross Profit Margin: **17.4%** **↓ 339 bps**

Market Share (N.A.): **↑ Off-Road Vehicles**
↓ Snowmobiles

PII Call-outs

- **N.A. ORV retail up 3%**
 - Strength in Utility while Recreation remains soft
- **Gained modest ORV share: unit and dollar share**
- **Weaker than expected Snow season due to lack of snow**
- **Operations continued to improve**
- **Margin pressured by net pricing, warranty expense and finance interest**

Retail Sales

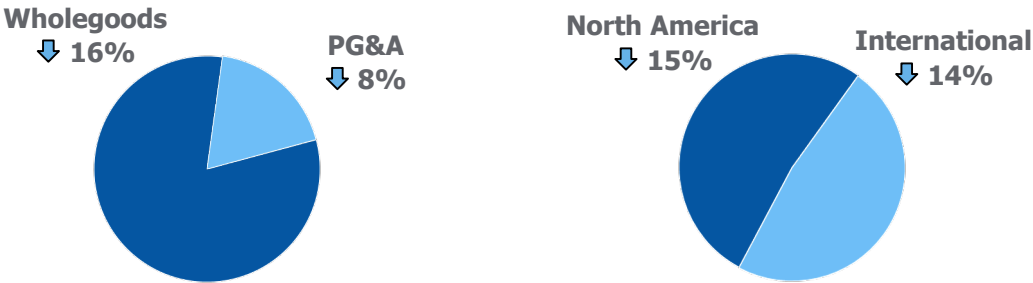
	North America		International ⁽¹⁾	
	<u>POLARIS</u>	<u>INDUSTRY</u>	<u>POLARIS</u>	<u>INDUSTRY</u>
ORV	↑ 3%	↑ LOW-SINGLE DIGITS %	↓ LOW-DOUBLE DIGITS %	↑ LOW-SINGLE DIGITS %
Utility	↑ MID-SINGLE DIGITS %			
Recreation	↓ LOW-SINGLE DIGITS %			
Snowmobiles <i>(season-end Mar '24)</i>	↓ LOW-TWENTIES %		↓ LOW-DOUBLE DIGITS %	

Retail Trends Remained Consistent | Operations Continue to Improve



Q1 Results & Y/Y Change

Sales: **\$277M** **↓ 14%**



Gross Profit Margin: **21.8%** **↑ 41 bps**

Market Share (N.A.): **↑ Indian Motorcycle**

PII Call-outs

- N.A. Indian Motorcycle retail was up modestly year-over-year
- Indian Motorcycle gained modest share in N.A.
 - Strong share gains continue in Mid-size
- International motorcycle industry is down over 20% with greatest pressure in APAC⁽¹⁾
- Gross profit margin up due to strong Aixam & Goupil performance more than offsetting lower net pricing in Motorcycles

Retail Sales

Indian Motorcycle	North America		International ⁽¹⁾	
	<u>POLARIS</u>	<u>INDUSTRY</u>	<u>POLARIS</u>	<u>INDUSTRY</u>
	↑ LOW-TEENS %	↑ LOW-SINGLE DIGITS %	↓ LOW-TWENTIES %	↓ MID-TWENTIES %

Indian Motorcycles Continues to Gain Share | On Road Margin Expansion Continues



Q1 Results & Y/Y Change

Sales: **\$124M** **↓ 53%**

Gross Profit Margin: **15.5%** **↓ 776 bps**

Market Share (N.A.): **↑ Marine⁽¹⁾**



PII Call-outs

- Share gains led by Bennington and Hurricane
- Positive reception to new S and SV Bennington models
- Dealer inventory down 12% year-over-year
- Dealers remain cautious on adding new inventory
- Boat show season retail was down slightly year-over-year
 - In line with our expectations
- Actively managing variable costs to protect margin

Retail Sales⁽¹⁾

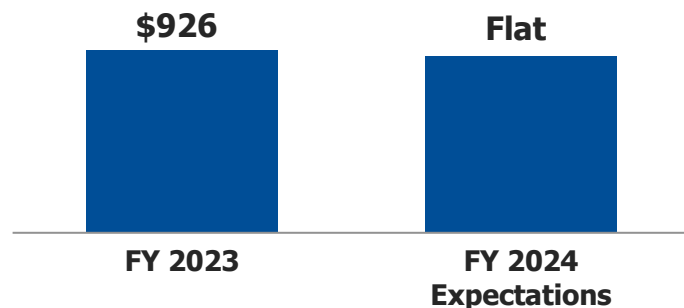
	North America	
	<u>POLARIS</u>	<u>INDUSTRY</u>
Pontoons	↓ MID-SINGLE DIGITS %	↓ LOW-TEENS %
Deck Boats	↓ LOW-FIFTIES %	↓ LOW-FIFTIES %

Additional Progress with Dealer Inventory While Taking Share



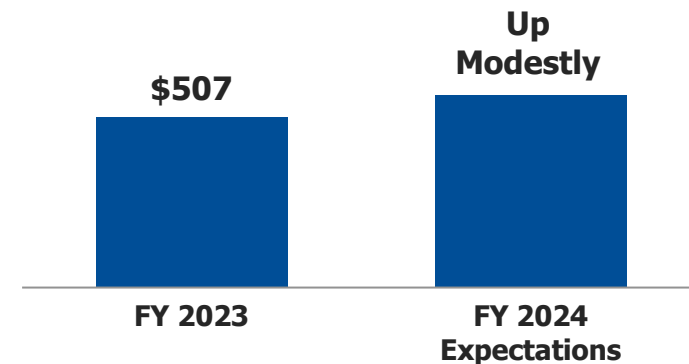
Operating Cash Flow

\$ in millions



Adjusted* Free Cash Flow

\$ in millions



2024 Capital Deployment Priorities

#1 Priority – Organic Investment

Lighter capex spend in 2024

#2 Priority – Dividends

Dividend Aristocrat – 29 consecutive years of raising dividend

#3 Priority – Share Repurchase

Repurchased 1.6 million shares for \$179 million in 2023

Repurchased 4.4 million shares for \$505 million in 2022

~\$1.2 billion remaining on share repurchase authorization

Key Financial Metrics

\$ in millions

Cash	\$319
Capex (YTD)	\$72
Total Debt	\$2,068
Dividends (YTD)	\$37
Share Repurchases (YTD)	\$16
Net Leverage Ratio	2.0x

Expect Cash Flow Generation to Ramp Beginning in the Second Quarter

Full Year 2024 Guidance & Expectations



Total Company Sales

\$ in Millions

↓ 7% to ↓ 5%

\$8.3B to \$8.5B

Relative to 2023 at \$8.9B

Segment Sales

Off Road ↓ MID-SINGLE DIGITS %

On Road ↓ MID-SINGLE DIGITS %
Lowered

Marine ↓ MID-TEENS %

2024 Outlook Assumptions

- No update to our initial Company outlook provided in Jan. 2024
- Ship volume lower due to retail outlook
- Snow weakness adds additional pressure to dealer inventory and retail
- New products expected to drive retail outperformance vs. Industry
- Headwinds from net pricing and finance interest
- Targeting over \$150 million in operational savings
- Year-over-year FX headwind to adjusted EBITDA of ~\$30M

Adjusted* EPS

↓ 15% to ↓ 10%

\$7.75 to \$8.25

Relative to 2023 at \$9.16

Adjusted* Margins

% of Sales

**Gross Profit
Margin**

↑ 70 to 100 bps

Relative to 2023
at 22.0%

**EBITDA
Margin**

↑ 40 to 70 bps

Relative to 2023
at 11.4%

Key Metrics

Key Metric	FY 2024 Expectations
Operating Expense	Up 1% to 2%
Interest Expense	~\$130 million
Tax Rate	21.5% to 22.5%
Diluted Shares	58 million, flat y/y
Depreciation	Up ~15%
Fin. Services Income	Flat y/y
Operating & Adj. FCF	Flattish dollars
Capex	~\$325 million

Strong Competitive Position | Focused on Targeted Operational Savings



- First quarter earnings performance above initial expectations
- New innovation in all three segments reflects our strategic focus on Rider-Driven Innovation
- Share gains in ORV, Motorcycles and Marine
- Continued discipline around dealer inventory
- Focused on executing identified operational savings
- Consistent capital deployment strategy with strong cash flow generation from working capital initiatives



Powering Passion and Pioneering New Possibilities for All Those Who Play, Work and Think Outside



Q & A





- **Non-GAAP Reconciliations – Total Company**
- **Non-GAAP Reconciliations – Net Income to Adjusted EBITDA**
- **Non-GAAP Reconciliations – Segments / Cash Flow**
- **2024 Guidance Adjustments**

Non-GAAP Reconciliations – Total Company



Reconciliation of GAAP "Reported" Results to Non-GAAP "Adjusted" Results

(In Millions, Except Per Share Data; Unaudited)

	Three months ended March 31,		Full Year
	2024	2023	2023
Gross profit	330.3	469.2	1,959.9
Restructuring ⁽³⁾	0.4	—	3.0
Adjusted gross profit	330.7	469.2	1,962.9
Income before income taxes	7.7	145.2	620.4
Distributions from other affiliates ⁽¹⁾	—	—	(1.4)
Acquisition-related costs ⁽²⁾	0.3	—	1.3
Restructuring ⁽³⁾	5.4	0.7	8.2
Intangible amortization ⁽⁴⁾	4.5	4.4	17.7
Class action litigation expenses ⁽⁵⁾	1.8	2.1	8.5
Adjusted income before income taxes	19.7	152.4	654.7
Net income attributable to Polaris Inc.	3.8	113.4	502.8
Distributions from other affiliates ⁽¹⁾	—	—	(1.4)
Acquisition-related costs ⁽²⁾	0.3	—	1.0
Restructuring ⁽³⁾	4.1	0.6	6.3
Intangible amortization ⁽⁴⁾	3.4	3.4	13.5
Class action litigation expenses ⁽⁵⁾	1.4	1.6	6.4
Adjusted net income attributable to Polaris Inc.⁽⁶⁾	\$ 13.0	\$ 119.0	\$ 528.6
Diluted EPS attributable to Polaris Inc.	\$ 0.07	\$ 1.95	\$ 8.71
Distributions from other affiliates ⁽¹⁾	—	—	(0.02)
Acquisition-related costs ⁽²⁾	0.01	—	0.02
Restructuring ⁽³⁾	0.07	0.01	0.11
Intangible amortization ⁽⁴⁾	0.06	0.06	0.23
Class action litigation expenses ⁽⁵⁾	0.02	0.03	0.11
Adjusted EPS attributable to Polaris Inc. ⁽⁶⁾	\$ 0.23	\$ 2.05	\$ 9.16

Adjustments:

(1) Represents distributions received related to an impaired investment held by the Company

(2) Represents adjustments for integration and acquisition-related expenses

(3) Represents adjustments for corporate restructuring

(4) Represents amortization expense for acquisition-related intangible assets

(5) Represents adjustments for certain class action litigation-related expenses

(6) The Company used its estimated statutory tax rate of 23.8% for the non-GAAP adjustments in 2024 and 2023, except for non-deductible items

Non-GAAP Reconciliations – Net Income to Adjusted EBITDA



Reconciliation of Net Income to Adjusted EBITDA

(In Millions, Unaudited)

	Three months ended March 31,		Full Year
	<u>2024</u>	<u>2023</u>	<u>2023</u>
Sales	1,736.4	2,179.7	8,934.4
Net income	3.9	113.6	502.7
Provision for income taxes	3.8	31.6	117.7
Interest expense	31.9	28.3	125.0
Depreciation	58.4	57.4	241.2
Intangible amortization ⁽⁴⁾	4.5	4.4	17.7
Distributions from other affiliates ⁽¹⁾	—	—	(1.4)
Acquisition-related costs ⁽²⁾	0.3	—	1.3
Restructuring ⁽³⁾	5.4	0.7	8.2
Class action litigation expenses ⁽⁵⁾	1.8	2.1	8.5
Adjusted EBITDA	\$ 110.0	\$ 238.1	\$ 1,020.9
Adjusted EBITDA Margin	6.3 %	10.9 %	11.4 %

Adjustments:

- (1) Represents distributions received related to an impaired investment held by the Company
- (2) Represents adjustments for integration and acquisition-related expenses
- (3) Represents adjustments for corporate restructuring
- (4) Represents amortization expense for acquisition-related intangible assets
- (5) Represents adjustments for certain class action litigation-related expenses

Non-GAAP Reconciliations – Segments / Cash Flow



Reconciliation of GAAP Segment Gross Profit to Non-GAAP Segment Gross Profit

(In Millions, Unaudited)

	Three months ended March 31,	
	2024	2023
Off Road segment gross profit	\$ 233.0	\$ 331.6
No adjustment	—	—
Adjusted Off Road segment gross profit	233.0	331.6
On Road segment gross profit	60.4	69.2
No adjustment	—	—
Adjusted On Road segment gross profit	60.4	69.2
Marine segment gross profit	19.2	61.5
No adjustment	—	—
Adjusted Marine segment gross profit	19.2	61.5
Corporate segment gross profit	17.7	6.9
Restructuring ⁽¹⁾	0.4	—
Adjusted Corporate segment gross profit	18.1	6.9
Total gross profit	330.3	469.2
Total adjustments	0.4	—
Adjusted total gross profit	\$ 330.7	\$ 469.2

Adjustments:

⁽¹⁾ Represents adjustments for corporate restructuring

Reconciliation of GAAP Operating Cash Flow to Non-GAAP Adjusted Free Cash Flow

(In Millions, Unaudited)

	Three months ended March 31,		Full Year
	2024	2023	2023
Net cash provided by (used for) operating activities	(105.4)	124.2	925.8
Purchase of property and equipment	(72.1)	(94.4)	(412.6)
Distributions from (investment in) finance affiliate, net	15.4	5.3	(6.5)
Adjusted free cash flow	\$ (162.1)	\$ 35.1	\$ 506.7

Key Definitions: This presentation contains certain GAAP financial measures which have been "adjusted" for certain revenues, expenses, gains and losses as described below and include "adjusted" gross profit, income before taxes, net income, EBITDA, EBITDA margin, and net income per diluted share (non-GAAP measures) 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. These measures, however, should not be construed as an alternative to any other measure of performance determined in accordance with GAAP.



2024 adjusted guidance excludes the pre-tax effect of restructuring costs of approximately \$8 million, and approximately \$20 million for class action litigation-related expenses. Intangible amortization of approximately \$18 million related to all acquisitions has also been excluded.

The Company has not provided reconciliations of guidance for adjusted earnings per share, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. The Company is unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include restructuring and acquisition integration costs that are difficult to predict in advance in order to include in a GAAP estimate.