Safe Harbor

Except for historical information contained herein, the matters set forth in this document, including but not limited to management’s expectations regarding 2015 sales, shipments, margins, net income and cash flow, the opportunities for expansion and diversification of the Company’s business and the Company’s guidance on earnings per share from continuing operations 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 product offerings, promotional activities and pricing strategies by competitors; manufacturing operation initiatives; acquisition integration costs; warranty expenses; 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 our 2013 annual report and Form 10-K 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.
Q4 2014 Sales and Net Income

**Record 4th quarter sales and net income**

Sales of Motorcycles +50%; PG&A +21%; ORV +19%
Sales in EMEA -5%, Asia Pacific +7%; Latin America +14%

**N.A. retail sales increased 13%; ORV, motorcycles and snowmobiles up strong**

**Earnings per share increased 27% to a record $1.98**

Operating income increased 24% to $210.0 million
Net income margins were up 59 bps to 10.62%
5th straight year of record full year sales and earnings

All businesses grew sales in 2014
International Sales were up 16%
  EMEA +12%; Asia Pacific +33%; Latin America +17%

Earnings per share* increased 23% to a record $6.65

Operating income increased 24% to $714.7 million
Net income* margin ended at 10.14% up 5 bps
Vision & Strategy

**Vision**
Fuel the passion of riders, workers and outdoor enthusiasts around the world by delivering innovative, high quality vehicles, products, services and experiences that enrich their lives.

**Strategy**
Polaris will be a highly profitable, customer centric, $8B global enterprise by 2020. We will make the best off-road and on-road vehicles and products for recreation, transportation and work supporting consumer, commercial and military applications. Our winning advantage is our innovative culture, operational speed and flexibility, and passion to make quality products that deliver value to our customers.

Strategic Objectives

- **Best in Powersports PLUS**
  - 5-8% annual organic growth

- **Growth Through Adjacencies**
  - >$2B from acquisitions & new markets

- **Global Market Leadership**
  - >33% of Polaris revenue

- **LEAN Enterprise is Competitive Advantage**
  - Significant Quality,
  - Delivery & Cost Improvement

- **Strong Financial Performance**
  - Sustainable, profitable growth
  - Net Income Margin >10%

Guiding Principles

- Best People, Best Team
- Safety & Ethics Always
- Customer Loyalty

Performance Priorities

- Growth
- Margin Expansion
- Product & Quality Leadership
- LEAN Enterprise

GROW SALES >$8 Billion by 2020 | 12% CAGR
INCREASE NET INCOME >10% of Sales by 2020 | 13% CAGR
Best in Powersports Plus
Over 30 new products; RZR$s, RANGER$s, ACE, Scout, Roadmaster, AXYS
Complementary acquisitions; Kolpin and Pro Armor
Customer loyalty strong; >12,000 in attendance at Camp RZR East

Growth Through Adjacencies
Introduced Slingshot, Polaris’ first three-wheeled Roadster motorcycle
New organization structure to improve focus – Global Adjacent Markets
Defense growing with new DAGOR vehicle

Global Market Leadership
International sales up 16% - all regions grew sales and share
Poland plant began initial ORV production – shipments to begin in Q1 2015
Eicher/Polaris JV new vehicle launch scheduled for Q2 2015

LEAN Enterprise is Competitive Advantage
ATV RFM process implemented – Dealer learning curve similar to MVP
Spirit Lake paint capacity on-line in Q1 2015 – processes improving daily
Alabama site selected for new ORV plant – expected start of production Q2 2016

Strong Financial Performance
Sales up 19%; operating income up 24%; EPS up 23%; ROIC = 42%

Overcame Challenges to Deliver Impressive Record Results
**Polaris N.A. retail** 13% for Q4 and 12% FY 2014 vs. 2013

Gained share in ORV, motorcycles and snowmobiles season-to-date

**Polaris year-end 2014 N.A. dealer inventory** 16% vs. 2013

- ORV high-teens % driven primarily by new models and market segments; ATVs moving to RFM
- Indian motorcycles; Victory year-over-year; Slingshot began shipping in November 2014; stockouts
- Snowmobiles and Small Vehicles single-digits %

**ATV dealers using RFM process beginning Q4 2014**
Q4 production delays in motorcycles – paint system, new product readiness

Plant capacity challenges improving

- Spirit Lake paint system operational and Poland producing, other capacity projects coming on-line

Gross Profit Margin ↓ in Q4 due primarily to currency pressures

RFM implementation for ATVs implemented

Factory inventory up 35% vs. 2013; PG&A, raw materials, mix and acquisitions

Polaris quality ↑ improving; #1 in NPS for Motorcycles, SxS, ATVs
New Manufacturing Plant Announced

- 600,000 sq. ft. manufacturing plant
- ORV, primarily
- Ground breaking Feb. 2015, open Q2 2016
- ~1,700 employees at capacity
- Central to Huntsville, Decatur & Athens (MSA 400,000 pop.)
- Investment ~$150 million
- Lean design, value stream focused

Adding Capacity to Supply Future Consumer Demand
**Off-Road Vehicles**

**Polaris ORV Sales**

<table>
<thead>
<tr>
<th>Period</th>
<th>Sales (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2014</td>
<td>$781.5</td>
</tr>
<tr>
<td>FY 2014</td>
<td>$2,909.0</td>
</tr>
<tr>
<td>FY 2014 (Reclassified)</td>
<td>$2,793.1*</td>
</tr>
</tbody>
</table>

Up mid-single digits %

**Growing sales in every product line: RANGER, RZR, Sportsman**

- **Polaris ORV Q4 2014 retail sales were up low-double digits**
  - SxS: double digits %, ATV: high-single digits %
  - ACE accelerated sales in each sequential quarter in 2014

**ORV remains #1 and gaining market share**

- MY ‘15 products successful against aggressive competition
- Introduced 4 new MY 15.5 models – RZR 170 EFI and RANGER 900S 4

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*2014 reclassified to exclude Defense and Commercial Sales*
Motorcycles

Polaris Motorcycle Sales

($ millions)

Q4 2014
$103.5
FY 2014
$348.7
FY 2015 Guidance
Up 50% to 65%

Polaris N.A. motorcycle retail sales ↑ 40% in Q4
- Indian ↑; retail, share, and dealer expansion
- Victory ↑ single digits %
- Heavyweight Industry ↓ low-single digits %; tough comps
- Initial retail of Slingshot in November/December

Indian Motorcycle distribution expanding
- Over 175 N.A. dealers signed; 118 currently retailing

Initial shipments of mid-sized motorcycle Indian Scout in Q4
- Bike well-received by consumers, but shipments constrained

Slingshot shipments began in November; ~330 dealers
- Shipments constrained; Production ramping-up

New Spirit Lake paint system on-line; speed & quality improving
- Dealer and consumer order backlog in all products

Production & Capacity Delays Impacted Q4
Snowmobiles

Polaris Snowmobile Sales

($ millions)

<table>
<thead>
<tr>
<th></th>
<th>Q4 2014</th>
<th>FY 2014</th>
<th>FY 2015 Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2014</td>
<td>$138.1</td>
<td>+7% $322.4</td>
<td>Down mid-single digits %</td>
</tr>
</tbody>
</table>

N.A. Industry STD retail † high-single digits% – early snow fall, colder weather and new products

However Q1 2015 snow conditions spotty

Polaris N.A. retail † STD in the high-teens %; largest N.A. share winner STD

N.A. Dealer inventory † high-single digits %

MY’15 sleds with new AXYS chassis selling well

Exciting news for MY’16 coming in March

European snowmobile sales weak due to poor snow and Russia uncertainty

Strong Start to Snow Season – Polaris Outperforming

Q4-FY14 1/27/15
**Record Q4 sales; ▲ 21%**

- ORV sales ▲ 28%, Motorcycles ▲ 90%,
- Accessories ▲ 36%, Parts ▲ 6%, Apparel ▼ 2%, timing

**Pro Armor solid addition to Polaris aftermarket accessories portfolio**

Added over 400 new accessories & 200 new apparel items in 2014

**Continued Strong Growth**
Global Adjacent Markets

Full Year 2014
Small Vehicles (SV) ↑ strong, but down in Q4 due to weak Europe economy
Commercial: National Accounts & partnerships (Bobcat, Ariens) working well, BRUTUS improved in 2H
Defense sales ↑ 55%; DAGOR well-positioned
   Announced contracts for U.S. Special Forces; first 15 units delivered

2015
NEW Global Adjacent Markets business unit established; focused on growth outside powersports
Combines Small Vehicles, Defense and Commercial
   Increase focus and leverage resources of individual businesses
Focused on adding and developing new strategic pillars for Polaris to grow

New Global Adjacent Market Structure will Drive Synergies, Focus & Growth

Q4-FY14 1/27/15
*2014 reclassified to include Defense and Commercial Sales
International sales ↓ 3% in Q4

ORV ↑ 10%; Motorcycles ↑ 7%; SV ↓ 13%; Snow ↓ 25%
EMEA ↓ 5%; Asia Pacific ↑ 7%; Latin America ↑ 14%
Russia ↓ very weak, but just ~1% of sales

EMEA market share gains in ORV, motorcycles, snow & Aixam

Q4 European powersports industries stable; full year ORV ↑; snowmobiles ↓; motorcycles ↑

Polaris Asia Pacific solid – Australia and India

Australia share gains – #1 in ORV; big gains in motorcycles

Latin America – Mexico very strong
Poland plant producing and shipping

Q4 European Weakness Offset Asia Pacific/Latin America Growth
## 2015 Full Year Guidance

<table>
<thead>
<tr>
<th>METRIC</th>
<th>GUIDANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales Components</strong></td>
<td></td>
</tr>
<tr>
<td>Off-Road Vehicles</td>
<td>Up mid-single digits % (reclassified 2014 actuals)</td>
</tr>
<tr>
<td>Snowmobiles</td>
<td>Down mid-single digits %</td>
</tr>
<tr>
<td>Motorcycles</td>
<td>Up 50% to 65%</td>
</tr>
<tr>
<td>Global Adjacent Markets</td>
<td>Up 10% to 15% (reclassified 2014 actuals)</td>
</tr>
<tr>
<td>PG&amp;A</td>
<td>Up high-teens %</td>
</tr>
<tr>
<td>International</td>
<td>Up low-single digits %</td>
</tr>
<tr>
<td>Total Company sales</td>
<td>Up 9% to 12%</td>
</tr>
<tr>
<td>Gross profit margin</td>
<td>Flat to Up 20 bps</td>
</tr>
<tr>
<td>Operating expenses (% of sales)</td>
<td>About flat</td>
</tr>
<tr>
<td>Income from financial services</td>
<td>Up low-single digits %</td>
</tr>
<tr>
<td>Income taxes</td>
<td>34.5% to 35.0% of pretax income</td>
</tr>
<tr>
<td>Net income</td>
<td>Up 9% to 12%</td>
</tr>
<tr>
<td>EPS, diluted</td>
<td>$7.22 to $7.42 (+9% to +12%)</td>
</tr>
</tbody>
</table>

### Guidance from 2014

- **Increased/favorable**
- **Decreased/unfavorable**
- **Neutral**

---

**Solid Growth Expectations**
## 2015 Gross Profit Margin Guidance

<table>
<thead>
<tr>
<th>METRIC</th>
<th>Actual Q4 2014</th>
<th>Actual FY 2014</th>
<th>Guidance FY 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior period</td>
<td>29.3%</td>
<td>29.7%</td>
<td>29.4%</td>
</tr>
<tr>
<td>Production volume/capacity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product cost reduction efforts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commodity costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currency rates</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Higher selling prices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product mix</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New plant start-up costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Warranty costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation/Tooling amortization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales promotional costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract dispute charge in 2013</td>
<td>N/A</td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Current period</td>
<td>28.8%</td>
<td>29.4%</td>
<td>29.4% to 29.6%</td>
</tr>
<tr>
<td><strong>Change</strong></td>
<td>-43 bps</td>
<td>-23 bps</td>
<td>Flat to Up +20 bps</td>
</tr>
</tbody>
</table>

**Legend:**
- **↑** Improvement to gross profit margin %
- **↓** Impairment to gross profit margin %
- **→** Neutral to gross profit margin %
## Major Foreign Currencies for Polaris

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Dollar (CAD)</td>
<td>Long ~$400M</td>
<td>-7%</td>
<td>-10%</td>
<td>~10%</td>
<td>Negative</td>
</tr>
<tr>
<td>Euro (EUR)</td>
<td>Net Long ~$150M</td>
<td>Flat</td>
<td>-15%</td>
<td>0%</td>
<td>Negative</td>
</tr>
<tr>
<td>Australian Dollar (AUD)</td>
<td>Long ~$75M</td>
<td>-7%</td>
<td>-10%</td>
<td>~10%</td>
<td>Negative</td>
</tr>
<tr>
<td>Norwegian Kroner (NOK)</td>
<td>Long ~$50M</td>
<td>-6%</td>
<td>-20%</td>
<td>0%</td>
<td>Negative</td>
</tr>
<tr>
<td>Swedish Krona (SEK)</td>
<td>Long ~$50M</td>
<td>-5%</td>
<td>-20%</td>
<td>0%</td>
<td>Negative</td>
</tr>
<tr>
<td>Mexican Peso (MXN)</td>
<td>Short ~$50M</td>
<td>-4%</td>
<td>-8%</td>
<td>~66%</td>
<td>Positive</td>
</tr>
<tr>
<td>Japanese Yen (JPY)</td>
<td>Short ~$50M</td>
<td>-8%</td>
<td>-15%</td>
<td>~66%</td>
<td>Positive</td>
</tr>
<tr>
<td>Balance Sheet Re-measurement</td>
<td>Long</td>
<td>Negative</td>
<td>Positive</td>
<td>0%</td>
<td>Positive</td>
</tr>
</tbody>
</table>

**Net Impact to Gross Profit**

- **Negative**

### Approximate Financial Impact

<table>
<thead>
<tr>
<th></th>
<th>Q4 2014 Actual</th>
<th>FY 2014 Actual</th>
<th>2015 Expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>(2%)</td>
<td>(1%)</td>
<td>~(2%)</td>
</tr>
<tr>
<td>Gross Margin %</td>
<td>&gt;(150 bps)</td>
<td>&gt;(100 bps)</td>
<td>~(100 bps)</td>
</tr>
</tbody>
</table>

**Significant Impact in 2014, Pressure Expected to Persist into 2015**

Q4-FY14 1/27/15
<table>
<thead>
<tr>
<th>$ In millions (except per share and rate data)</th>
<th>FY 2014</th>
<th>FY 2013</th>
<th>2015 Full Year Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$137.6</td>
<td>49%</td>
<td>Increase</td>
</tr>
<tr>
<td>Debt / Capital lease obligations</td>
<td>$226.1</td>
<td>21%</td>
<td>Unchanged</td>
</tr>
<tr>
<td>Credit facility</td>
<td>$350.0</td>
<td>Flat</td>
<td>Unchanged</td>
</tr>
<tr>
<td>Factory inventory</td>
<td>$565.7</td>
<td>(35%)</td>
<td>Improved Turns</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>$205.1</td>
<td>8%</td>
<td>&gt;$250M</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>$127.5</td>
<td>38%</td>
<td>Increase about 25% from 2014</td>
</tr>
<tr>
<td>Operating cash flow from continuing operations</td>
<td>$529.3</td>
<td>6%</td>
<td>Increase at higher % than net income</td>
</tr>
<tr>
<td>Dividend (per share)</td>
<td>$1.92</td>
<td>14%</td>
<td>Increase 10% over 2014</td>
</tr>
<tr>
<td>Polaris Acceptance receivables</td>
<td>$1,141.1</td>
<td>23%</td>
<td>About flat with 2014</td>
</tr>
<tr>
<td>Retail credit – Volume</td>
<td>$903.7</td>
<td>16%</td>
<td>Rates stable</td>
</tr>
<tr>
<td>– Approval rate</td>
<td>58%</td>
<td>Flat</td>
<td></td>
</tr>
<tr>
<td>– Penetration rate</td>
<td>32%</td>
<td>Flat</td>
<td></td>
</tr>
</tbody>
</table>
Summary – 2015 Business Outlook

U.S. Economy improving; Europe weak
   Oil/gas and Ag/farm industries manageable; currency challenges ongoing

Powersports Industry growing; competition remains aggressive
   Innovation & dealer focus continues growth in ORV’s

Bigger year for motorcycles; much improved execution
   Indian expansion continues; Slingshot wows & grows; Victory races forward

Global Adjacent Markets; New leader, aggressive growth plans
   “Work & Transportation” focus: Small Vehicles, Defense & Commercial

PG&A growth continues; opportunities abound
   Retail improvements and M&A accelerate

Operations/LEAN moves to next level of execution
   Quality, Delivery, Inventory & Cost will improve

Improved Execution will Drive 6th Consecutive Year of Record Results

Q4-FY14 1/27/15
Thank you

Questions?