



POLARIS

Fourth Quarter & Full Year 2025 Earnings Presentation

January 27, 2026



Safe Harbor & Non-GAAP Measures



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; the Company's ability to complete the proposed separation of Indian Motorcycle in a successful and timely basis or at all; the Company's ability to derive the expected benefits from the Indian Motorcycle separation including the separation being accretive, within the expected timeline or at all; the actual amount of pre-tax charges incurred in connection with the separation of our Indian Motorcycle business; 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; freight and tariff costs (tariff relief or ability to mitigate tariffs, particularly in light of the policies of the current presidential administration and retaliatory actions in response thereto); environmental and product safety regulatory activity; effects of weather on the Company's supply chain, manufacturing operations and consumer demand; commodity costs; 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; impact of changes in Polaris stock price on incentive compensation plan costs; foreign currency exchange rate fluctuations; 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 margin, (loss) income before income taxes, net (loss) 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.



Clear Innovation Leader

- Gained share in all key segments
- Off Road: RZR XP S, RANGER 500
- On Road: Scout Sixty and Roadmaster Elite families of Indian Motorcycles
- Marine: Bennington QX, Godfrey Sanpan and Monaco

Operational Improvements and Quality

- \$60M+ of operational benefits from clean build and lean initiatives
- Improved warranty costs due to investment in quality
- Initial MY26 quality metrics reflect further improvement

Navigated Tariffs

- Reduced China spend by over \$100M
- Transition plans in place to reduce COGS from China to under 5% by year-end 2027
- Lobbying efforts in Washington progressing
- Year-end financial results exceeded original 2025 guidance excluding tariffs

Progress on Longer-Term Strategy

- Indian Motorcycle separation on track to close Q1 2026
- Strong cash flow and improved net working capital position
- Continue to lead the industry with new and innovative vehicles
- Set up for higher incremental margins

Resilient Performance in 2025 Demonstrates the Strength of Our Strategy

Fourth Quarter and Full Year 2025 Overview



Total Company Results*				Fourth Quarter Drivers**			
	Q4'25	Y/Y Change	FY'25	Y/Y Change			
Adjusted Sales	\$1,921M	↑ 9%	\$7,143M	➡ Flat			
Adjusted Gross Profit Margin	20.3%	↓ 77 bps	19.4%	↓ 131 bps			
Adjusted EBITDA Margin	5.1%	↓ 448 bps	5.7%	↓ 311 bps			
Adjusted EPS	\$0.08	↓ 91%	(\$0.01)	↓ \$3.26			

Ended the Year with High Say/Do Ratio | Share Gains in ORV Ex-Youth, Snow and Marine



Retail Trends in Q4*

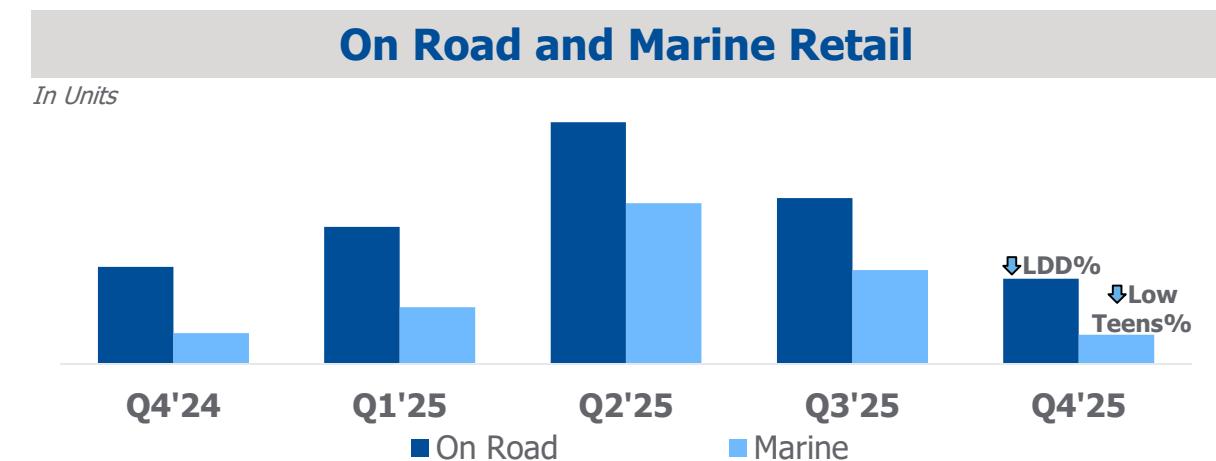
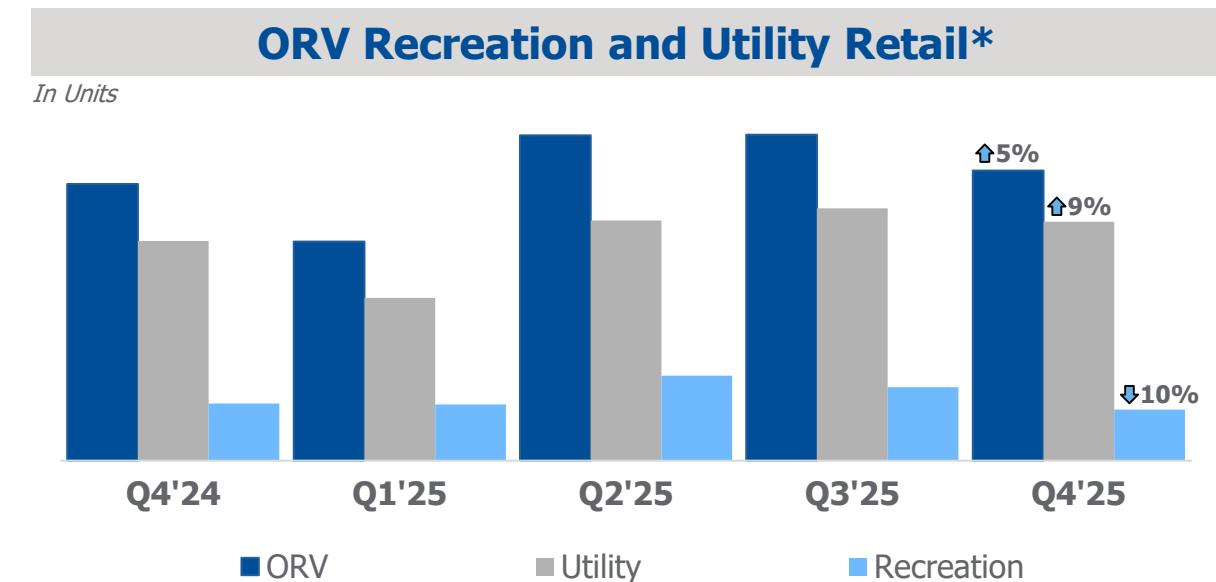
- ORV Utility up 9% and Recreation down 10%
 - ORV Utility continues its strong retail performance driving ~50% of total Polaris revenue
 - Modest ORV share capture driven by innovation
- Indian Motorcycle down high-single digits %
- Marine down low-teens % as industry remains soft and dealers actively managing inventory

Dealer Sentiment

- Dealers comfortable with their Polaris ORV inventory levels
 - Under 100 days of inventory on hand at dealers

Dealer Inventory Backdrop*

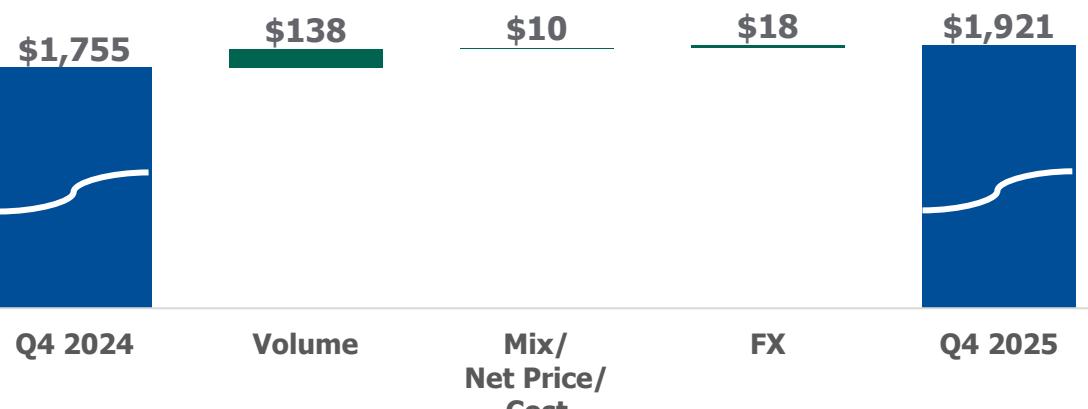
- Q4'25 Polaris ORV dealer inventory was down 9% y/y
 - Heavier mix of current versus non-current inventory
- Q4'25 Snowmobile inventory down over 40% y/y
 - Decline driven by lower non-current inventory
- Polaris ORV has lowest mix of non-current inventory at dealers in the industry



Dealer Inventory Aligned With Demand | Made Good Progress on Non-current Snow Inventory



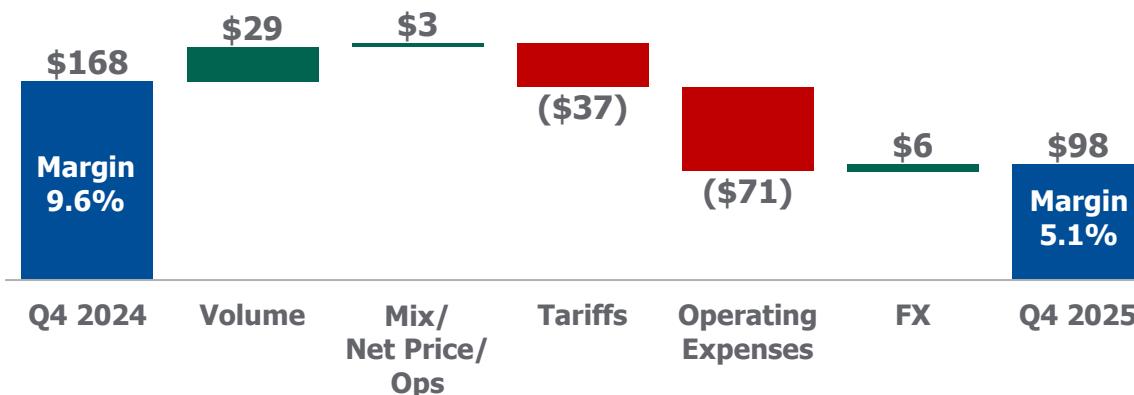
Adjusted* Sales



Financial Highlights (Y/Y)

- **Adjusted* quarterly sales of \$1.9B, up 9%**
 - Higher shipments and better mix within ORV
 - Net price a headwind
 - International sales up 9%
 - PG&A sales up 20%
- **Adjusted* EBITDA margin down 448 bps**
 - Tariffs and incentive compensation headwind
 - \$37 million of new tariff impact
 - Favorable mix and volume
- **Adjusted* EPS of \$0.08**
- **Other items:**
 - Net interest expense of \$31M
 - Average outstanding diluted shares ~57M
 - \$179 million in Cash Flow from Operations (\$120 million FCF)

Adjusted* EBITDA



Quarterly Results Aligned with Expectations



Q4 & FY 2025 Results

	Q4'25	Y/Y Change	FY'25	Y/Y Change
Sales	\$1,596M	↑ 11%	\$5,713M	→ Flat
	Wholegoods ↑ 7% N.A. ↑11% Int'l ↑8%		Wholegoods ↓ 4% N.A. → Flat Int'l → Flat	
Gross Profit Margin	21.2%	↓ 18 bps	20.2%	↓ 12 bps
Market Share* (N.A.)	↑ Off-Road Vehicles ↑ Snowmobiles (season-to-date)			

Q4 PII Call-outs*

- N.A. ORV retail up 5%**
 - Gained share in N.A. ORV in Q4 and FY with strength in Utility and Crossover
- RANGER 500 and RZR Pro S continue to be received well**
- Robust Snow retail helped deplete non-current inventory**
- Operational savings continue to be realized**
- Margin pressure driven by tariffs and higher promotions, mostly offset by volume and operational efficiencies**

Q4 Retail Sales*

	North America	International**
ORV	POLARIS ↑ 5% ↑ HIGH-SINGLE DIGITS %	INDUSTRY ↑ LOW-SINGLE DIGITS %
<i>Utility</i>		
<i>Recreation</i>	↓ LOW-DOUBLE DIGITS %	
Snowmobiles (season-to-date)	↑ HIGH-FORTIES %	↑ MID-TEENS %

Strong Key Retail Metrics | Operating More Efficiently



Q4 & FY 2025 Results

	Q4'25	Y/Y Change	FY'25	Y/Y Change
Sales	\$187M Wholesale ↑ 3% PG&A ↑ 6%	↑ 4%	\$927M Wholesale ↓ 9% PG&A ↑ 5%	↓ 6%
*Adj. Gross Profit Margin	18.1% ↑ 186 bps		18.0% ↓ 127 bps	
Market Share (N.A.)	↓ Indian Motorcycles		↑ Indian Motorcycles	

Q4 PII Call-outs

- N.A. Indian Motorcycle retail down high-single digits**
- Indian Motorcycle lost share in N.A.**
 - Aggressive competitive promotions in Q4
 - Gained almost a point of share in full-year results
- Strong mix benefit from Aixam and Goupil**
- Slingshot sales pressured due to cautious consumer**
- Adjusted gross profit margin driven by favorable mix, partially offset by tariffs**

Q4 Retail Sales

	North America		International**	
	<u>POLARIS</u>	<u>INDUSTRY</u>	<u>POLARIS</u>	<u>INDUSTRY</u>
Indian Motorcycle	↓ HIGH-SINGLE DIGITS %	↑ MID-SINGLE DIGITS %	↓ HIGH-THIRTIES %	↓ HIGH-TWENTIES %

Good Uptake of New Bikes in Difficult Industry

*Please refer to the supporting schedules entitled "Non-GAAP Reconciliation" for reconciliations of adjusted or non-GAAP measures to the most directly comparable GAAP financial measures, which can be found in the appendix of this presentation and on our website at www.ir.polaris.com.

** International retail data through November 2025 and based primarily on Europe



Q4 & FY 2025 Results

	<u>Q4'25</u>	<u>Y/Y Change</u>	<u>FY'25</u>	<u>Y/Y Change</u>
Sales	\$138M	↑ 1%	\$512M	↑ 7%
Gross Profit Margin	14.4%	↓ 291 bps	14.2%	↓ 260 bps
Market Share (N.A.)		↑ Marine*		



Q4 PII Call-outs

- Entry level boats still selling well given combination of standard features and price
- Dealer inventory down over 12% y/y; dealer inventory now aligned with demand
- Share gains in pontoon
- Strong order book for boats entering 2026
- Margins negatively impacted by negative mix given success of entry level boats

Q4 Retail Sales*

	North America	
	<u>POLARIS</u>	<u>INDUSTRY</u>
Pontoons	↓ LOW-DOUBLE DIGITS %	↓ LOW-TEENS %
Deck Boats	↓ HIGH-THIRTIES %	↓ MID-THIRTIES %

Dealer Inventory Aligned with Demand | Positive Order Flow



2026 Capital Deployment Priorities

#1 Priority – Strategic Investments

Invest in higher-margin profitable growth

#2 Priority – Dividends

Dividend Aristocrat – 30 consecutive years of raising dividend

#3 Priority – Pay Down Debt

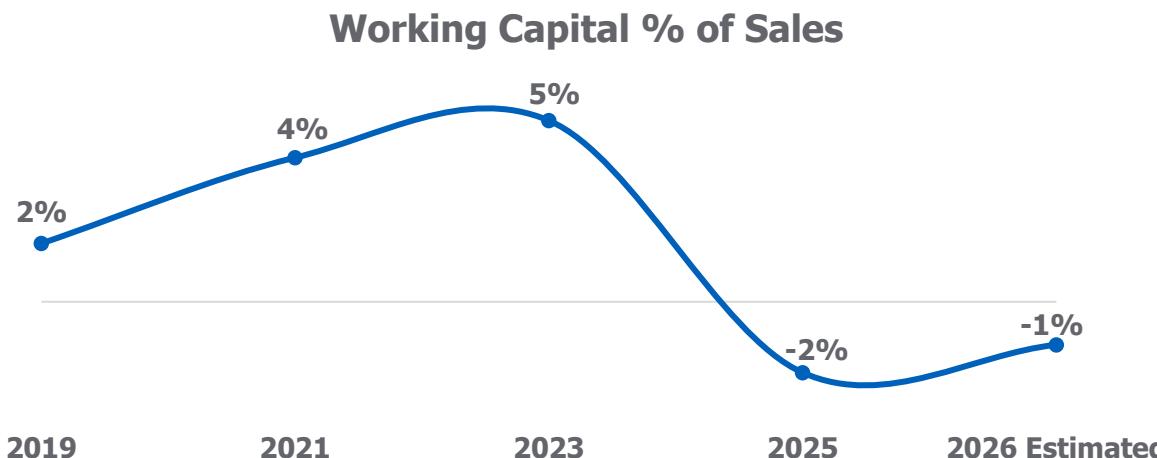
Actions to reduce net leverage ratio, reduced debt by ~\$530M in 2025

\$ in millions

Key Financial Metrics (Dec. 31, 2025)

Cash	\$138
Capex (YTD)	\$183
Total Debt	\$1,540
Dividends (YTD)	\$150
Net Leverage Ratio	3.4x

Driving Working Capital Efficiencies



- Improved net working capital position in 2025
- Lean has allowed better alignment between demand, procurement and build processes
- Supply chain localization
- Optimizing payables management

Disciplined Capital Deployment and Improvement in Net Working Capital

Full Year 2026 Guidance & Expectations



Total Company Sales

\$ in Millions

↑ 1% to ↑3%

\$7.2B to 7.4B

Relative to 2025 at \$7.15B

Adjusted EBITDA* Margin

% of Sales

↑ 80 to 120 bps

Relative to 2025 at 5.7%

Adjusted* EPS

\$1.50 to \$1.60

Relative to 2025 at (\$0.01)

Initial 2026 Outlook Assumptions

- Flattish industry retail
- Alignment of shipments and retail brings volume benefit
- Indian Motorcycle separation expected to close by end of Q1'26
- Meaningful tariff headwind of ~\$90 million; larger y/y headwind in the first half
- Continue to make progress on operational efficiencies
- Transition Service Agreements with Indian Motorcycle
- No change in regulatory policies

Key Metrics

Key Metric	Initial FY 2026 Expectations
Operating Expense	Down ~4% y/y
Interest Expense	~\$125 million
Tax Rate	26% - 28%
Diluted Shares	~59 million
Depreciation	Down ~4% y/y
Financial Services Income	Down ~9% y/y
Other Income	\$30 - \$35 million
Capex	~\$220 million

Teams Focused on Delivering High Say/Do Ratio



Innovation Leadership

- Category-defining product launches
- Share gains driven by new platforms and technology
- Premium, passion-led brands with loyal customer base

Stronger Operations

- \$240M+ of structural savings realized over 2 years
- Manufacturing footprint supports volume recovery and margin expansion
- Set up for higher incremental margins in mid-cycle recovery

Best-in-Class Dealer Network

- Long-tenured, highly engaged dealer relationships
- Dealer inventory aligned with demand, supporting channel health
- Strong partners across whole goods, PG&A, service, financing

Well-positioned to Gain Share and Expand Margins Through the Cycle



Strong finish to the year with a high Say/Do ratio

- Dealer inventory now healthy across ORV and Marine
- Gained share in Q4 across ORV (excluding Youth), Snow and Marine
 - Gained share in 2025 across all segments
- Improved our operations

Key Focus Areas for 2026

- Managing to a flattish retail environment
 - Growth in Utility and continued weakness in Recreation
 - Snow is expected to be down modestly
 - Marine is expected to be flattish
 - Launch innovative products
 - Positive net price with model year pricing and lower promotions
 - Operations poised to meet any signs of increased demand
- Completing separation of Indian Motorcycle in Q1'26
- Continue to drive lean and operational efficiencies
- Executing our tariff mitigation strategy



Q & A

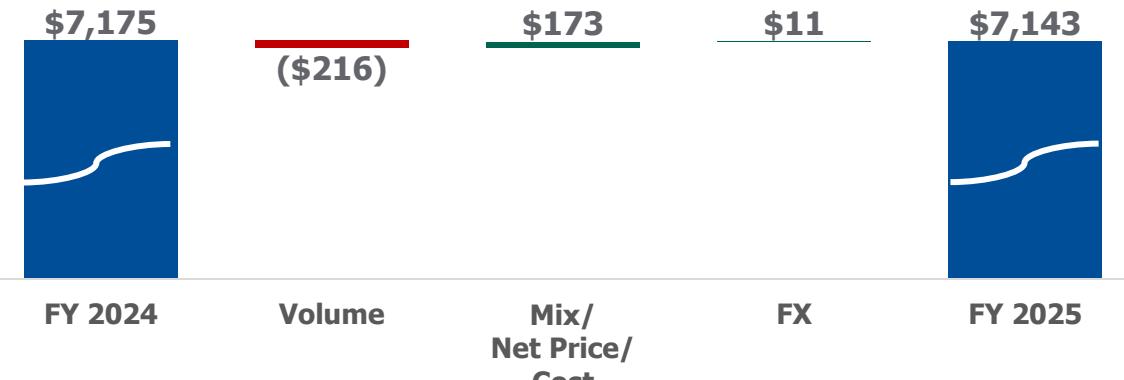




- **FY 2025 Financial Results**
- **Non-GAAP Reconciliations – Total Company**
- **Non-GAAP Reconciliations – Net (Loss) Income to Adjusted EBITDA**
- **Non-GAAP Reconciliations – Segments**
- **Non-GAAP Reconciliations – Free Cash Flow**



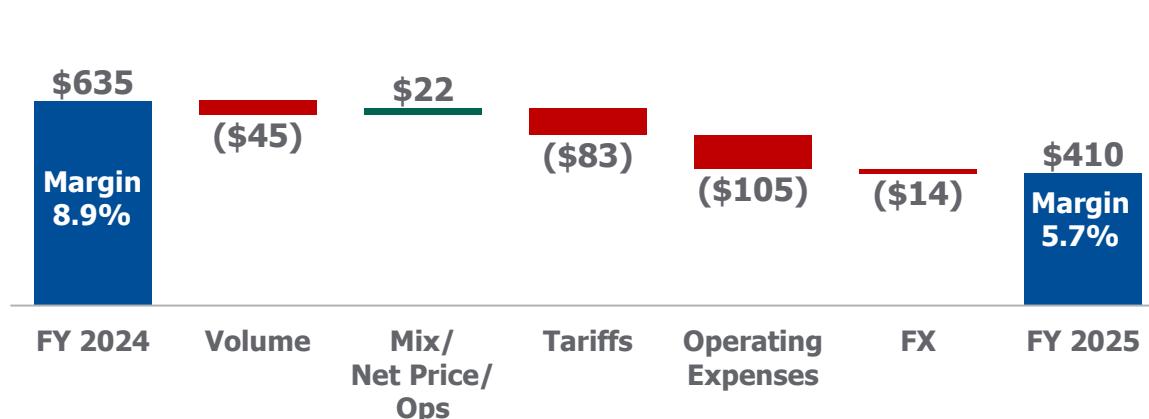
Adjusted* Sales



Financial Highlights (Y/Y)

- Full Year sales of \$7.1B, flat**
 - Lower shipments offset by positive mix
 - Lower net price driven by higher promotional environment
 - International sales down 3%
 - PG&A sales up 10%
- Adjusted* EBITDA margin down 311 bps**
 - Tariff headwind almost completely offset by operational efficiencies
 - \$82 million in new tariffs
 - Normalization of incentive compensation
 - Lower warranty expense
- Adjusted* EPS of (\$0.01), down \$3.26**
- Other items:**
 - Net interest expense of \$131M
 - Effective tax rate of 12.8%
 - Average outstanding diluted shares ~57M

Adjusted* EBITDA



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 December 31,		Twelve months ended December 31,	
	2025	2024	2025	2024
	\$ 1,921.9	\$ 1,755.4	\$ 7,152.0	\$ 7,175.4
Sales				
Product wind downs ⁽³⁾	(1.3)	(0.7)	(9.2)	(0.7)
Adjusted sales	1,920.6	1,754.7	7,142.8	7,174.7
Gross profit	384.2	357.9	1,368.7	1,466.8
Restructuring ⁽²⁾	4.4	0.5	6.2	7.6
Product wind downs ⁽³⁾	0.9	11.1	10.2	11.1
Adjusted gross profit	389.5	369.5	1,385.1	1,485.5
(Loss) income before income taxes	(356.9)	12.2	(532.7)	140.8
Acquisition-related costs ⁽¹⁾	0.1	0.2	0.2	1.4
Restructuring ⁽²⁾	11.9	0.9	20.1	23.4
Product wind downs ⁽³⁾	0.9	11.8	10.4	11.8
Intangible amortization ⁽⁴⁾	4.5	4.4	17.7	17.7
Class action litigation expenses ⁽⁵⁾	1.5	1.6	8.0	7.0
Impairment charges ⁽⁶⁾	53.9	29.5	155.9	29.5
Loss on disposal group held for sale ⁽⁷⁾	288.1	—	330.4	—
Adjusted income before income taxes	4.0	60.6	10.0	231.6
Net (loss) income attributable to Polaris Inc.	(303.6)	10.6	(465.5)	110.8
Acquisition-related costs ⁽¹⁾	—	0.1	0.1	1.0
Restructuring ⁽²⁾	9.0	0.7	15.3	17.8
Product wind downs ⁽³⁾	0.7	9.0	7.9	9.0
Intangible amortization ⁽⁴⁾	3.4	3.4	13.5	13.5
Class action litigation expenses ⁽⁵⁾	1.2	1.2	6.1	5.4
Impairment charges ⁽⁶⁾	44.6	27.3	140.8	27.3
Loss on disposal group held for sale ⁽⁷⁾	249.1	—	281.3	—
Adjusted net income (loss) attributable to Polaris Inc. ⁽⁸⁾	\$ 4.4	\$ 52.3	\$ (0.5)	\$ 184.8
Diluted EPS attributable to Polaris Inc.	\$ (5.34)	\$ 0.19	\$ (8.18)	\$ 1.95
Acquisition-related costs ⁽¹⁾	—	—	—	0.02
Restructuring ⁽²⁾	0.17	0.01	0.27	0.31
Product wind downs ⁽³⁾	0.01	0.16	0.14	0.16
Intangible amortization ⁽⁴⁾	0.06	0.06	0.24	0.24
Class action litigation expenses ⁽⁵⁾	0.02	0.02	0.10	0.09
Impairment charges ⁽⁶⁾	0.79	0.48	2.48	0.48
Loss on disposal group held for sale ⁽⁷⁾	4.37	—	4.94	—
Adjusted EPS attributable to Polaris Inc. ⁽⁸⁾	\$ 0.08	\$ 0.92	\$ (0.01)	\$ 3.25

Adjustments:

- (1) Represents adjustments for integration and acquisition-related expenses
- (2) Represents adjustments for corporate restructuring
- (3) Represents adjustments related to product wind downs, including the FTR product line within the Company's On Road segment and the Timbersled product line within the Company's Off Road segment
- (4) Represents amortization expense for intangible assets acquired through business combinations
- (5) Represents adjustments for certain class action litigation-related expenses
- (6) Represents goodwill impairment charges associated with the Company's On Road segment, impairment charges related to other intangible assets associated with the Company's Off Road segment, and impairment charges related to strategic investments held by the Company
- (7) Represents impairment and other charges recorded to report the held for sale Indian Motorcycle business at fair value less an amount of estimated transaction costs
- (8) The Company used its estimated statutory tax rate of 23.8% for the non-GAAP adjustments in 2025 and 2024, except for non-deductible items

Non-GAAP Reconciliations – Net (Loss) Income to Adjusted EBITDA



Reconciliation of Net (Loss) Income to Adjusted EBITDA (In Millions, Unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2025	2024	2025	2024
Adjusted sales	1,920.6	1,754.7	7,142.8	7,174.7
Net (loss) income	(303.3)	10.8	(464.8)	111.2
(Benefit) provision for income taxes	(53.6)	1.4	(67.9)	29.6
Interest expense	31.0	34.3	131.4	137.0
Depreciation	62.5	73.5	263.5	264.4
Intangible amortization ⁽⁴⁾	5.1	6.0	23.0	21.9
Acquisition-related costs ⁽¹⁾	0.1	0.2	0.2	1.4
Restructuring ⁽²⁾	11.9	0.9	20.1	23.4
Product wind downs ⁽³⁾	0.9	10.0	10.4	10.0
Class action litigation expenses ⁽⁵⁾	1.5	1.6	8.0	7.0
Impairment charges ⁽⁶⁾	53.9	29.5	155.9	29.5
Loss on disposal group held for sale ⁽⁷⁾	288.1	—	330.4	—
Adjusted EBITDA	\$ 98.1	\$ 168.2	\$ 410.2	\$ 635.4
Adjusted EBITDA Margin	5.1 %	9.6 %	5.7 %	8.9 %

Adjustments:

- (1) Represents adjustments for integration and acquisition-related expenses
- (2) Represents adjustments for corporate restructuring
- (3) Represents adjustments related to product wind downs, including the FTR product line within the Company's On Road segment and the Timbersled product line within the Company's Off Road segment
- (4) Represents amortization expense for intangible assets acquired through business combinations and asset acquisitions
- (5) Represents adjustments for certain class action litigation-related expenses
- (6) Represents goodwill impairment charges associated with the Company's On Road segment, impairment charges related to other intangible assets associated with the Company's Off Road segment, and impairment charges related to strategic investments held by the Company
- (7) Represents impairment and other charges recorded to report the held for sale Indian Motorcycle business at fair value less an amount of estimated transaction costs

Non-GAAP Reconciliations – Segments



Reconciliation of GAAP Segment Gross Profit to Non-GAAP Segment Gross Profit
 (In Millions, Unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2025	2024	2025	2024
Off Road segment gross profit	\$ 339.2	\$ 307.9	\$ 1,155.1	\$ 1,160.5
Restructuring ⁽¹⁾	0.2	0.2	1.4	4.3
Product wind down ⁽²⁾	—	—	6.2	—
Adjusted Off Road segment gross profit	<u>339.4</u>	<u>308.1</u>	<u>1,162.7</u>	<u>1,164.8</u>
On Road segment gross profit	28.8	18.0	157.2	179.4
Restructuring ⁽¹⁾	4.0	0.1	4.0	0.1
Product wind down ⁽²⁾	0.9	11.1	4.0	11.1
Adjusted On Road segment gross profit	<u>33.7</u>	<u>29.2</u>	<u>165.2</u>	<u>190.6</u>
Marine segment gross profit	19.8	23.7	72.5	80.6
Restructuring ⁽¹⁾	—	0.1	—	0.1
Adjusted Marine segment gross profit	<u>19.8</u>	<u>23.8</u>	<u>72.5</u>	<u>80.7</u>
Corporate segment gross profit	(3.6)	8.3	(16.1)	46.3
Restructuring ⁽¹⁾	0.2	0.1	0.8	3.1
Adjusted Corporate segment gross profit	<u>(3.4)</u>	<u>8.4</u>	<u>(15.3)</u>	<u>49.4</u>
Total gross profit	384.2	357.9	1,368.7	1,466.8
Restructuring ⁽¹⁾	4.4	0.5	6.2	7.6
Product wind down ⁽²⁾	0.9	11.1	10.2	11.1
Adjusted total gross profit	<u>\$ 389.5</u>	<u>\$ 369.5</u>	<u>\$ 1,385.1</u>	<u>\$ 1,485.5</u>

Adjustments:

⁽¹⁾ Represents adjustments for corporate restructuring

⁽²⁾ Represents adjustments related to product wind downs, including the FTR product line within the Company's On Road segment and the Timbersled product line within the Company's Off Road segment

Non-GAAP Reconciliations – Free Cash Flow



Reconciliation of GAAP Operating Cash Flow to Non-GAAP

Adjusted Free Cash Flow

(In Millions, Unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Net cash provided by operating activities	178.7	206.3	741.0	268.2
Purchase of property and equipment	(64.7)	(69.0)	(182.9)	(261.7)
Distributions from (investment in) finance affiliate, net	5.9	15.8	47.3	58.2
Adjusted free cash flow	\$ 119.9	\$ 153.1	\$ 605.4	\$ 64.7

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" sales, gross profit, income before taxes, net (loss) income, EBITDA, EBITDA margin, and net (loss) 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.