POLARIS

CAPITAL MARKETS DAY

March 12, 2025

WELCOME

POLARIS

J.C. WEIGELT

Vice President, Investor Relations

2025 CAPITAL MARKETS DAY

AGENDA

Polaris Capital Markets Day – March 12, 2025

TIME (MT)	TOPIC	PRESENTER
4:00 – 4:05	**Welcome**	**J.C. Weigelt,** Vice President of Investor Relations
4:05 – 4:30	**Strategy Overview**	**Mike Speetzen,** Chief Executive Officer
4:30 – 4:45	**Operations Lean Journey**	**Marc Suarez,** Vice President of Off Road Operations
4:45 – 5:00	**Financial Review**	**Bob Mack,** Chief Financial Officer
5:00 – 5:45	**Q&A**	

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; 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, particularly in light of the proposed policies of the new presidential administration); 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.

STRATEGY OVERVIEW

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MIKE SPEETZEN

Chief Executive Officer

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2024: Navigating Market Headwinds

A Prolonged Downcycle in Powersports

Off Road Industry

Four consecutive quarters of contraction

On Road Industry

Contraction in six of last seven quarters

Marine Industry

Consistent decline over last eight quarters

Consumer uncertainty

Elevated promotional levels

Dealer caution and inventory destocking

Financial distress at multiple OEMs

Category exits

EV adoption far short of expectations

Source: ROHVA, MIC, NMMA data. Segments in which Polaris brands participate

Evolved & simplified structure

Unwavering support of dealers

Sustained innovation investment

Confidence in our mid-cycle financial targets

Best Customer Experience: Delivered

Safety & Quality Improvements

Dealer Partnership

Digital Experience

Powersports Access

1.1 Million

New Customers Since Pre-COVID

Lowest in 10 Years

Initial Warranty Claim Rate on MY25 Products

10%+

ORV Ridership Versus Pre-COVID*

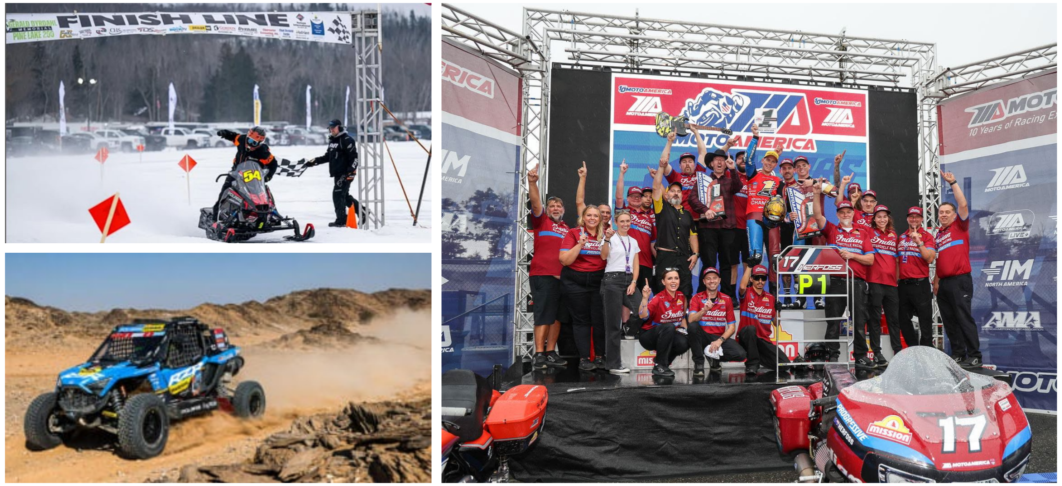
*Polaris ORV data for vehicles 1-3 years old

Inspirational Brands: Delivered

Authentic Partnerships

Engaged Fans

Exciting Activations

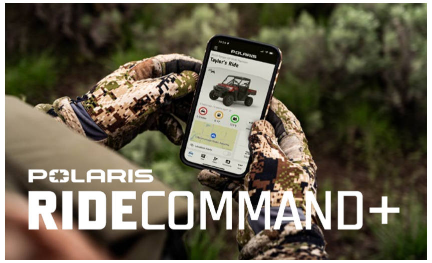


Racing Leadership

Rider-Driven Innovation: Delivered

Invented New Product Classes & Offerings



Redefined Categories




LR LOCK &RIDE MAX

Listened to Customers to Deliver on Their Needs





Agile & Efficient Operations: Delivered

Lean Manufacturing

Supply Chain Efficiency

Post-Sales Surveillance

Design for Manufacturing

$200M+

2024 Structural Savings

↓25%

Raw Materials Inventory

Adds Confidence to Mid-cycle Adjusted EBITDA Margin Targets

Powersports Market Outlook

Short-Term Market Dynamics

- Consumer spending fatigue / elevated debt levels
- Higher interest rates for longer
- Consumer sentiment wavering
- Aggressive promotional environment
- Dealer inventory continues to normalize
- Labor constraints and rising costs
- Tariff uncertainty

Long-Term Trends

- Continued interest in outdoor categories
- Growing interest in rural living
- Adoption of connected and digital
- Software defined vehicles creating new markets
- Increasing dealer sophistication and partnership
- Gen Z and diverse powersports growth

Our Focus

Margin Expansion
Cash Generation

Market Share Growth
Innovation

Long-Term Trends Favor a Return to Powersports Growth Over Time

2025 Focus: Stabilize & Execute

REFOCUS	REINVENT	REVOLUTIONIZE
Challenging Macro Environment	Recovery	Expanded Growth Opportunities
Now	Next	Future
STABILIZE & EXECUTE	TRANSFORM & SCALE	DISRUPT & EXPAND

Profits & Efficiencies Enable Re-Investment into the Business

2025 Focus: Stabilize & Execute

REFOCUS
Continued Challenging Macro Environment

REINVENT
Recovery

REVOLUTIONIZE
Expanded Growth Opportunity

Margin Expansion

- Drive Lean Through Build, Design and Sell Processes
- Strengthen Process & Tools
- Continuous Improvement in Quality

Grow Long-Term Share

- Unwavering Support of Dealers
- Enhanced Digital Experiences
- Deliver on New Products
- Ongoing Innovation Focus

Driving Profitability Today, So We Run Faster and Stronger Tomorrow

Next: Accelerate through Recovery

REFOCUS
Continued Challenging Macro Environment

REINVENT
Recovery

REVOLUTIONIZE
Expanded Growth Opportunity

Margin Expansion

- End-to-End Lean
- Modern Tools & AI Applications
- Sustained Quality Delivery

Grow Long-Term Share

- Deeper Dealer Partnerships
- Deeper Customer Relationships
- Portfolio Breadth
- Next Gen Product Technology

Efficient, Focused Operations to Accelerate Through Recovery

Future: New Frontiers for Growth

REFOCUS
Continued Challenging Macro Environment

REINVENT
Recovery

REVOLUTIONIZE
Expanded Growth Opportunity

Margin Expansion

- World-Class Global Operations
- Modern Tools & AI Applications
- Non-Product Revenue Streams

Grow Long-Term Share

- Optimized Dealer Ecosystem
- Expanding Access to Powersports
- New Markets & New Customers
- Innovation Advantage

Maintaining Investment for Game Changing Products in the Future

Winning with Dealers

Investing in Front- and Back-end Dealer Operations

Data-Driven Network Plan + Active Engagement in Buy/Sells

Disciplined Inventory & Promotions Management

Proactive Partnership & Tools to Drive Retail and Dealer Profitability

7,500
Dealer Techs Trained

70+
Net Promoter Score

#1
Sales Team

#1
Service Team

Strength Through the Cycle Allows Greater Investment in Dealer Success

Off Road

Off-Road Vehicles (ORV)

- Softness in Recreation mitigated by stable Utility sales
- Continued success within new categories
- Performance leadership demonstrated in racing dominance
- Significant gains from lean focus
- Driving innovation towards lower priced segments

Snowmobiles

- Slow, stable growth from competitor exits and improved reliability
- Managed 2024-2025 ship to keep channel clean for next year
- Lack of snow negatively impacted last two seasons
- Improving margin picture
- R&D focused on new segments and increased platforming

Gov't, Defense & Commercial

- Derivative ORV business with attractive market dynamics and solid profitability
- Long-term customer partnerships mitigate cyclical effects
- R&D portfolio highly relevant to consumer applications

2024 Off Road Financial Highlights

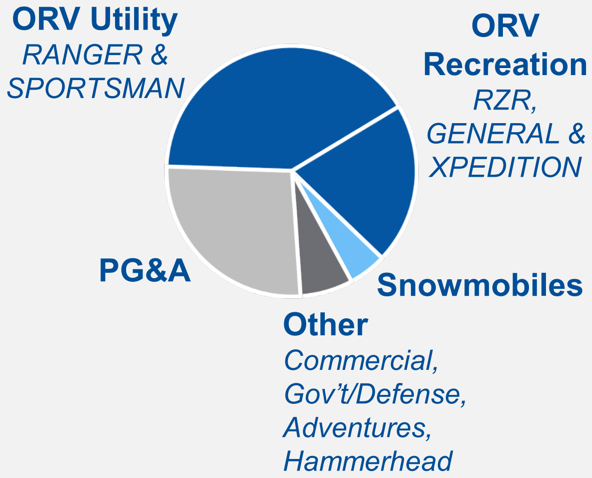
79% of Total Company Sales

$5.7B in Sales

20.3% Gross Profit Margin

#1 Market Share in ORV

#2 Market Share in Snowmobiles



On Road

Indian Motorcycle

- Highly desirable brand with loyal, growing customer community
- Product performance showcased in racing wins
- Steady share growth for 10+years; mid-size leading in key markets
- Focused portfolio supports margin potential as market dynamics improve

Slingshot

- Most diverse, highly passionate customer / enthusiast base
- Growing desirability of side-by-side format for on-road use
- Strong innovation pipeline and potential to expand addressable market

Aixam & Goupil

- Stand-alone, niche businesses serving unique auto markets in Europe
- Strong moat and differentiation due to scale of markets
- Stable growth with attractive margin and cash flow delivery

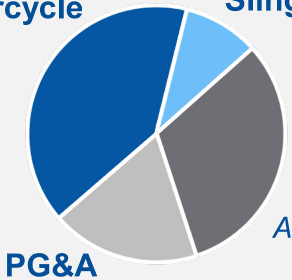
2024 On Road Financial Highlights

14% of Total Company Sales

$988M in Sales

19.3% *Adj. Gross Profit Margin

#2 Market Share in Motorcycles



*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.

Marine

Bennington

- Significant product refreshes and continued innovation
- Strongest dealer network in the segment
- Expanding price points to attract new customers while protecting premium positioning
- Vertical integration within marine to enhance margin, quality and protect supply chain

Godfrey

- Increasing pace of new product introductions
- Expanding upscale features to drive margin expansion
- Complementary dealer network to Bennington creates excellent coverage of Pontoon segments and geographies
- Leveraging manufacturing centers of excellence for components

Hurricane

- Leading share in Deck Boat category
- Strong, healthy dealer network navigating market conditions
- 32’ Sundeck and 24’ Center Console create new growth categories

2024 Marine Financial Highlights

7% of Total Company Sales

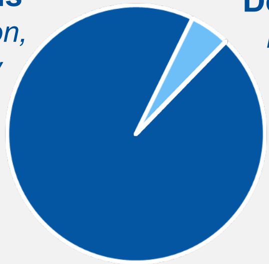
$481M in Sales

16.8% Gross Profit Margin

#1 Market Share in Pontoons & Deck Boats

Pontoons
Bennington, Godfrey

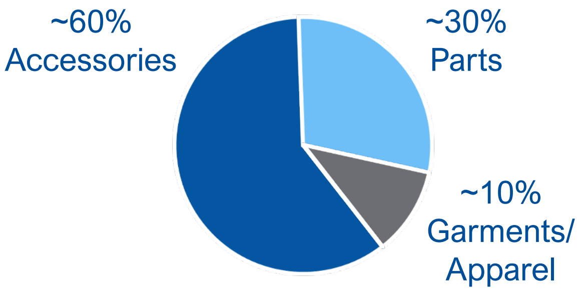
Deck Boats
Hurricane



PG&A By the Numbers

$1.7 Billion
Global Revenue

>80%
Vehicles Retail *with* Accessories



>$300 Million
Inventory

>100K
Polaris Engineered +
Aftermarket Products

>700
Product Suppliers +
Technology & Service Providers

>2M FT²
Distribution + Mfg Capacity
12 Sites Shipping to 120 Countries

6
Aftermarket Brands

Strength Through the Cycle

Focused Execution

Margin Expansion

Long-term Share Growth

OPERATIONS LEAN JOURNEY

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MARC SUAREZ
Vice President, Off Road Operations

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Key Focus Areas

Improving processes for complexity

Streamlining Lean product launch

Supply chain efficiency

Implementation of Lean culture

Focus on Agile and Efficient Operations

2024 Off Road Transformational Journey

			2024 Structural Cost Savings
Treat our Operators as Most Valuable Asset	☑ Align operations	☑ Employee Skill Development	$30M in hourly labor productivity
Non-Negotiable Quality Culture	☑ Product Development Process rigor alignment	☑ Improved Pilot area	$20M in logistics optimization
Drive SiOP Maturity	☑ Inventory improvement plan	☑ Inventory optimization module	$30M in SiOP and expedited logistical costs
Operator Focused Supply Certainty	☑ Tactical supply risk management	☑ Strategic supply risk and Total Cost plan	$60M in direct material cost
True Lean Implementation	☑ Launch Lean Model Lines	☑ First Model Lines completed	Plants variable costs down 15% YoY

SiOP = Sales, Inventory, and Operations Planning

Delivered Over $200 Million in Structural Savings

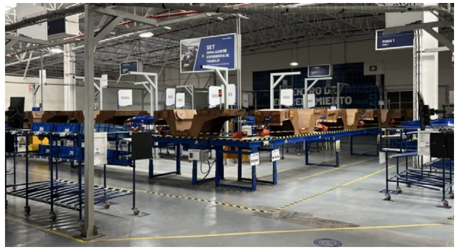
Transformational Journey Examples

Treat Our Operators as Most Valuable Asset

Training Employee Skills

Safety | *Quality* | *Standard Work* | *Time Trials* | *Mentorship & shadow training*






Non-Negotiable Quality Culture

Dedicated Pilot Build Areas

Shift for static modular pilot build to fully emulate process and line stations

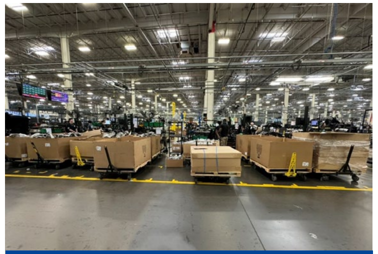
- Improved design for manufacturing
- Early detection of required changes
- Sequenced build representing station by station
- Cycle time validation

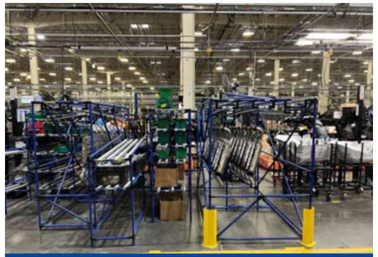


True Lean Implementation

Lean at the Plants

Drastically eliminate waste & reduce variation to drive incremental output with same resources


Before

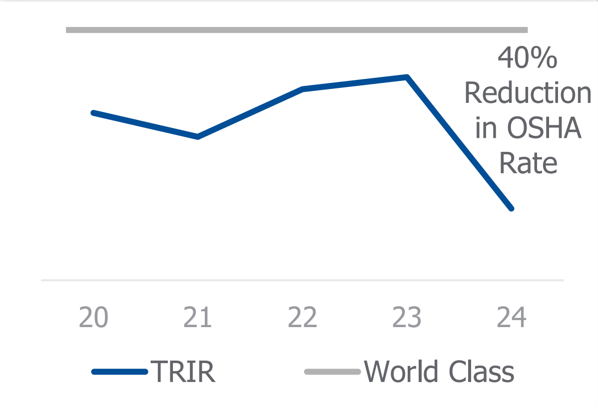

After

Key Results

- Elimination of waste
- Reduced variation risk
- Space reduction
- Improved material flow
- Reduce periodic work

Ways We Measure Progress

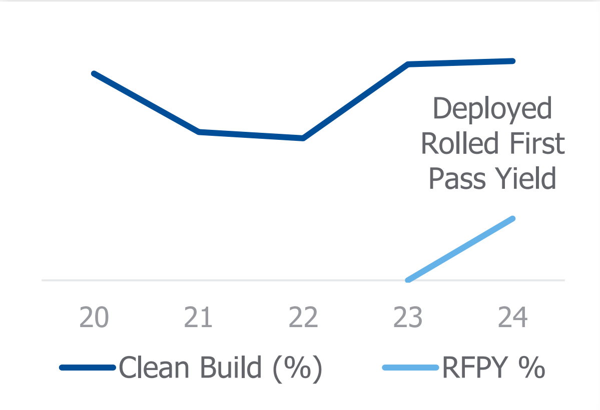
Safety



From
World class safety culture and performance

To
Remains a top priority

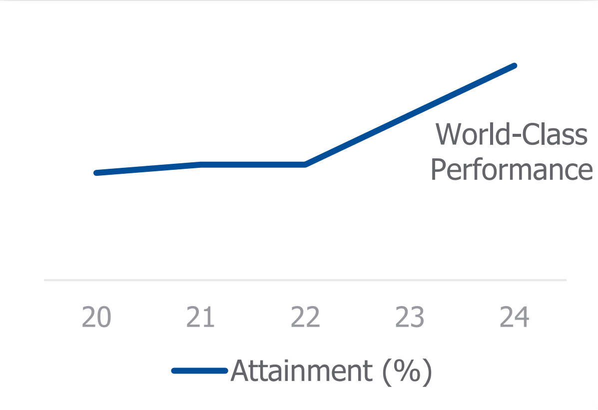
Quality



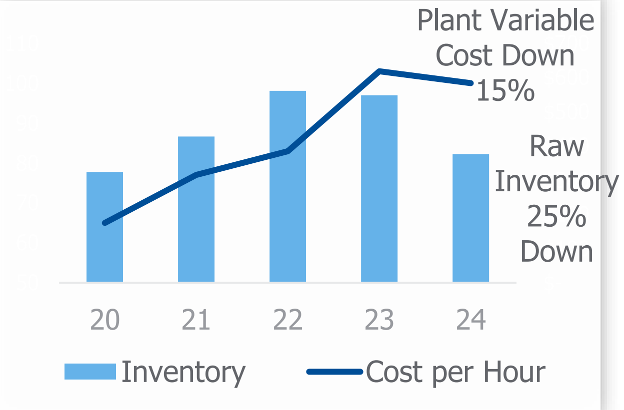
From
Best clean build ever achieved 80%

To
Rolled first pass yield (Leading indicator of quality)

Delivery



Cost



From
Build Attainment at any cost

To
Efficient Build Attainment
SiOP: Actively Managed Inventory

Continuously Raising the Bar

2025 Transformational Journey

Focus Area			2025 Targets
Treat our Operators like our most Valuable Asset	☐ Continued higher production efficiency	☐ Assembler centric culture	Increase labor productivity
Non-Negotiable Culture of Quality	☐ Employee Skill Training Enhancements	☐ Continued focus on Rolled First Pass Yield	Improved cost of poor quality
Leverage SiOP	☐ SiOP: Actively managed inventory	☐ Demand driven SiOP	Lower working capital: Optimized Inventory
Drive NPI Maturity	☐ Further improved Pilot Area	☐ Stable New Product DFAM (Design for Lean Assembly & Manufacturing)	Localization boost
True Lean Implementation	☐ Expanding Lean Model Lines to Roseau and Opole	☐ True Lean proliferation	Variable costs in plants down ~10%
Operations Business Process Excellence	☐ Process Excellence Training	☐ Process Excellence Maturity improvement	Drive reliable process excellence

Expecting to Achieve ~$40 Million in Structural Cost Savings

Evidence of Lean

- Made progress on our goals in 2024
- Results are real
- Building a Lean culture
- Teams aligned on 2025 priorities

Confident We Can Emerge Stronger

FINANCIAL REVIEW

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BOB MACK
Chief Financial Officer

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Our Takeaways From 2024

Tough year all around, but we did the right things that will make Polaris stronger in the long run

Protected dealers - Pulled inventory down in the channel

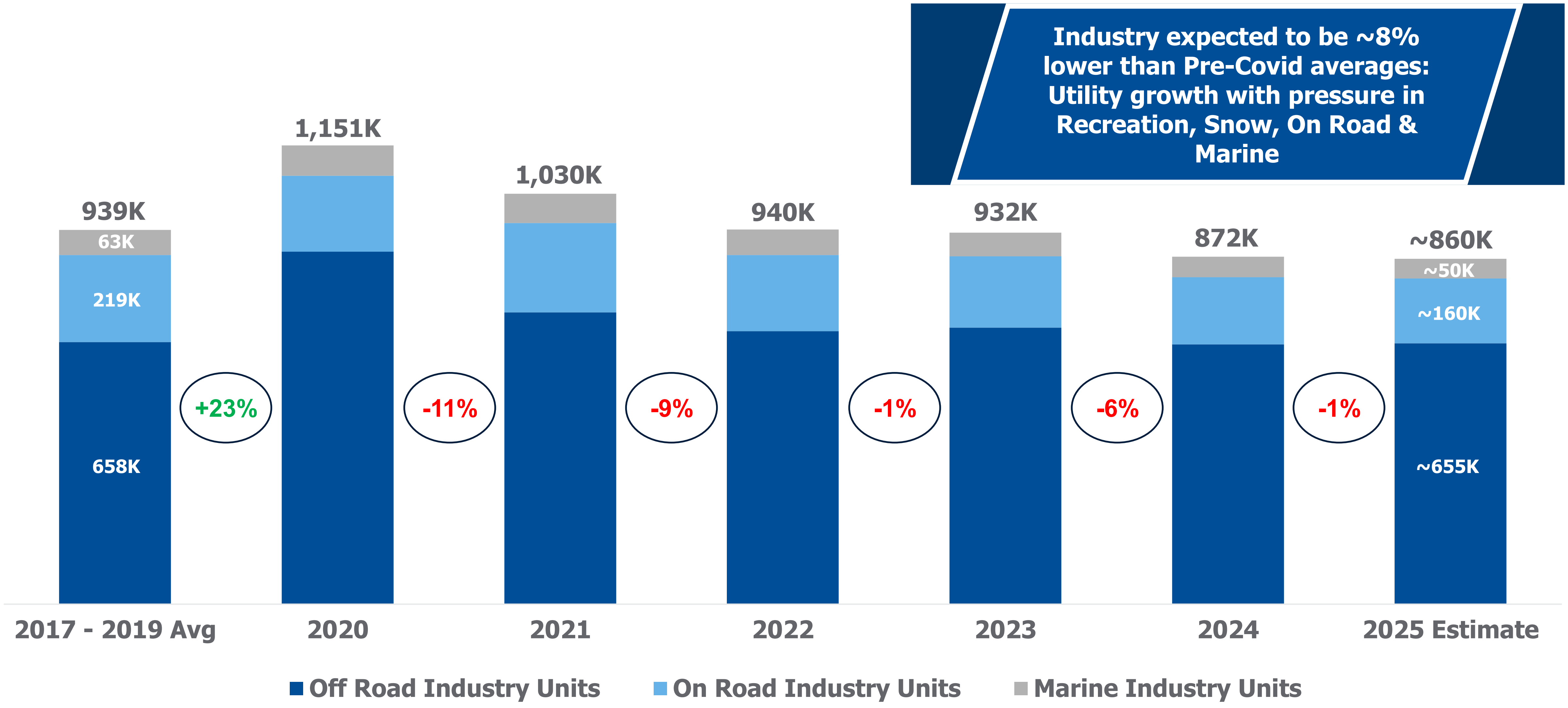
Optimized cost structure for current and future state

Continued improving processes

Invested in innovation

Near-Term Focus on Stabilizing Businesses, Driving Efficiencies & Strengthening How We Operate

Industry Context

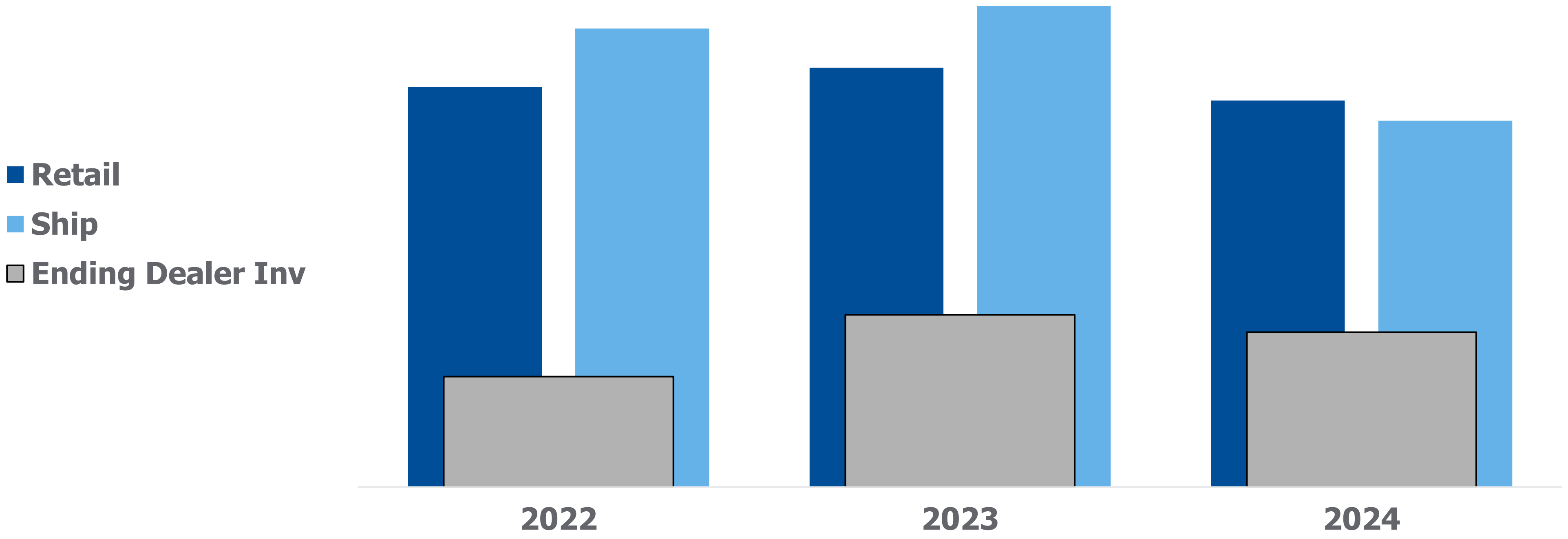


5 Straight Years of Industry Declines; 2025 Remains Below Pre-Pandemic Average

**On Road Industry includes FTR segment for comparable purposes*

***Historical industry shown as ROHVA (ORV), ISMA (Snow), MIC (ATV / Motorcycle), SSI (Boats)*

With Industry Challenged, Increased Focus on Dealer Health



Ship > Retail

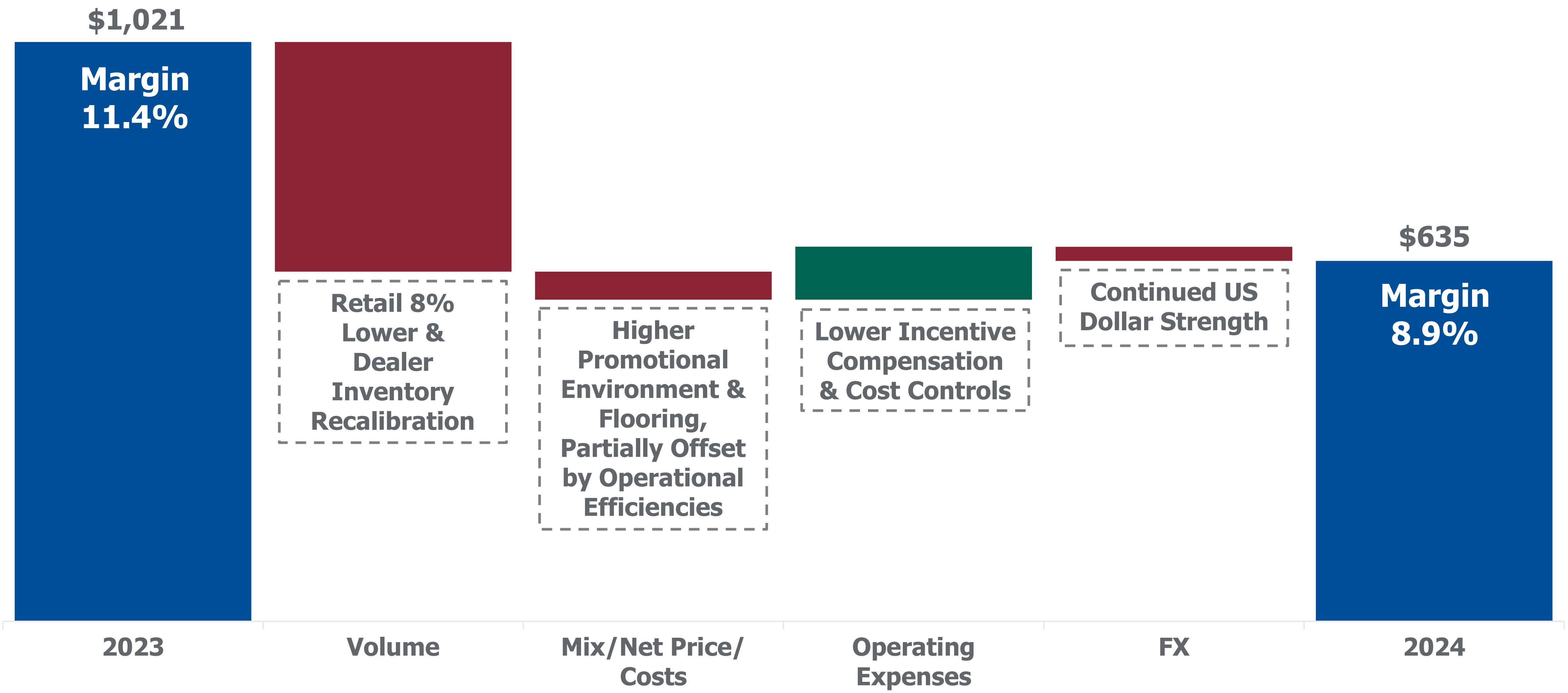
Refill Channel Post-Covid and Supply Chain Disruptions

Retail > Ship

Recalibrate Channel for Softer Macro

Recalibrated Dealer Inventory in 2024 in Challenging Macro Environment

What Happened in 2024: EBITDA Financial Impact



Shifting Gears to 2025 and Beyond

Focusing on Margins

Agile & Efficient Operations key to Margin Expansion

Focus areas include Operations, Platforming, Productivity and Lean

Over time we are expecting a recovery in Volume

Margin Improvement Drivers

Volume Normalization

- A return to more normal volume levels
- Entering value tier segments
- New innovation leads to market share gains
- Platforming equates to higher incremental margins

Lean Operations

- Optimize plants with Lean
- Minimal rework
- Increase output with same footprint and employee base
- Reduce unabsorbed overhead

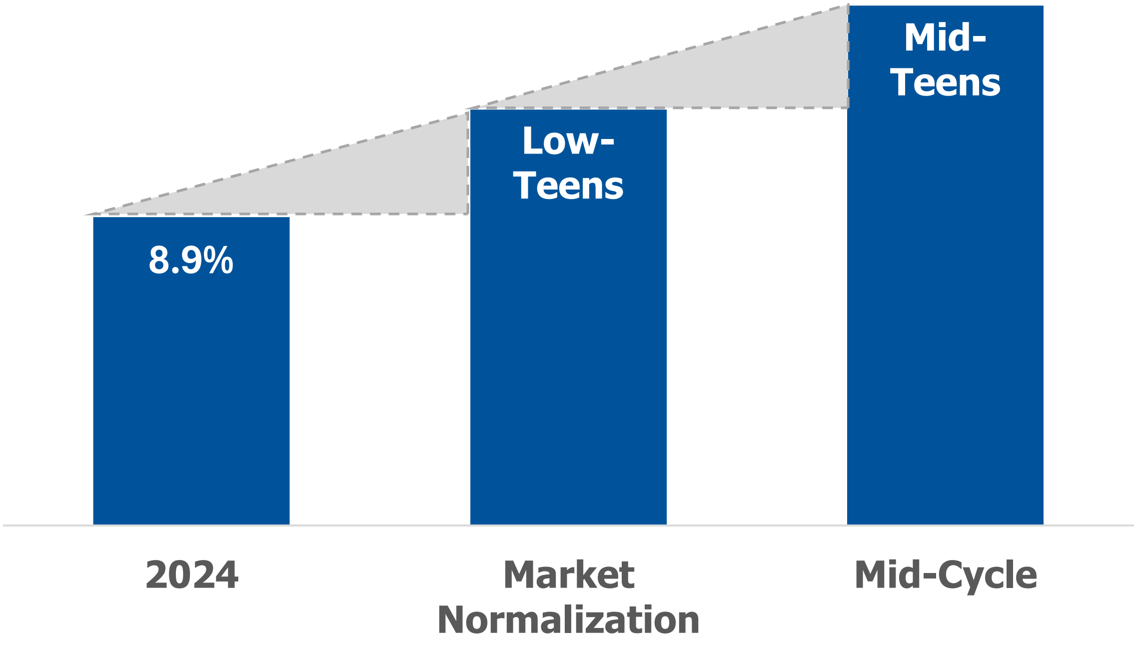
Net Pricing (MSRP & Promotions)

- Modest relief on promotions with healthier dealer inventory
- Achieve higher price with innovation
- Finance promo dollars reduced given lower average rates versus 2024
- Lower flooring interest with lower rates and balances

Multiple Drivers Lead to Margin Expansion

Adjusted* EBITDA Growth

Adjusted EBITDA % Progression



Margin Improvement Drivers

2024 Adj. EBITDA	**8.9%**
Volume Normalization	++++
Lean (MFG Optimization/ Modular Design)	++++
Operating Expense Leverage	+++
Net Pricing	+++
Flooring Normalization	++
Tariffs	?
Foreign Currency	?
Mid-Cycle Adj. EBITDA Target	**Mid-Teens**

\+ Progress against goal

\+ / - Impact yet to materialize

Continue to Drive Towards Mid-Teens Adjusted EBITDA Margin in Mid-Cycle Backdrop

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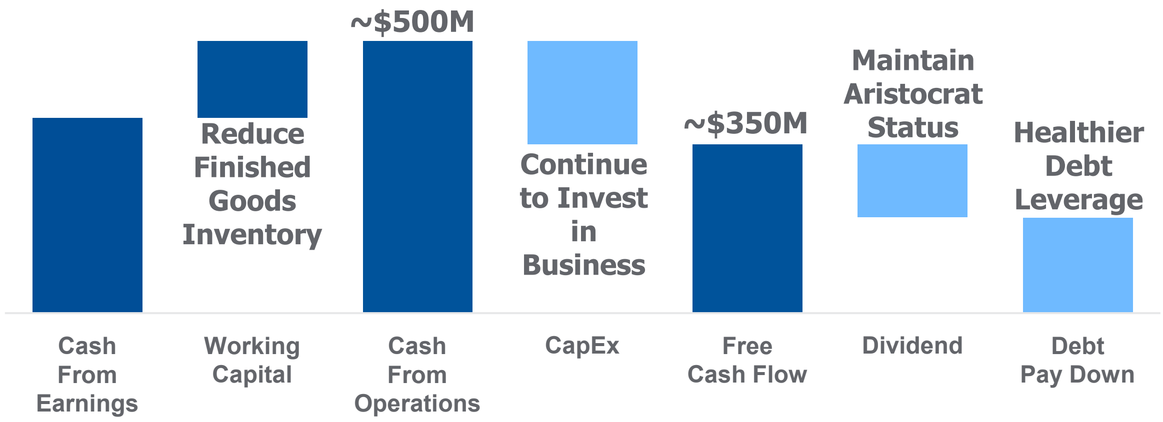
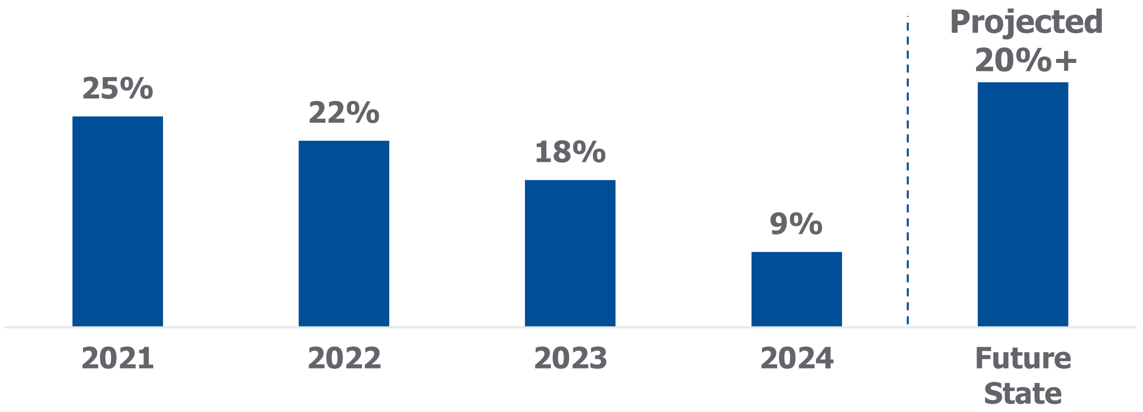
Cash Flow Generation and Balance Sheet

2025 Expectations For Cash



ROIC



Net Debt to EBITDA

- Maintain investment grade metrics
- Cash builds as volume recovers
- Strong working capital metrics

	2024	2025	Future State
Leverage	2.8x	~3.0x	1.0x - 2.0x

Key Drivers

- Earnings recovery
- Leverage and operational efficiencies
- Working capital normalization
- Assumes no M&A

Disciplined Capital Deployment & Earnings Growth Allows ROIC Recovery to Historical Levels

Focused Capital Deployment Strategy

1 Invest in Business

- Tooling for innovative new products
- Technology enablers
- New or improved manufacturing capabilities

2 Maintain Dividend Aristocrat Status

- 2025 marks the 30^{th} straight year increasing the dividend

3 Debt Pay Down

- Maintain investment grade metrics

Disciplined and Focused Priorities

Tariff Impact and Potential Mitigation Efforts

Current Situation

- Situation remains extremely fluid
- Additional Chinese tariffs add pressure
- ~100 days inventory at dealers and additional inventory at U.S. facility
- Hedges and contractual terms limit price volatility for ~60% of our aluminum and steel purchases

Dollar Breakdown

- $2 billion sales from Mexico manufacturing, most is USMCA compliant
- $500 million in components from China: 50% to U.S. & 50% to Mexico
- < $500 million to Canada; import < $50 million from Canada
- Original guidance was for $60-$70 million in tariffs; now likely higher

Potential Mitigation Efforts

- Methodical production location decisions
- Forward deployment of inventory
- Lobbying efforts on regulatory policy
- Pricing actions (both consumers and vendors)

Ability to Remain Agile & Focused on Proper Channels

Our Focus

- Positioned for volume recovery
- Agile & efficient operations
- Expanding margins
- Improving cash generation capabilities
- Focused capital allocation strategy

Growing Profit + Higher Cash Flow + Capital Allocation = Compounding Shareholder Returns

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Capital Markets Day – March 12, 2025

Q & A

TIME (MT)	TOPIC	PRESENTER
4:00 – 4:05	**Welcome**	**J.C. Weigelt,** Vice President of Investor Relations
4:05 – 4:30	**Strategy Overview**	**Mike Speetzen,** Chief Executive Officer
4:30 – 4:45	**Operations Lean Journey**	**Marc Suarez,** Vice President of Off Road Operations
4:45 – 5:00	**Financial Review**	**Bob Mack,** Chief Financial Officer
5:00 – 5:45	**Q&A**	

Appendix

- FY 2024 Financial Results
- Non-GAAP Reconciliations – Total Company
- Non-GAAP Reconciliations – Net Income to Adjusted EBITDA
- Non-GAAP Reconciliations – Segments / Cash Flow
- 2025 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 December 31, 2024	Three months ended December 31, 2023	Twelve months ended December 31, 2024	Twelve months ended December 31, 2023
Sales	$ 1,755.4	$ 2,289.2	$ 7,175.4	$ 8,934.4
Restructuring [3]	(0.7)	—	(0.7)	—
Adjusted sales	1,754.7	2,289.2	7,174.7	8,934.4
Gross profit	357.9	476.9	1,466.8	1,959.9
Restructuring [3]	11.6	3.0	18.7	3.0
Adjusted gross profit	369.5	479.9	1,485.5	1,962.9
Income before income taxes	12.2	120.8	140.8	620.4
Distributions from other affiliates [1]	—	(1.4)	—	(1.4)
Acquisition-related costs [2]	0.2	0.6	1.4	1.3
Restructuring [3]	12.7	6.8	35.2	8.2
Intangible amortization [4]	4.4	4.4	17.7	17.7
Class action litigation expenses [5]	1.6	3.1	7.0	8.5
Intangible asset and investment impairment [7]	29.5	—	29.5	—
Adjusted income before income taxes	60.6	134.3	231.6	654.7
Net income attributable to Polaris Inc.	10.6	103.4	110.8	502.8
Distributions from other affiliates [1]	—	(1.4)	—	(1.4)
Acquisition-related costs [2]	0.1	0.5	1.0	1.0
Restructuring [3]	9.7	5.2	26.8	6.3
Intangible amortization [4]	3.4	3.4	13.5	13.5
Class action litigation expenses [5]	1.2	2.3	5.4	6.4
Intangible asset and investment impairment [7]	27.3	—	27.3	—
Adjusted net income attributable to Polaris Inc. [6]	$ 52.3	$ 113.4	$ 184.8	$ 528.6
Diluted EPS attributable to Polaris Inc.	$ 0.19	$ 1.81	$ 1.95	$ 8.71
Distributions from other affiliates [1]	—	(0.02)	—	(0.02)
Acquisition-related costs [2]	—	0.01	0.02	0.02
Restructuring [3]	0.17	0.09	0.47	0.11
Intangible amortization [4]	0.06	0.05	0.24	0.23
Class action litigation expenses [5]	0.02	0.04	0.09	0.11
Intangible asset and investment impairment [7]	0.48	—	0.48	—
Adjusted EPS attributable to Polaris Inc. [6]	$ 0.92	$ 1.98	$ 3.25	$ 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 and the wind down of the FTR product line within the Company's On Road segment

(4) Represents amortization expense for intangible assets acquired through business combinations

(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

(7) Represents impairment charges related to other intangible assets associated with the Company's Off Road segment and an impairment charge related to an investment held by the Company

Non-GAAP Reconciliations – Net Income to Adjusted EBITDA

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

	Three months ended December 31,		Twelve months ended December 31,	
	2024	2023	2024	2023
Adjusted sales	**1,754.7**	**2,289.2**	**7,174.7**	**8,934.4**
Net income	**10.8**	**103.3**	**111.2**	**502.7**
Provision for income taxes	1.4	17.5	29.6	117.7
Interest expense	34.3	32.8	137.0	125.0
Depreciation	73.5	67.6	264.4	241.2
Intangible amortization (4)	6.0	4.4	21.9	17.7
Distributions from other affiliates (1)	—	(1.4)	—	(1.4)
Acquisition-related costs (2)	0.2	0.6	1.4	1.3
Restructuring (3)	10.9	6.8	33.4	8.2
Class action litigation expenses (5)	1.6	3.1	7.0	8.5
Intangible asset and investment impairment (6)	29.5	—	29.5	—
Adjusted EBITDA	**$ 168.2**	**$ 234.7**	**$ 635.4**	**$ 1,020.9**
Adjusted EBITDA Margin	**9.6 %**	**10.3 %**	**8.9 %**	**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 and the wind down of the FTR product line within the Company's On 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 impairment charges related to other intangible assets associated with the Company's Off Road segment and an impairment charge related to an investment held by the Company

Non-GAAP Reconciliations – Segments / Cash Flow

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,	
	2024	2023	2024	2023
Off Road segment gross profit	**$ 307.9**	**$ 409.0**	**$ 1,160.5**	**$ 1,531.6**
Restructuring [1]	0.2	—	4.3	—
Adjusted Off Road segment gross profit	**308.1**	**409.0**	**1,164.8**	**1,531.6**
On Road segment gross profit	**18.0**	**31.7**	**179.4**	**240.4**
Restructuring [2]	11.2	—	11.2	—
Adjusted On Road segment gross profit	**29.2**	**31.7**	**190.6**	**240.4**
Marine segment gross profit	**23.7**	**25.7**	**80.6**	**169.0**
Restructuring [1]	0.1	0.3	0.1	0.3
Adjusted Marine segment gross profit	**23.8**	**26.0**	**80.7**	**169.3**
Corporate segment gross profit	**8.3**	**10.5**	**46.3**	**18.9**
Restructuring [1]	0.1	2.7	3.1	2.7
Adjusted Corporate segment gross profit	**8.4**	**13.2**	**49.4**	**21.6**
Total gross profit	**357.9**	**476.9**	**1,466.8**	**1,959.9**
Total adjustments	11.6	3.0	18.7	3.0
Adjusted total gross profit	**$ 369.5**	**$ 479.9**	**$ 1,485.5**	**$ 1,962.9**

Adjustments:

[1] Represents adjustments for corporate restructuring

[2] Represents adjustments for corporate restructuring and the wind down of the FTR product line within the Company's On Road segment

Reconciliation of GAAP Operating Cash Flow to Non-GAAP Adjusted Free Cash Flow
(In Millions, Unaudited)

	Twelve months ended December 31,	
	2024	2023
Net cash provided by operating activities	**268.2**	**925.8**
Purchase of property and equipment	(261.7)	(412.6)
Distributions from (investment in) finance affiliate, net	58.2	(6.5)
Adjusted free cash flow	**$ 64.7**	**$ 506.7**

Non-GAAP Reconciliations – Segments

Reconciliation of GAAP Segment Sales to Non-GAAP Segment Sales

(In Millions, Unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2024	2023	2024	2023
On Road segment sales	**180.8**	**229.2**	**987.8**	**1,184.6**
Restructuring [1]	(0.7)	—	(0.7)	—
Adjusted On Road segment sales	**180.1**	**229.2**	**987.1**	**1,184.6**

Adjustments:

[1] Represents adjustments for the wind down of the FTR product line within the Company's On Road segment. All of the sales adjustments for the periods presented relate to the Company's On Road segment

Key Definitions: This presentation contains certain GAAP financial measures which have been "adjusted" for certain revenues, expenses, gains and losses and include "adjusted" sales, "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.

2025 Guidance Adjustments

2025 adjusted guidance excludes the pre-tax effect of restructuring costs of approximately $10 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, adjusted EBITDA margin, adjusted gross profit margin and adjusted free cash flow, 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.