



NEWS RELEASE

Polaris Updates 2015 Full-Year Guidance

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MINNEAPOLIS--(BUSINESS WIRE)-- Polaris Industries Inc. (NYSE: PII) today announced lower full-year 2015 sales and earnings guidance. The Company now expects full-year 2015 sales to grow approximately four to five percent compared to 2014, due to a weaker than expected North American Off-Road Vehicles ("ORV") and Snowmobile retail environment. This revision is a reduction from previously issued guidance of up 10 to 11 percent. Full-year 2015 earnings per share are now expected to be up approximately one to two percent compared to full year 2014, down from previous guidance of up 11 to 12 percent. Consistent with our previous guidance, the updated earnings per share guidance includes the expectation that the U.S. Congress will extend the 2015 research and development tax credit in December.

Since the Company updated its full year guidance in October, North American ORV industry sales have been softer than anticipated, which has negatively impacted Polaris' North American ORV retail, as well as the corresponding parts, garments, and accessories sales. Additionally, due to unusually warm weather patterns in the U.S. Snowbelt, the overall North American snowmobile industry is down mid-teens percent season-to-date through November, pressuring Polaris' snowmobile retail sales in the 2015 fourth quarter despite strong market share gains. In light of these challenges, and Polaris' commitment to end 2015 with North American dealer inventory levels up mid-single digits percent, the Company is reducing fourth-quarter ORV shipments significantly, primarily the Company's higher margin side-by-side vehicles. Consequently, North American ORV dealer inventory is expected to be below 2014 levels at year-end, while snowmobile dealer inventory is expected to be higher than last year as those vehicles were shipped prior to the retail selling season. The ORV shipment and dealer inventory reduction is reflected in the revised guidance.

"In our third quarter earnings call, I talked about slower near-term growth for the powersports industry and what it signified for our performance. We expected the fourth quarter to present a challenging retail environment for ORVs and Snowmobiles, but consumer traffic and retail sales have slowed beyond previous expectations. We are tackling

this problem head-on, in part by reducing our planned shipments to improve dealer inventory levels as we head into 2016. These factors drove the decision to lower our full-year 2015 guidance. Taking this action now, while disappointing, is appropriate given the circumstances,” commented Scott Wine, Polaris’ Chairman and Chief Executive Officer. “We anticipate 2016 results will improve modestly over 2015, with leaner dealer inventory, and a judicious balance between operating expense management and strategic investments, offsetting continued macroeconomic headwinds and ongoing currency and competitive pressures. Longer-term, our 2020 strategic objectives of greater than \$8.0 billion in sales and exceeding a ten percent net income margin remain unchanged and we believe achievable. Driven by innovative products and acceleration of our lean initiatives, we expect to continue to expand our industry-leading position in powersports along with on-going diversification into adjacent businesses and markets. We will provide further guidance regarding our 2016 outlook during our fourth quarter earnings call in January.”

Fourth Quarter and Full Year Conference Call and Webcast Presentation

Polaris will release its fourth quarter and full year 2015 financial results on Tuesday, January 26, 2016, and will hold a conference call and webcast at 9:00 a.m. Central Time on the same day to discuss the 2015 results and expectations for 2016. The call will be hosted by Scott Wine, Chairman and CEO; Bennett Morgan, President and COO; Ken Pucel, Executive Vice President – Operations, Engineering and Lean; and Mike Speetzen, Executive Vice President – Finance and CFO. A slide presentation and link to the webcast will be posted on the Polaris Investor Relations website at <http://ir.polaris.com>.

To listen to the conference call by phone, dial 877-706-7543 in the U.S. and Canada, or 973-200-3967 internationally. The Conference ID is # 95414234.

A replay of the conference call will be available approximately two hours after the call for a one-week period by accessing the same link on our website, or by dialing 855-859-2056 in the U.S. and Canada, or 404-537-3406 internationally.

About Polaris

Polaris is a recognized leader in the powersports industry with annual 2014 sales of \$4.5 billion. Polaris designs, engineers, manufactures and markets innovative, high quality off-road consumer and military vehicles, including all-terrain vehicles (ATVs) and the Polaris RANGER® and RZR® side-by-side vehicles, snowmobiles, motorcycles and on-road electric/hybrid powered vehicles.

Polaris is among the global sales leaders for both snowmobiles and off-road vehicles and has established a presence in the cruiser and touring motorcycle market with the Victory® and Indian Motorcycle® and Slingshot® brands. Additionally, Polaris continues to invest in the global Work and Transportation vehicle industry with Global

Electric Motorcars (GEM), Goupil Industrie SA, Aixam Mega S.A.S., and internally developed vehicles. Polaris enhances the riding experience with a complete line of Polaris Engineered Parts, Accessories and Apparel, Klim branded apparel and ORV accessories under the Kolpin[®], Cycle Country[®] and Pro Armor[®] brands.

Polaris Industries Inc. trades on the New York Stock Exchange under the symbol "PII", and the Company is included in the S&P Mid-Cap 400 stock price index.

Information about the complete line of Polaris products, apparel and vehicle accessories are available from authorized Polaris dealers or anytime at www.polaris.com.

Except for historical information contained herein, the matters set forth in this news release, including management's expectations regarding 2015 and future sales, shipments, net income, and net income per share, the research and development tax credit and operational initiatives are forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from those forward-looking statements. Potential risks and uncertainties include such factors as the Company's ability to successfully implement its manufacturing operations expansion initiatives, product offerings, promotional activities and pricing strategies by competitors; economic conditions that impact consumer spending; acquisition integration costs; warranty expenses; impact of changes in Polaris stock price on incentive compensation plan costs; foreign currency exchange rate fluctuations; environmental and product safety regulatory activity; effects of weather; commodity costs; uninsured product liability claims; uncertainty in the retail and wholesale credit markets; performance of affiliate partners; changes in tax policy and overall economic conditions, including inflation, consumer confidence and spending and relationships with dealers and suppliers. Investors are also directed to consider other risks and uncertainties discussed in documents filed by the Company with the Securities and Exchange Commission. The Company does not undertake any duty to any person to provide updates to its forward-looking statements.

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