



POLARIS[®]

POLARIS INDUSTRIES INC. | ANALYST & INVESTOR MEETING

Parts, Garments & Accessories

Steve Eastman – Vice President PG&A

July 30, 2013

PG&A Overview

Service Parts, Accessories, & Apparel

60,000+ SKU's, \$461 Million in Sales in 2012

Highest Gross Margins

COMPETITION: Aftermarket: i.e. Parts Unlimited, Tucker Rocky, Western Powersports, Motovan. Big Box Retail, Online Sellers

Top Selling Commodities

Cabs/Cab Components (ORV)
Winch Kits (ORV)
Oil
Plow Kits (ORV)
Brushguards (ORV)
Electronics/Lighting (ORV)
Rims/Wheels (ORV/Victory)
Tracks (ORV)
Snowmobile Outerwear (Snow)

Polaris Advantages

Strong Brands
Closer to the Customer
Wholegoods Integration (Accessories)
Proprietary Components (Parts)
Solution Focus
Fill Rates/Availability

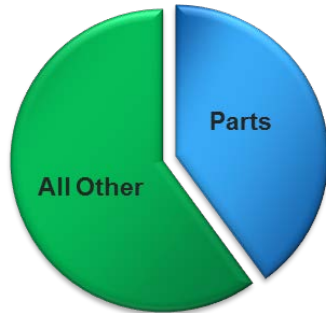


PG&A Overview

Parts

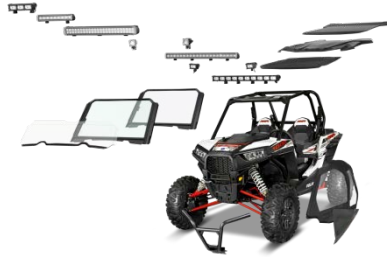


% of revenue

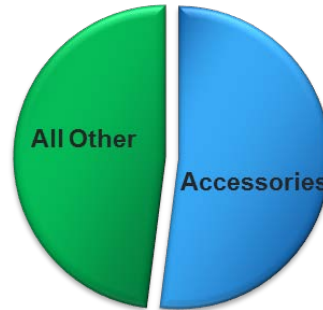


Highest margins
57,000+ part numbers
Fill rates >98%
Strong 1H snow revenue

Accessories



% of revenue

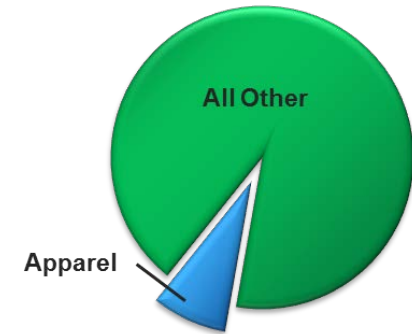


Healthy \$ per unit growth
Integrated solutions focus
Lock & Ride competitive advantage

Apparel



% of revenue



Klim adds \$30M+
All brands growing
Resourced for accelerated growth

Driving Sustainable Competitive Advantage in Each Segment

PG&A Strategy

1. Strengthen the Core Business
2. Develop Multi-Channel Capability
3. Develop New Growth Platforms
4. Drive International Sales Growth
5. Drive Global Operational Excellence

2013 Progress Overview

Business results/trends:

Revenue Growth – on track for record PG&A growth year

International – strong double digit growth

Margin Expansion – up slightly despite lower parts mix

Klim – pre-season orders and 1H results ahead of goal

Operational excellence:

Vermillion SD – productivity gains and LEAN progress continue

Wilmington OH – new distribution facility start up on track

International – EMEA consolidation & direct sourcing up and running, dedicated resources

Apparel Center-of-Excellence – established brand portfolio expertise in Rigby ID

Growth initiatives:

Product Development Transformation – record new product introductions, quality, innovation

Apparel – Klim acquisition + expanded product line coverage, brand discipline, quality

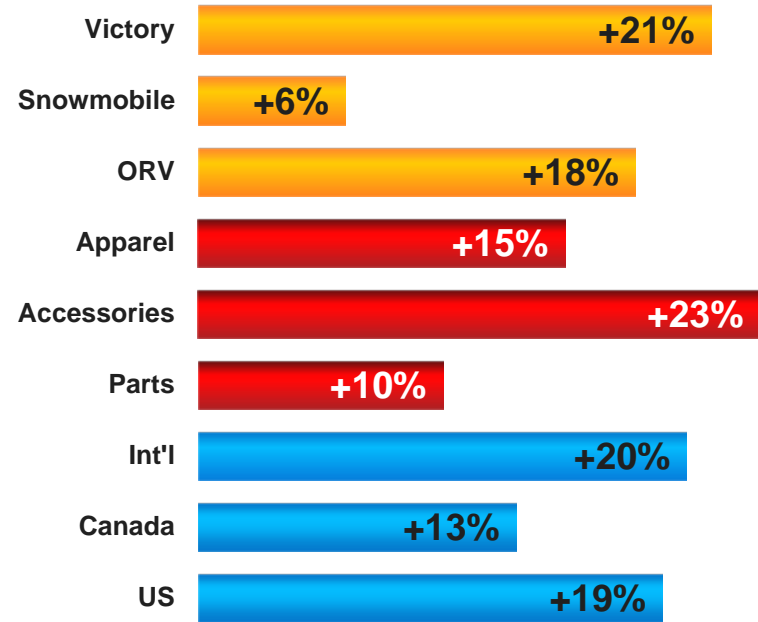
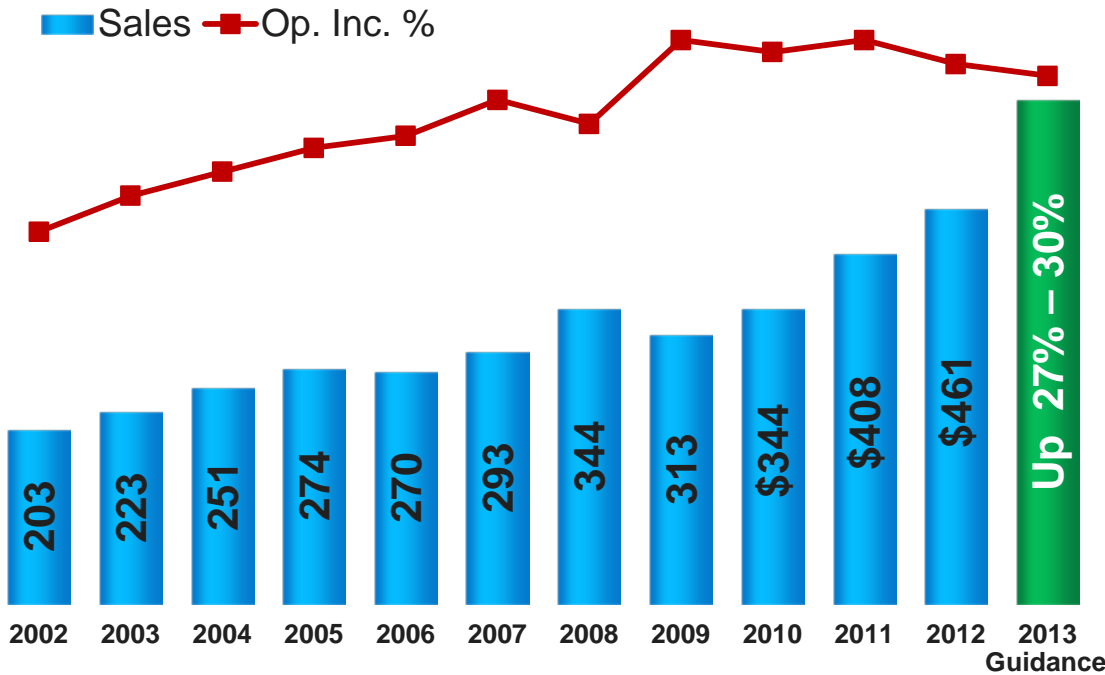
Go To Market – brand / retail impact, enthusiast events engagement, campaign integration

Digital – improved e-commerce traffic and conversion, seamless customer experience, catalog app

Global Supply Chain – multi-faceted, agile distribution network investments

Solid Business Momentum and Progress on Strategic Bets

PG&A Summary



9% CAGR

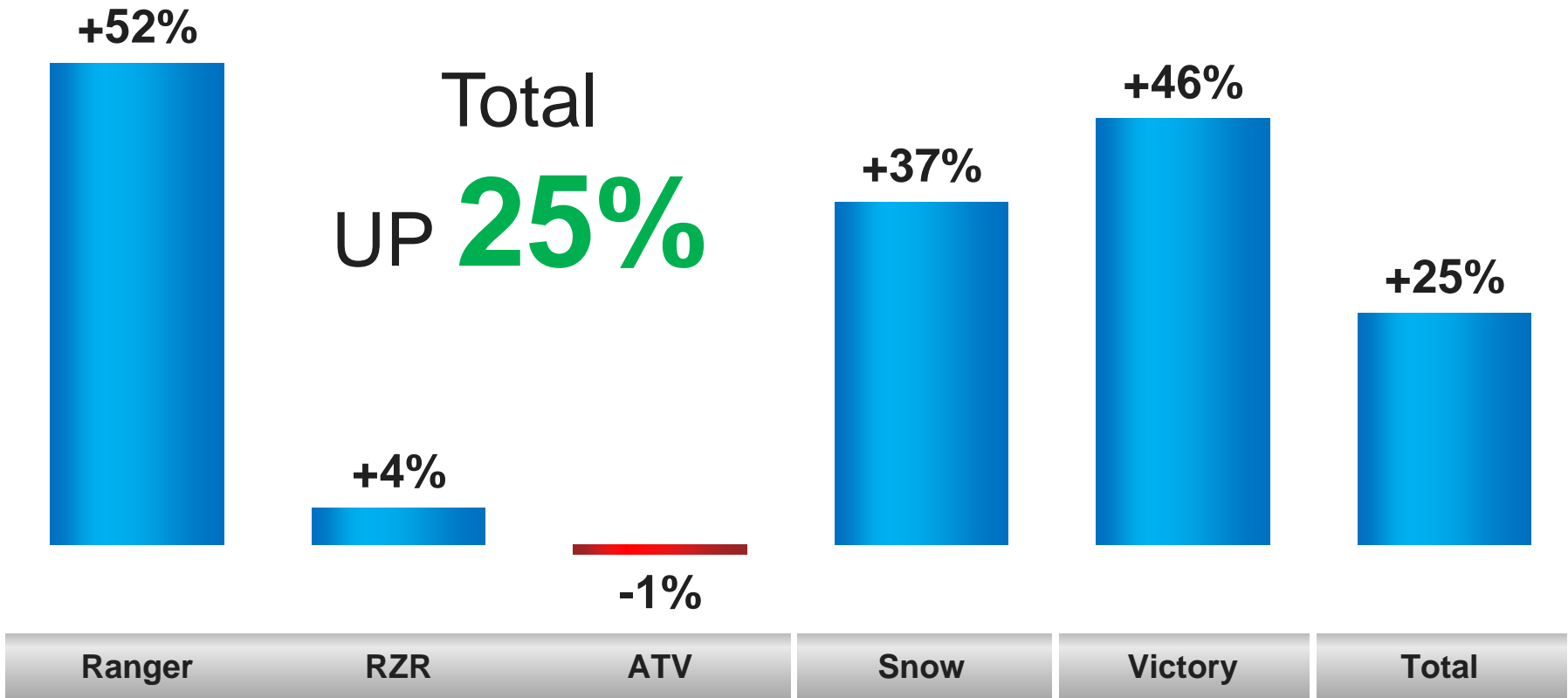
17+% CAGR

2009 – 2013 Average Growth Rate

- First half PG&A revenue +30%
- 2013 will be the largest PG&A growth year ever
- Strong KLIM pre-season orders in line with expectations
- All areas of the business are growing
- Strategic bets progressing well – investing in long-term growth

Accelerating Growth. Highly Profitable Model

1H Accessory Dollars Sold Per Vehicle

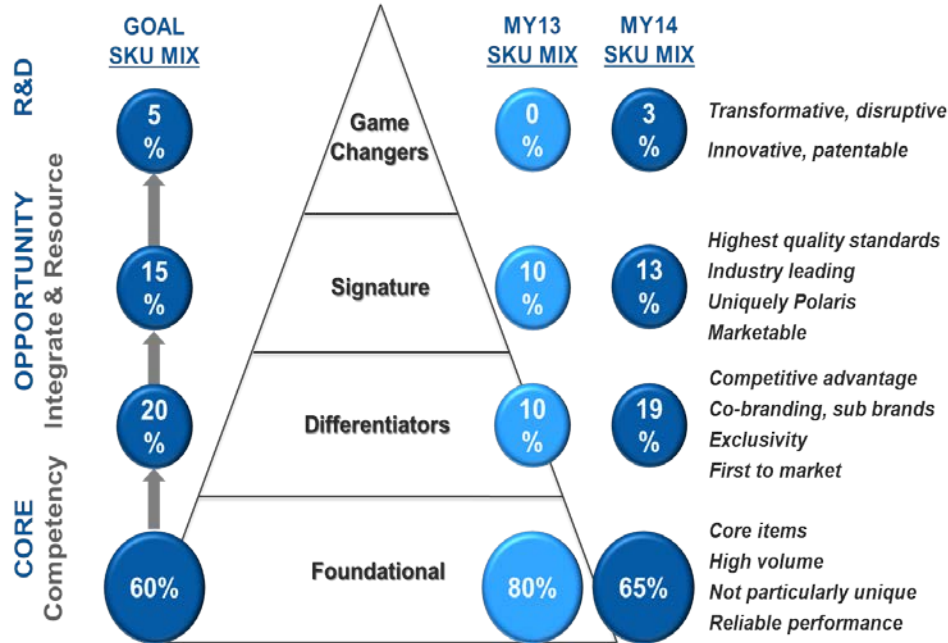


Innovation, quality, and ease of installation driving growth
Focus on designing / engineering integrated solutions with the vehicle
Ease of installation drives improved retail execution
Important driver of total vehicle Net Promoter scores

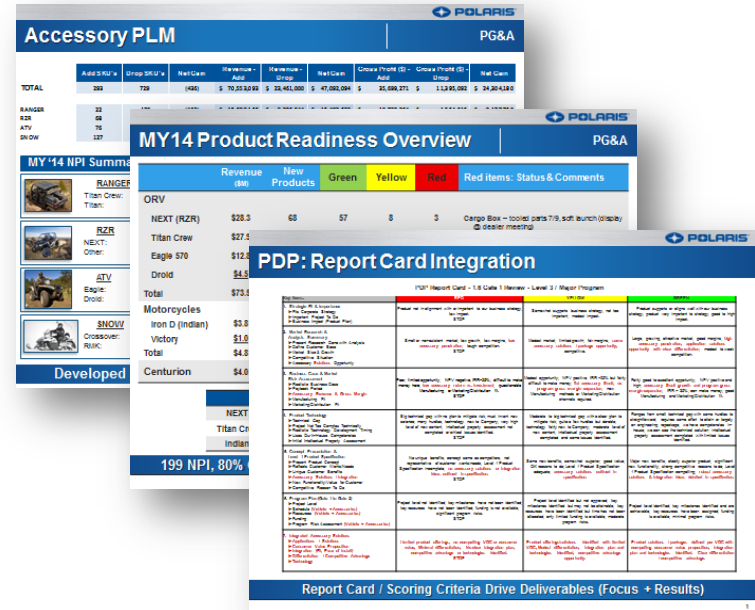
Ranger & Victory Driving Strong Dollars-Per-Vehicle Growth

Product Development Transformation

Polaris Innovation



Disciplined Execution



Model Year '14 Product Introductions – Over 300 new accessories!

ORV
~200 New

Motorcycle
~100 New

Snow
~40 New

Increased Emphasis on Differentiation & Innovation

Ranger 900 XP Integration

The Results

UP **200%** \$ / Unit

UP **35%** Net Promoter



Success Factors

- Voice of the customer – market research
- Reduced SKU complexity = 16 SKU's create 100+ unique combinations
- Integrated planning, development
- Robust go-to-market execution



LOCK&RIDE®

New Model for Accessory Solutions Development

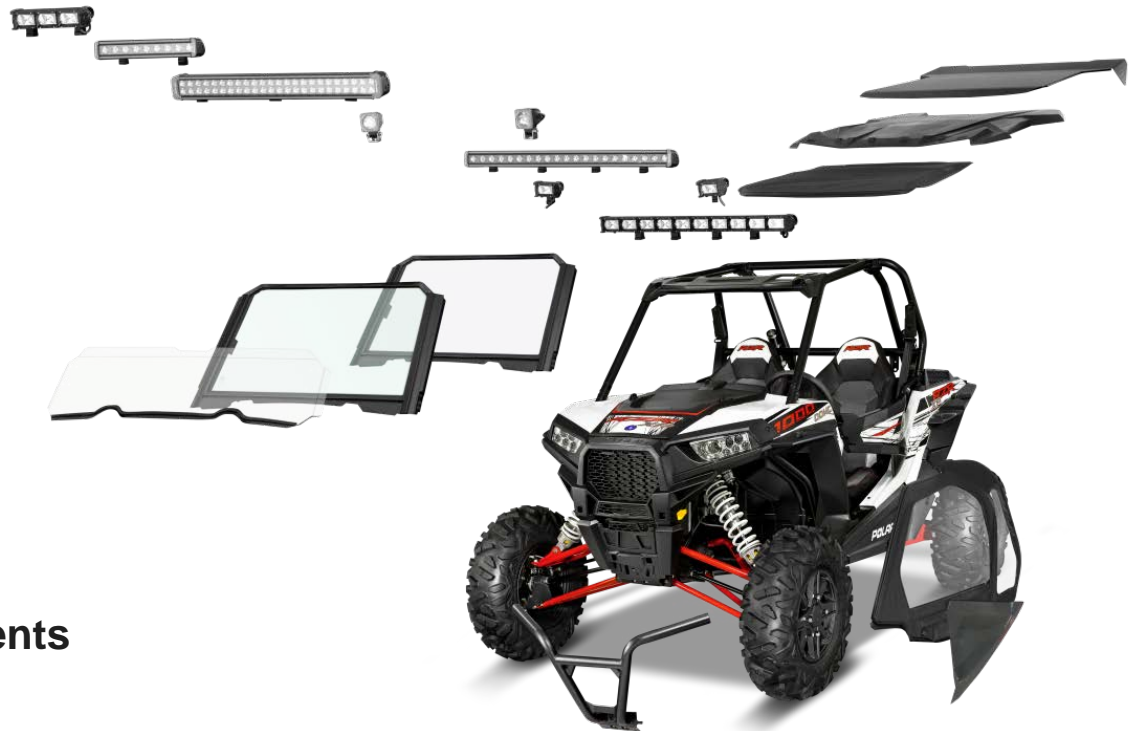
RZR 1000 XP Integration

Growth Expectations

\$ / Unit
UP **50%+**

Key Features

- Lock & Ride chassis attachments
- Integrated electrical routing
- Tool-less roof install, windshield sealing surface
- Integrated door mounts
- Premium lighting & audio



NEW – Lock & Ride Chassis Installation

LOCK&RIDE

Industry Leading Quality, Fit & Ease of Installation

RZR Accessory Video

Indian Motorcycle Accessories



Integrated Brand & Product Expression

Connect to Brand Heritage / Image

Premium Materials, Fit & Finish, Performance

Premium, Branded Packaging

Integrated go-to-market / launch planning

Premium Packaging & Accessory Merchandising



Accessory Development - Premium Authentic Approach

Rider X Accessories

Rider X App Features



Performance Monitoring

Social Networking

Ride Sharing

Buddy Tracking

Trail Maps

Weather

Rider X Peripheral Accessories

Phone / Tablet Storage

CAN-link Performance Recording

Audio Pod Control

Now



Phone GPS Receiver / Booster

Tire Pressure Monitoring

Action Camera Control

Remote Start / Security

Heads Up Display

Future

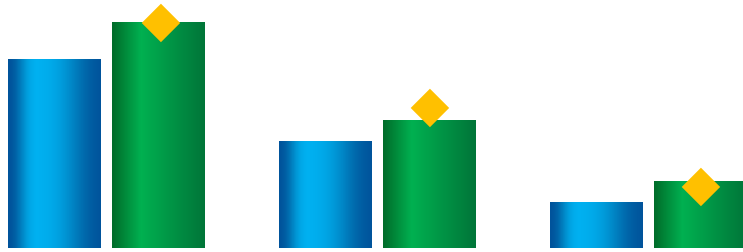


Accessory Development Adds Versatility to the Rider X Ecosystem

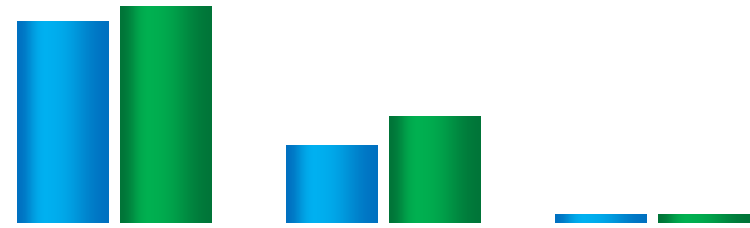


Strong Pre-season Dealer Engagement

Orders (\$'s)



Dealers Count



◆ Goal ■ 2012 ■ 2013

Center-of-Excellence – Rigby ID



Continued Klim Momentum. Critical Competency for Apparel Growth

Klim Podium Sweep – Red Bull Romaniacs



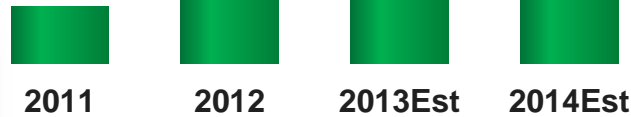
Branded Lifestyle Apparel

Snowmobile

Ranger/RZR

Apparel Revenue Growth

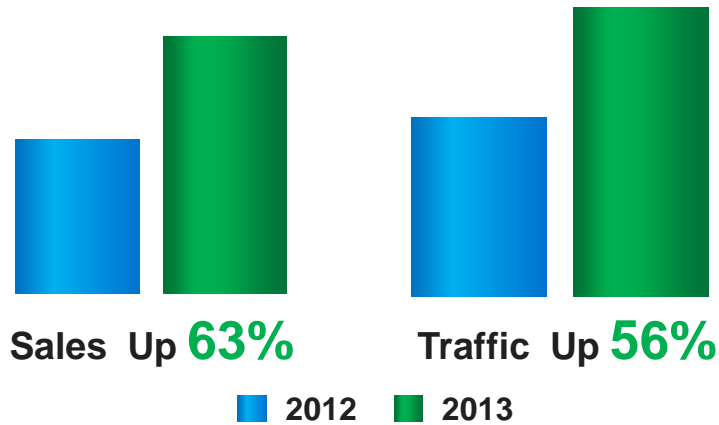
■ Klim
■ Polaris



Aggressive Commitment to Branded Lifestyle Apparel

Digital/Online Shopping Platform

1H Performance



Internet Commerce Exchange (ICE)



Transformation Initiatives

1H - Ongoing

- Ongoing site optimization

Enhanced content, navigation and SEO

Rigorous performance tracking / testing / refinement

Drive catalog app penetration

Q2

- Launch ICE functionality

Launch Internet Commerce Exchange (ICE)

Q3

- Launch new platform

New integrated E-commerce store

Common PG&A + Wholegoods front-end technology allows for seamless integration

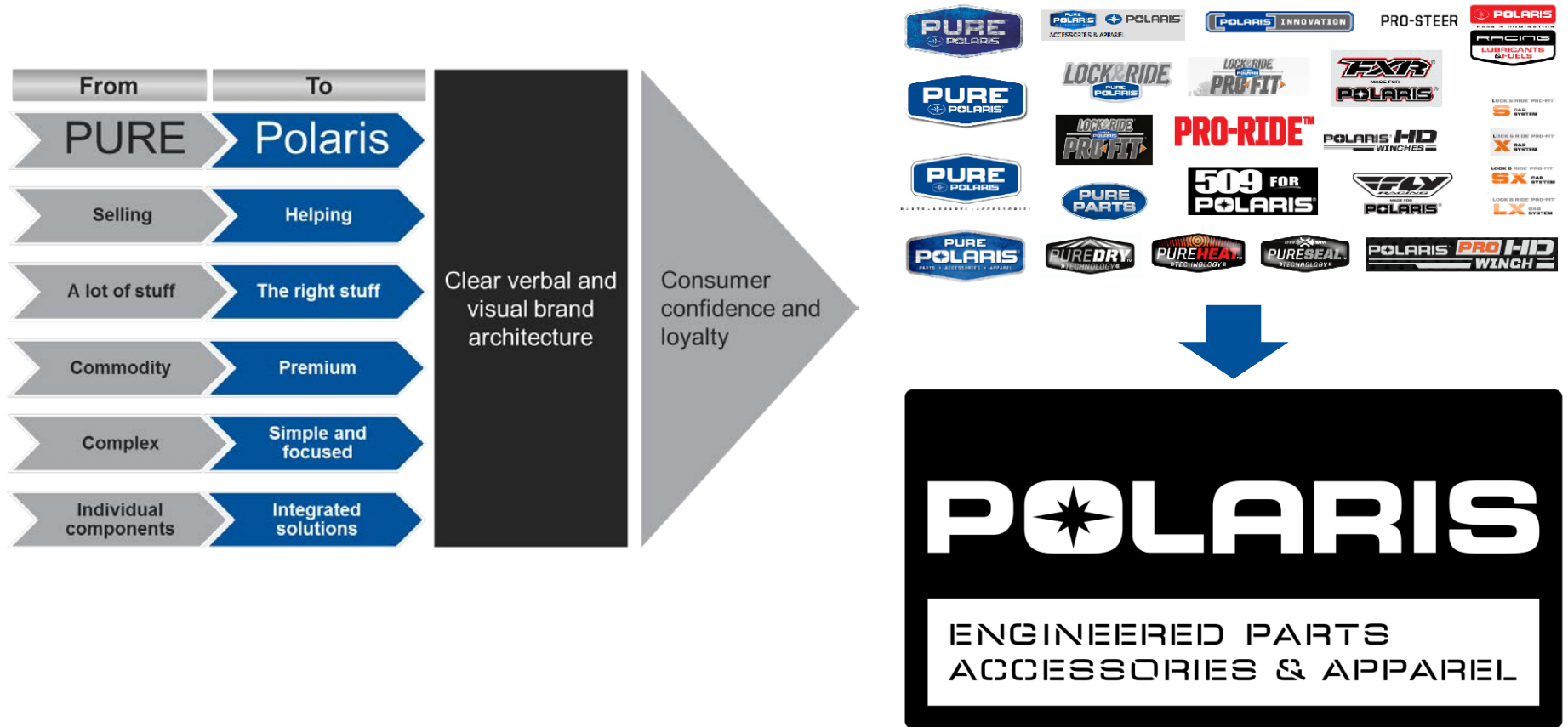
Persistent shopping cart

Inform, Engage, Inspire – Anytime, Anywhere

PG&A Brand Direction

Objective: Simplify and clarify the PG&A brand architecture

Demonstrate why buying “original” is a better value proposition than aftermarket products



Simplify. Clarify. Focus.

PG&A Brand Direction

CUSTOMIZE + OPTIMIZE
2014
US VERSION

SPORTS

CUSTOMIZE + OPTIMIZE
2014
US VERSION

RANGER

ENGINEERED PARTS, ACCESSORIES & APPAREL

POLARIS

POLARIS
ENGINEERED PARTS, ACCESSORIES & APPAREL

2014
SPORTSMAN® PARTS, ACCESSORIES & APPAREL

SPORTSMAN® 1000	PG 4-6
PLATE	PG 5-7
WHEELS	PG 5-8
PLUGS	PG 10-11
TUBES	PG 12-13
STAMPING & BARRIERS	PG 14-17
WHEELS & TIRES	PG 18-19
WINDSHIELDS	PG 20-21
WIRING	PG 22-23
STORAGE	PG 24-25
HEATING	PG 26
LIGHTING	PG 28-31
COMFORT & ELECTRONICS	PG 32-33
SCRAMBLER™ SP-RIG	PG 34-35
SPRINT	PG 36-37
ICE	PG 38-39
WARRANTY COVERS	PG 39
TRAILERS & ACCESSORIES	PG 41
HELMETS	PG 42-43
GLOVES	PG 44
GLASSES	PG 45

POLARIS
ENGINEERED PARTS, ACCESSORIES & APPAREL

2014
RZR® PARTS, ACCESSORIES & APPAREL

ADP™ OF OVER INTERLOCK	PG 4-6
WINDSHIELDS	PG 10-11
ROOFS	PG 12-13
REAR PANELS	PG 14-15
SEATING	PG 16-17
CAN ENCLOSURES	PG 18-19
WARRANTY COVERS	PG 20-21
WIRING	PG 22-23
LIGHTING	PG 28-31
STORAGE	PG 24-25
COMFORT & ELECTRONICS	PG 32-33
WHEELS & TIRES	PG 42-43
TRUCKS	PG 44-45
PERFORMANCE	PG 46
TRAILER™ (RZR™ 1000)	PG 48
ICE	PG 38-39
WARRANTY COVERS	PG 39
TRAILERS & ACCESSORIES	PG 41-42
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GLASSES	PG 45
BRAGS	PG 46-47
ACCESSORIES WEAR	PG 48

POLARIS
ENGINEERED PARTS, ACCESSORIES & APPAREL

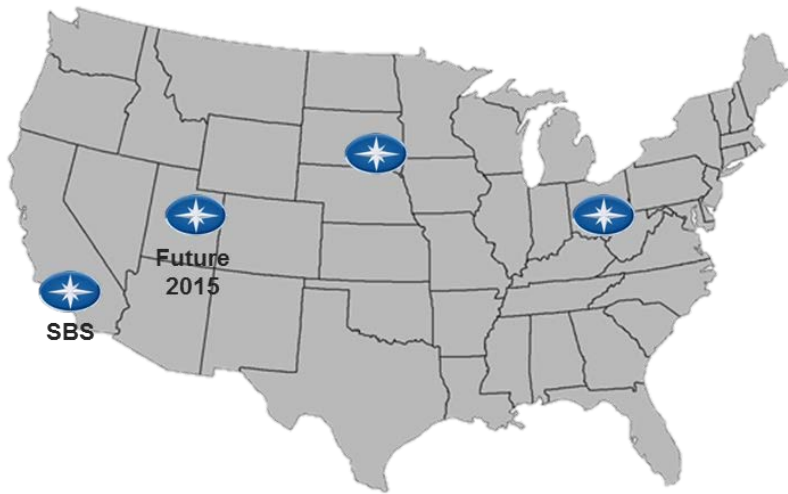
2014
RANGER® PARTS, ACCESSORIES & APPAREL

LOCK & ROP™ (RZR™ 800)	PG 4-6
PLATE (RZR™ 800)	PG 5-7
WHEELS	PG 5-8
PLUGS	PG 10-11
TUBES	PG 12-13
STAMPING & BARRIERS	PG 14-17
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BRAGS	PG 46-47
ACCESSORIES WEAR	PG 48

Brand Specific Catalogs Focused on Product Benefits

N.A. Distribution Expansion

N.A. Distribution Footprint

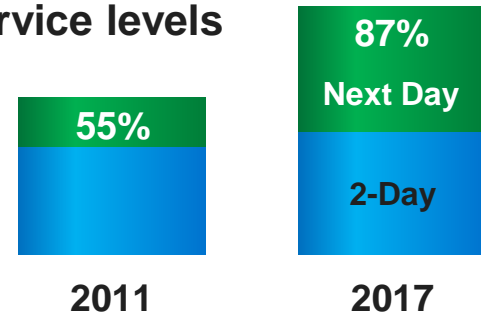


Objectives

Address capacity and enable growth

Capture transportation savings

Improve service levels



New Wilmington OH Distribution Facility



Located between Columbus & Cincinnati

Productivity 25% faster than Vermillion, order cycle times improve by 50%

Service to ~750 Eastern U.S. dealers

10,000 fastest moving parts

Increased Capacity, Efficiency, and Service Levels



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Q & A

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