

POWERING
AHEAD



Scott Wine

Chairman and Chief Executive Officer
POLARIS INDUSTRIES INC.

Chairman
MINNESOTA BUSINESS PARTNERSHIP

One Minnesota
March 9, 2016



Thank You



For Your Service To Our Great State

For Working to Together

For Making Time For Today

Thank You



One Minnesota
Our State. Our Future.

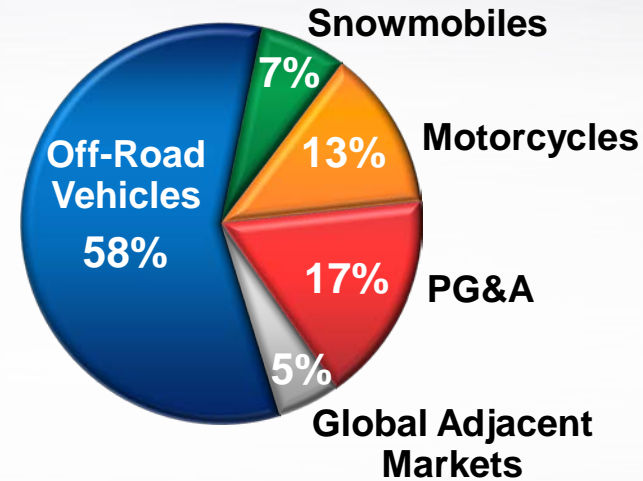
Why Is This Important to Me?



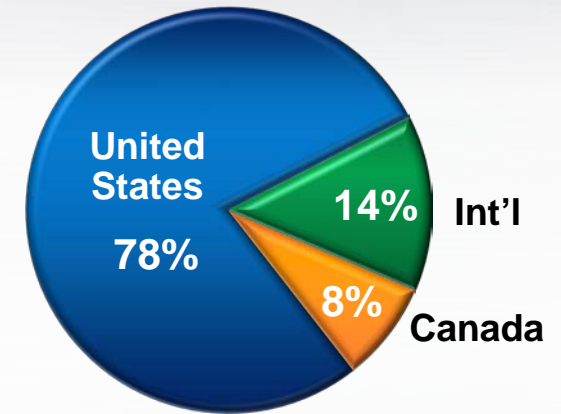
CORPORATE OVERVIEW – 2015

- 1954** Year Polaris was Founded
- ~8,100** Employees Worldwide
- 16** Manufacturing Locations
- 5** Research & Development Centers
- ~1,800** Dealers In North America
- ~1,700** Dealers Outside North America
- >390,000** Units Shipped Worldwide
- >100** Countries – Polaris Products Sold

2015 Sales by Component



2015 Sales by Geography



TOTAL
COMPANY
SALES

\$4.72 BILLION

UP 5%

BUILDING A HIGHLY PROFITABLE GLOBAL ENTERPRISE

R&D Center of Excellence

Wyoming, MN

600 acres / 300,000 sq. ft.



Job Z Program

\$2.16M

**600+ high-paying engineering jobs
\$100M+ of investment**

INDUSTRY LEADING INNOVATION CAPABILITY

Greater Minnesota Housing Fund - Tamarack Place Apartments



StarTribune

BUSINESS

Polaris Industries donates \$300,000 to help alleviate housing shortage in Roseau

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH SESSION

S.F. No. 2396

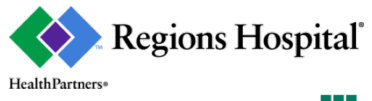
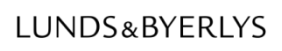
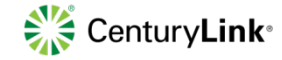
HOUSE OF REPRESENTATIVES
EIGHTY-EIGHTH SESSION

H. F. No. 2739

Roseau, MN

**41 Unit
Apartment Building**

WHAT CAN BE ACHIEVED WHEN WE WORK TOGETHER



How MBP Contributes to Minnesota's Prosperity

118 Member Companies

2ND MOST **FORTUNE 500** Per Capita

115+ CEOs and Sr. Executives

1.9M Employees Worldwide

400,000 Employees in MN

\$15+ B MN Wages and Benefits

\$1+ B MN Taxes

\$400+ M MN Based Charitable Giving

- #14 UnitedHealth Group
- #36 Target
- #69 CHS
- #72 Best Buy
- #98 3M
- #138 U.S. Bank
- #164 SuperValu
- #171 General Mills
- #203 Land O'Lakes
- #213 Ecolab
- #225 C.H. Robinson
- #247 Ameriprise Financial
- #255 Xcel Energy
- #310 Hormel
- #320 Mosaic
- #333 Thrivent Financial
- #466 St. Jude

How MBP Companies Add to Minnesota

47% of All MN Sourced Charitable Grants

7 US Largest Private Companies

Forbes 2015
**AMERICA'S
LARGEST
PRIVATE
COMPANIES**

\$104.8M Target

\$102.4M General Mills

\$85.6M Medtronic

\$50.9M UnitedHealth Group

\$46.6M Cargill

\$30.3M 3M

#1 Cargill

#91 Carlson

#106 Holiday

#136 Rosen's Diversified

#137 Schwan Food

#151 M.A. Mortenson

#188 Andersen Windows

My Perspective for Minnesota

Growth

What We Strive For...

Balance

What We Must Exercise...

Reality

What We Must Face....

We Know Minnesota Has a Lot Going for It

#5 **Forbes**
BEST PLACES TO LIVE

#1 **CNBC**
STATE FOR BUSINESS

Logos for various Minnesota-based companies: Thrivent Financial for Lutherans, ST. JUDE MEDICAL (MORE CONTROL. LESS RISK.), CHS, ECOLAB, Medtronic, NASH FINCH COMPANY, Ameriprise Financial, BEST BUY, Hormel Foods, TARGET, Xcel Energy, 3M, Mosaic, UnitedHealth Group, SUPERVALU, USbank, Land O'Lakes, Inc., and GENERAL MILLS.



HOW CAN WE GET BETTER?

Our Challenges Are Real

Education



Business Climate



Transportation



THREE PILLARS OF MINNESOTA'S COMPETITIVE FUTURE

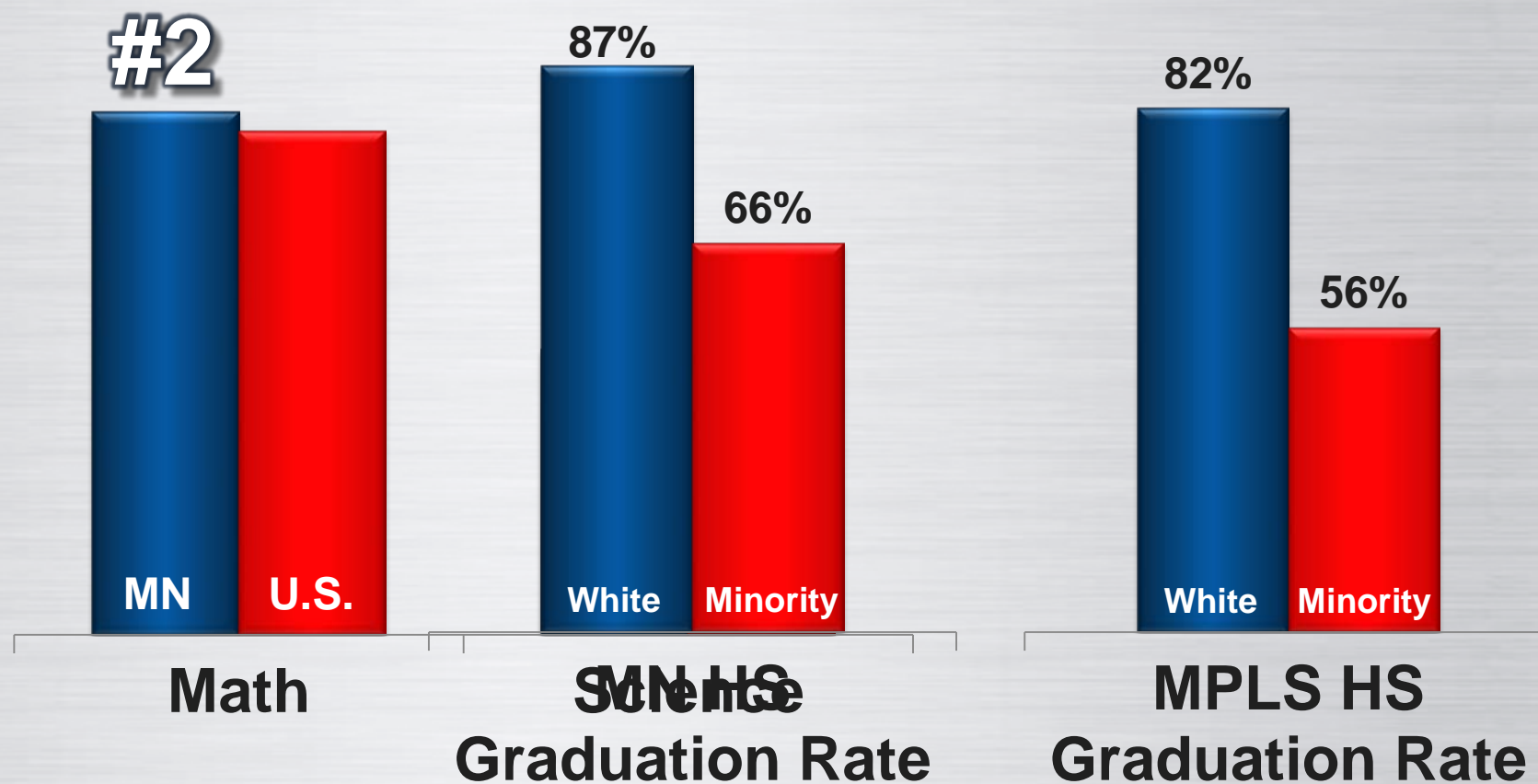
Why it Matters?

Education



Workforce / Families
Legacy / Responsibility

Education – Minnesota vs. U.S. Average



GREAT RESULTS – UNLESS YOU ARE A MINORITY STUDENT

Why it Matters?

Education



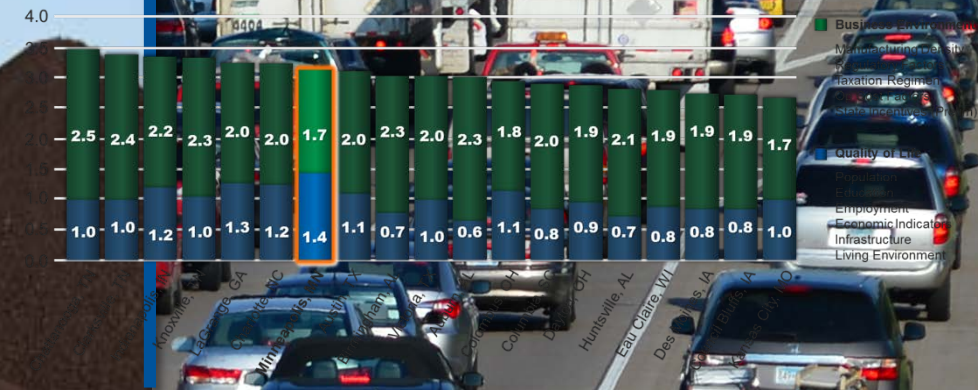
Business Climate



Transportation

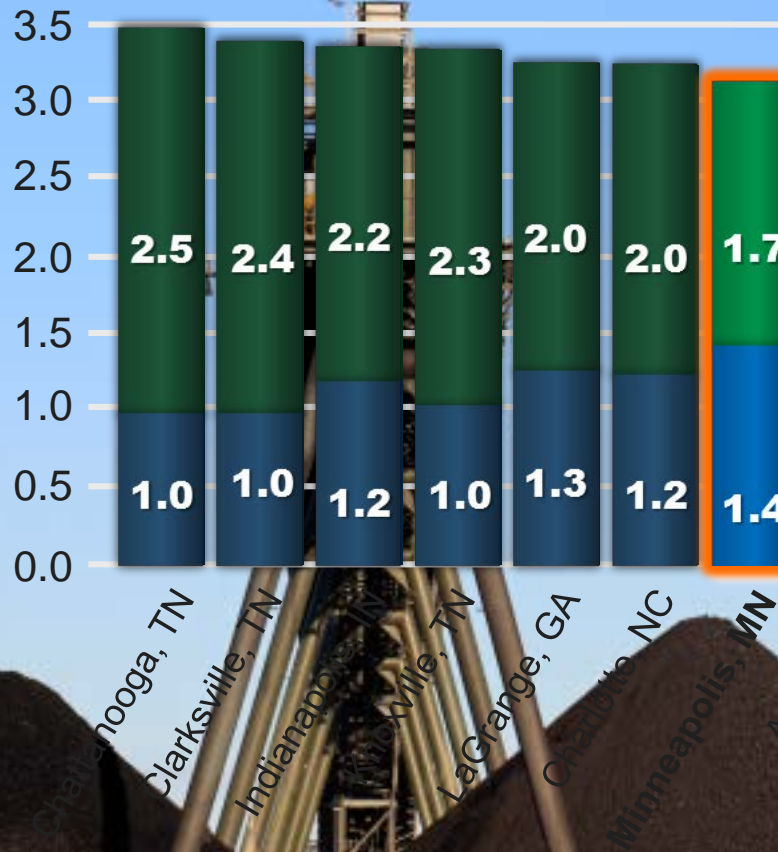


Competitive for Investments & Growth Pursuit of Excellence

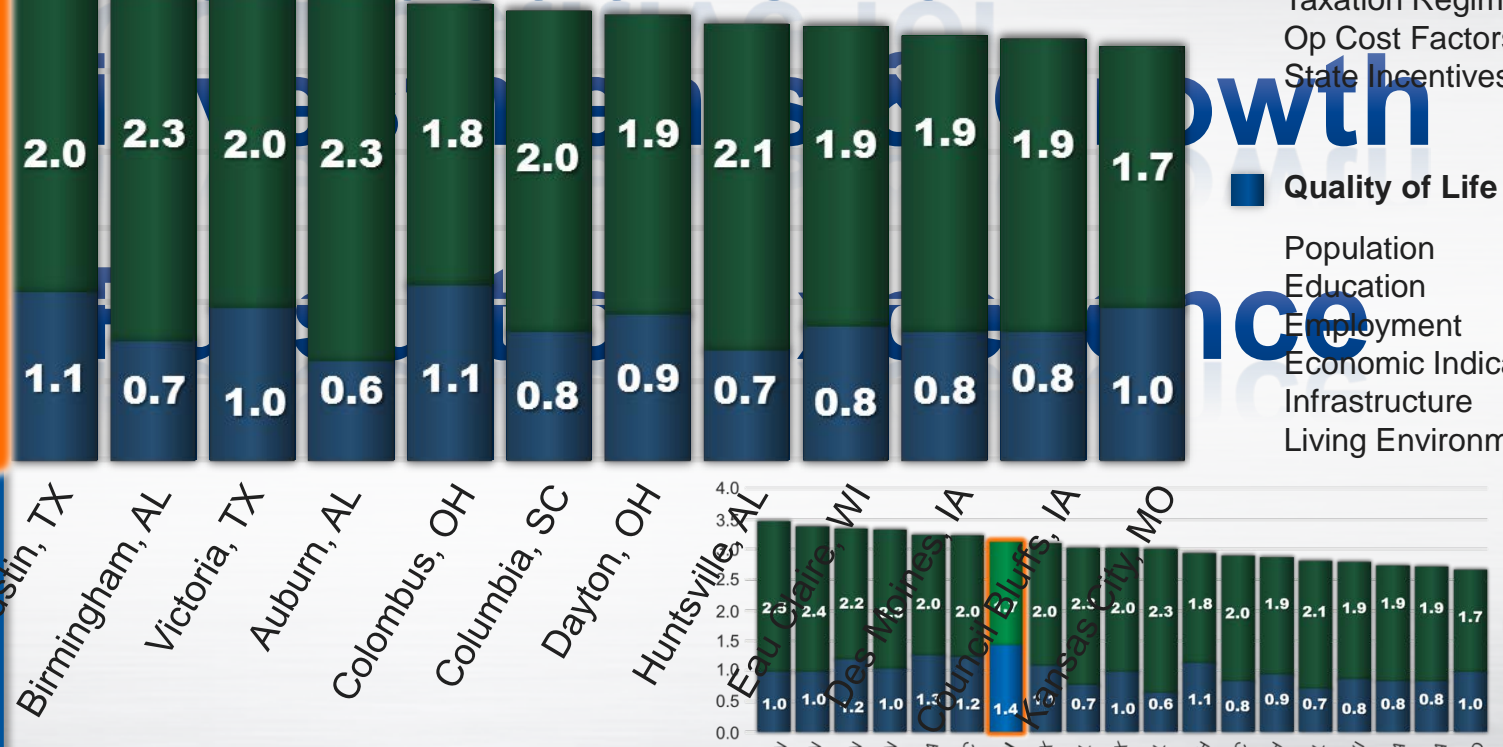


Business Climate

Business Climate



Competitive for



Business Environment

- Manufacturing Density
- Regulatory Factors
- Taxation Regimen
- Op Cost Factors
- State Incentives (Prelim)

Quality of Life

- Population
- Education
- Employment
- Economic Indicators
- Infrastructure
- Living Environment

WHAT'S GREAT ABOUT MINNESOTA IS NOT THE ONLY MEASURE FOR BUSINESS

Business Climate – Minnesota’s Tax Burden is Real

MN

Ranking in 7 States
Where Polaris Operates

WORST

In Individual Tax Rate

4TH

Highest Nationally

2ND WORST

In Corporate Tax Rate

3RD

Highest Nationally

2ND WORST

In Gas Tax

20TH

Highest Nationally

2ND WORST

In Business Property Tax

12TH

Highest Nationally

POLARIS WILL ALWAYS BE IN MINNESOTA – INVESTMENTS MAY BE ELSEWHERE

Business Climate – Employee Benefits / Mandate

Polaris Offers A Competitive & Rewarding Compensation & Benefits Package Which Includes

Base Pay/Bonus

Hourly Pay Starts at \$13.80 in Roseau; Profit Sharing For All

Health & Welfare

Medical, Dental, Life/Disability, Critical Illness, FSA And HSA

Retirement/Equity

401(k), ESOP, ESPP, Stock Options

Paid Time Off

Vacation, Sick/Personal, Holidays, Funeral

Other

EAP, Tuition Reimbursement, Health Club Reimbursement, Service Awards, Recognition Programs, Product Discounts

Employee Welfare is Top Priority for Business

Why it Matters?

Education



Business Climate



Transportation



Minnesota Business Partnership – Our Pledge



MINNESOTA BUSINESS PARTNERSHIP

We Are Here For “A Better Minnesota” 😊

We Will Actively Help You Achieve Results

We Will Be Pragmatic, Not Ideological

We Want To Win

Thank You