Condensed Consolidated Interim Financial Statements

BRP Inc.

For the three-month period ended April 30, 2013

BRP Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET INCOME

[Unaudited]
[millions of Canadian dollars]

	Notes	Three-month period ended April 30, 2013	Three-month period ended April 30, 2012 Restated (Note 2)
Revenues		**$ 804.3**	$ 762.7
Cost of sales		**586.3**	550.5
Gross profit		**218.0**	212.2
Operating expenses			
Selling and marketing		**65.3**	60.6
Research and development		**37.3**	34.3
General and administrative		**35.0**	29.9
Other operating income	12	**(5.7)**	(1.8)
Total operating expenses		**131.9**	123.0
Operating income		**86.1**	89.2
Financing costs	13	**18.1**	21.2
Financing income	13	**(1.2)**	(0.8)
Foreign exchange (gain) loss on long-term debt		**8.3**	(11.2)
Increase in fair value of common shares	10	**19.6**	4.8
Income before income taxes		**41.3**	75.2
Income taxes expense	14	**15.6**	20.6
Net income		**$ 25.7**	$ 54.6
Attributable to Shareholders		**25.7**	54.7
Attributable to non-controlling interest		**—**	(0.1)
Basic earnings per share	11	**0.25**	0.54
Diluted earnings per share	11	**0.25**	0.53

The accompanying notes are an integral part of these condensed consolidated interim financial statements

BRP Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

[Unaudited]
[millions of Canadian dollars]

	Three-month period ended	
	April 30, 2013	**April 30, 2012**
		Restated (Note 2)
Net income	**$ 25.7**	$ 54.6
Other comprehensive income (loss)		
Items that may be reclassified subsequently to net income		
Net changes in fair value of derivatives designated as cash flow hedges	**(0.4)**	0.4
Net change in unrealized loss on translation of foreign operations	**(3.4)**	(6.3)
Income taxes recovery	**0.1**	—
	(3.7)	(5.9)
Items that will not be reclassified subsequently to net income		
Actuarial losses on defined benefits pension plan	**(18.0)**	(23.0)
Income taxes recovery	**4.8**	5.9
	(13.2)	(17.1)
Total other comprehensive loss	**(16.9)**	(23.0)
Total comprehensive income	**$ 8.8**	$ 31.6
Attributable to Shareholders	**8.9**	31.7
Attributable to non-controlling interest	**(0.1)**	(0.1)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

BRP Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

[Unaudited]
[millions of Canadian dollars]

	Notes	April 30, 2013	January 31, 2013
Cash		**$ 91.7**	$ 542.4
Trade and other receivables		**174.2**	213.5
Income taxes and investment tax credits receivable		**18.2**	15.2
Other financial assets	4	**5.4**	7.8
Inventories	5	**504.6**	465.0
Other current assets		**15.9**	10.9
Total current assets		**810.0**	1,254.8
Investment tax credits receivable		**47.5**	45.6
Other financial assets	4	**18.7**	19.2
Property, plant and equipment		**449.7**	448.4
Intangible assets		**326.4**	326.1
Deferred income taxes		**113.2**	118.4
Other non-current assets		**2.5**	2.9
Total non-current assets		**958.0**	960.6
Total assets		**$ 1,768.0**	$ 2,215.4
Revolving credit facilities	6	**$ —**	$ —
Trade payables and accruals		**554.1**	523.3
Provisions	7	**110.9**	101.6
Other financial liabilities	8	**73.4**	74.7
Income taxes payable		**20.8**	32.3
Current portion of long-term debt	9	**12.6**	12.2
Redeemable common shares	10	**54.1**	36.2
Other current liabilities		**5.9**	7.2
Total current liabilities		**831.8**	787.5
Long-term debt	9	**1,059.1**	1,042.4
Provisions	7	**67.9**	69.9
Other financial liabilities	8	**29.3**	31.4
Employee future benefit liabilities		**249.6**	235.9
Deferred income taxes		**3.6**	3.8
Other non-current liabilities		**23.3**	23.9
Total non-current liabilities		**1,432.8**	1,407.3
Total liabilities		**2,264.6**	2,194.8
Equity (deficit)		**(496.6)**	20.6
Total liabilities and equity		**$ 1,768.0**	$ 2,215.4

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

BRP Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

[Unaudited]
[millions of Canadian dollars]

For the three-month period ended April 30, 2013

	Attributed to Shareholders							
	Capital Stock	Contributed surplus	Retained losses	Translation of foreign operations	Cash-flow hedges	Total	Non-controlling interests	Total equity (deficit)
Balance at January 31, 2013	**$ 52.2**	**$ 19.0**	**$ (28.0)**	**$ (24.0)**	**$ (0.9)**	**$ 18.3**	**$ 2.3**	**$ 20.6**
Net income	**—**	**—**	**25.7**	**—**	**—**	**25.7**	**—**	**25.7**
Other comprehensive loss	**—**	**—**	**(13.2)**	**(3.3)**	**(0.3)**	**(16.8)**	**(0.1)**	**(16.9)**
Total comprehensive income (loss)	**—**	**—**	**12.5**	**(3.3)**	**(0.3)**	**8.9**	**(0.1)**	**8.8**
Dividends	**—**	**—**	**(483.0)**	**—**	**—**	**(483.0)**	**—**	**(483.0)**
Reduction of stated capital	**(44.9)**	**—**	**—**	**—**	**—**	**(44.9)**	**—**	**(44.9)**
Issuance of common shares	**15.1**	**(14.9)**	**—**	**—**	**—**	**0.2**	**—**	**0.2**
Repurchase of common shares	**(0.1)**	**—**	**(1.1)**	**—**	**—**	**(1.2)**	**—**	**(1.2)**
Stock-based compensation	**—**	**2.9**	**—**	**—**	**—**	**2.9**	**—**	**2.9**
Balance at April 30, 2013	**$ 22.3**	**$ 7.0**	**$ (499.6)**	**$ (27.3)**	**$ (1.2)**	**$ (498.8)**	**$ 2.2**	**$ (496.6)**

For the three-month period ended April 30, 2012

	Attributed to Shareholders							
Restated (Note 2)	Capital Stock	Contributed surplus	Retained losses	Translation of foreign operations	Cash-flow hedges	Total	Non-controlling interests	Total deficit
Balance at January 31, 2012	$ 52.2	$ 18.3	$ (115.5)	$ (25.3)	$ (1.9)	$ (72.2)	$ 2.2	$ (70.0)
Net income (loss)	—	—	54.7	—	—	54.7	(0.1)	54.6
Other comprehensive income (loss)	—	—	(17.1)	(6.3)	0.4	(23.0)	—	(23.0)
Total comprehensive income (loss)	—	—	37.6	(6.3)	0.4	31.7	(0.1)	31.6
Issuance of common shares	0.1	—	—	—	—	0.1	—	0.1
Repurchase of common shares	(0.1)	—	(0.2)	—	—	(0.3)	—	(0.3)
Stock-based compensation	—	0.1	—	—	—	0.1	—	0.1
Balance at April 30, 2012	$ 52.2	$ 18.4	$ (78.1)	$ (31.6)	$ (1.5)	$ (40.6)	$ 2.1	$ (38.5)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

BRP Inc.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

[Unaudited]
[millions of Canadian dollars]

		Three-month period ended	
CASH FLOWS FROM:	Notes	**April 30, 2013**	**April 30, 2012**
			(Restated Note 2)
OPERATING ACTIVITIES			
Net income		**$ 25.7**	$ 54.6
Non-cash and non-operating items:			
Depreciation expense		**21.1**	20.5
Income taxes expense	14	**15.6**	20.6
Foreign exchange (gain) loss on long-term debt		**8.3**	(11.2)
Change in fair value of common shares	10	**19.6**	4.8
Other unrealized foreign exchange (gain) loss		**3.3**	(0.7)
Interest expense		**14.9**	17.3
Other		**1.2**	0.4
Cash flows generated from operations before changes in working capital		**109.7**	106.3
Changes in working capital:			
Decrease in trade and other receivables		**36.9**	57.3
Increase in inventories		**(43.3)**	(58.2)
(Increase) decrease in other assets		**(8.3)**	5.5
Increase in trade payables and accruals		**35.0**	223.0
Increase (decrease) in other financial liabilities		**(5.0)**	11.3
Increase in provisions		**8.1**	6.2
Increase (decrease) in other liabilities		**(3.6)**	3.2
Cash flows generated from operations		**129.5**	354.6
Income taxes paid		**(17.1)**	(3.3)
Net cash flows generated from operating activities		**112.4**	351.3
INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(21.9)**	(25.5)
Additions to intangible assets		**(3.2)**	(0.7)
Proceed on disposal of property, plant and equipment		**0.2**	—
Net cash flows used in investing activities		**(24.9)**	(26.2)
FINANCING ACTIVITIES			
Decrease in revolving credit facilities		**—**	(62.7)
Interest paid		**(14.1)**	(6.0)
Revolving credit facilities amendment fees		**—**	(3.3)
Long-term debt amendment fees		**—**	(6.2)
Issuance of common shares	10	**0.2**	0.1
Repurchase of common shares		**(1.7)**	(0.3)
Issuance of long-term debt	9	**10.0**	26.8
Repayment of government assistance	13	**—**	(60.1)
Dividends paid		**(483.0)**	—
Reduction of stated capital		**(46.1)**	—
Other		**(0.2)**	(0.3)
Net cash flows used in financing activities		**(534.9)**	(112.0)
Effect of exchange rate changes on cash		**(3.3)**	(1.4)
Net increase (decrease) in cash		**(450.7)**	211.7
Cash at beginning of year		**542.4**	26.9
Cash at the end of period		**$ 91.7**	$ 238.6

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[Unaudited]

For the three-month periods ended April 30, 2013 and 2012
[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

1. NATURE OF OPERATIONS

BRP Inc., formally known as J.A. Bombardier (J.A.B.) Inc. ("BRP") is incorporated under the laws of Canada. As at April 30, 2013 and 2012, BRP's voting common shares are owned by Bain Capital Luxembourg Investments S.à r.l. (50%), Beaudier Inc. and 4338618 Canada Inc. (collectively, "Beaudier group") (35%), La Caisse de dépôt et placement du Québec ("CDPQ") (15%), (collectively, the "Principal Shareholders") whereas BRP's non-voting common shares are owned by Beaudier group and various other third parties (collectively, the "Shareholders"). BRP owns 100% of the shares of Bombardier Recreational Products Inc. and has no other significant activities (collectively the "Company").

Bombardier Recreational Products Inc. and its subsidiaries design, develop, manufacture and sell snowmobiles, personal watercraft, all-terrain vehicles, side-by-side vehicles, roadsters and propulsion systems for outboard and jet boats, karts, motorcycles and recreational aircraft. The Company's products are sold mainly through an international network of independent dealers, independent distributors and to original equipment manufacturers. The Company distributes its products worldwide and manufactures them in Canada, the United States, Mexico, Austria and Finland.

The Company's headquarters is located at 726 Saint-Joseph Street, Valcourt, Québec, J0E 2L0.

2. BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements as at April 30, 2013 have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and in accordance with *IAS 34 "Interim Financial Reporting"*. These interim financial statements have been prepared on a condensed form in accordance with IAS 34. The condensed consolidated interim financial statements as at April 30, 2013 follow the same accounting policies than the consolidated financial statements as at January 31, 2013, except for the adoption of new standards and amendments as described below.

These condensed consolidated interim financial statements should be read in conjunction with the consolidated annual financial statements as at January 31, 2013 included in the supplemented prep prospectus dated May 21, 2013.

These condensed consolidated interim financial statements include the financial statements of BRP and Bombardier Recreational Products Inc.. Bombardier Recreational Products Inc. controls all of its subsidiaries by wholly owned voting equity interests (except for the Regionales Innovations Centrum in Austria for which a non-controlling interest of 25% is recorded upon consolidation). All inter-company transactions and balances have been eliminated upon consolidation.

The results of operations for the interim periods are not necessarily indicative of the results of operations for the full fiscal year, as the Company's revenues and operating income are influenced by varying seasons and industry trends.

On June 12, 2013, the Board of Directors of the Company approved these condensed consolidated interim financial statements for the three-month periods ended April 30, 2013 and 2012.

[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

2. BASIS OF PRESENTATION [CONTINUED]

a) New standards and amendments adopted with an effect on the financial statements

IAS 19 Employee Benefits

The Company has applied the amendments to *IAS 19 "Employee Benefits"* retrospectively in the three-month period ended April 30, 2013. Amongst other changes, the amendments require the Company to compute the financing cost component related with defined benefit pension plans by applying the discount rate used to measure the defined benefits obligations to the employee future benefit liability. Under pre-amended IAS 19, financing income of funded plans was presented separately from the interest cost and calculated based on the expected return on the plan assets. In addition, the Company is now required to recognize the pension asset management fees as part of its operating expenses whereas under pre-amended IAS 19, those expenses were comprised in the determination of the financing income and the actuarial gains or losses on defined benefits pension plans.

The adoption of the amended *IAS 19 "Employee Benefits"* has impacted the current reported net income and other comprehensive income and the previously reported net income and other comprehensive income as follows:

Impact on net income

	Three-month period ended		Year ended
	April 30, 2013	**April 30, 2012**	**January 31, 2013**
Net income before amendments to IAS 19	$ 26.4	$ 55.0	$ 121.0
Impact of the amendments to IAS 19			
General and administrative expense	(0.3)	(0.3)	(1.1)
Financing costs	2.0	2.2	8.6
Financing income	(2.6)	(2.5)	(9.9)
Income taxes expense	0.2	0.2	0.6
Net income	$ 25.7	$ 54.6	$ 119.2

Impact on other comprehensive income

	Three-month period ended		Year ended
	April 30, 2013	**April 30, 2012**	**January 31, 2013**
Other comprehensive loss before amendments to IAS 19	$ (17.6)	$ (23.4)	$ (30.5)
Impact of the amendments to IAS 19	0.7	0.4	1.8
Other comprehensive loss	$ (16.9)	$ (23.0)	$ (28.7)

Impact on basic earnings per share

	Three-month period ended		Year ended
	April 30, 2013	**April 30, 2012**	**January 31, 2013**
Basic earnings per share before amendments to IAS 19	0.26	0.54	1.19
Impact of the amendments to IAS 19	(0.01)	—	(0.02)
Basic earnings per share	0.25	0.54	1.17

The adoption of the amended *IAS 19 "Employee Benefits"* had no impacts on the Company's comprehensive income and financial position reported by the Company on previously issued interim and annual consolidated financial statements.

2. BASIS OF PRESENTATION [CONTINUED]

a) New standards and amendments adopted with an effect on the financial statements [Continued]

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12, "Disclosure of Interests in Other Entities" is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates, and unconsolidated structured entities. The adoption of this new pronouncement will impact the Company's disclosures in the annual consolidated financial statements for the year ending January 31, 2014.

IFRS 13 Fair Value Measurement

IFRS 13 "Fair Value Measurement" defines fair value, establishes a framework for measuring fair value and provides the required disclosures about fair value measurements. The Company implemented this standard prospectively in the three-month period ended April 30, 2013 with no impact on the Company's financial results. The Company has included the additional disclosures required by this standard in Note 15.

b) Standards and amendments adopted with no effect on the financial statements

IFRS 10 Consolidated Financial Statements

IFRS 10 "Consolidated Financial Statements" replaces *SIC-12 "Consolidation – Special Purpose Entities"* and the consolidation requirements of *IAS 27 "Consolidated and Separate Financial Statements"*. The objective of IFRS 10 is to define the concept of control and to establish control as the basis for determining when and how an entity should be included within a set of consolidated financial statements. The adoption of this new pronouncement had no impact on the Company's financial statements.

IFRS 11 Joint Arrangements

IFRS 11, "Joint Arrangements" replaces *IAS 31 "Interests in Joint Ventures"*, and *SIC-13, "Jointly Controlled Entities – Non-monetary Contributions by Venturers"*. IFRS 11 focuses on the rights and obligations of a joint arrangement, rather than its legal form as it was under IAS 31. The adoption of this new pronouncement had no impact on the Company's financial statements.

3. FUTURE ACCOUNTING CHANGES

In November 2009 and October 2010, the IASB issued *IFRS 9 "Financial Instruments"* representing the first phase of the IASB's three phase project to replace *IAS 39 "Financial Instruments: Recognition and Measurement"*. The first phase defines the accounting of financial instruments that mainly requires the measurement at either the amortized cost or the fair value. The effective date of IFRS 9 for the Company is February 1, 2015. The Company is currently assessing the impact on its consolidated financial statements of this new pronouncement.

Effective for the Company on February 1, 2014, *IAS 32 "Financial Instruments: Presentation"* clarifies the requirements for offsetting financial assets and financial liabilities. The Company is currently assessing the impact on the presentation of its consolidated financial statements.

[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

4. OTHER FINANCIAL ASSETS

The Company's other financial assets were as follows:

	April 30, 2013	January 31, 2013
Restricted investments [a]	**$ 15.2**	$ 17.2
Derivative financial instruments	**0.9**	1.8
Other	**8.0**	8.0
Total other financial assets	**$ 24.1**	$ 27.0
Current	**5.4**	7.8
Non-current	**18.7**	19.2
Total other financial assets	**$ 24.1**	$ 27.0

[a] The restricted investments can only be used for severance payments and pension costs associated with pension plans of BRP-Powertrain GmbH & Co. KG, and are not available for general corporate use.

The non-current portion is mainly attributable to the restricted investments.

5. INVENTORIES

The Company's inventories were as follows:

	April 30, 2013	January 31, 2013
Materials and work in process	**$ 230.7**	$ 222.8
Finished products	**165.4**	132.5
Parts and accessories	**108.5**	109.7
Total inventories	**$ 504.6**	$ 465.0

The Company recognized in the statement of net income during the three-month period ended April 30, 2013, a write-down on inventories of $1.3 million ($1.9 million during the three-month period ended April 30, 2012).

6. REVOLVING CREDIT FACILITIES

The Company has a total availability of $350 million under its revolving credit facilities, maturing March 2016 (the "Revolving Credit Facilities"). As at April 30, 2013, the cost of borrowing under the Revolving Credit Facilities was as follows:

(i) U.S. dollars at
- (a) LIBOR plus 2.50% per annum;
- (b) U.S. Base Rate plus 1.50% per annum; and
- (c) U.S. Prime Rate plus 1.50% per annum;

(ii) Canadian dollars at
- (a) Bankers' Acceptances plus 2.50% per annum; and
- (b) Canadian Prime Rate plus 1.50% per annum

(iii) Euros at Euro LIBOR plus 2.50% per annum.

For future periods, the cost of borrowing could increase by up to 1.50% or decrease by 0.25% depending on the leverage ratio represented as the ratio of Net Debt to Consolidated Cash Flows of Bombardier Recreational Products Inc., consolidated as defined below.

Net debt consists of the carrying value of the Revolving Credit Facilities, the finance lease obligations and the long-term debt, less cash. Consolidated Cash Flows represents earnings before financing costs, financing income, income taxes, depreciation, unusual and non-recurring items, foreign exchange gain or loss on long-term debt, and adjusted for other specific cash and non-cash costs, charges and expenses, all as set forth more particularly in the Revolving Credit Facilities agreement.

Under certain conditions, the Company is required to maintain a minimum fixed charge coverage ratio in order to have full access to its Revolving Credit Facilities.

The Company incurs commitment fees of 0.45% to 0.50% per annum on the undrawn amount of the Revolving Credit Facilities.

On May 30, 2013, the Company amended certain terms of the Revolving Credit Facilities (see Note 16).

[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

7. PROVISIONS

The Company's provisions were as follows:

	April 30, 2013	January 31, 2013
Product related	**$ 150.6**	$ 141.7
Restructuring	**13.0**	13.9
Other	**15.2**	15.9
Total provisions	**$ 178.8**	$ 171.5
Current	**110.9**	101.6
Non-current	**67.9**	69.9
Total provisions	**$ 178.8**	$ 171.5

Product related provisions include provisions for regular and extended warranty coverages on products sold, product liability provisions and provisions related to sales promotion programs offered by the Company to its independent dealers, distributors or consumers in order to support the retail activity.

The non-current portion of provisions is mainly attributable to product related and restructuring provisions.

The changes in provisions were as follows:

	Product Related	Restructuring	Other	Total
Balance as at January 31, 2013	**$ 141.7**	**$ 13.9**	**$ 15.9**	**$ 171.5**
Expensed during the period	**63.0**	**—**	**1.9**	**64.9**
Paid during the period	**(52.2)**	**(1.0)**	**(1.7)**	**(54.9)**
Reversed during the period	**(3.0)**	**—**	**(0.8)**	**(3.8)**
Effect of foreign currency exchange rate changes	**(0.4)**	**0.1**	**(0.1)**	**(0.4)**
Unwinding of discount and effect of changes in discounting estimates	**1.5**	**—**	**—**	**1.5**
Balance as at April 30, 2013	**$ 150.6**	**$ 13.0**	**$ 15.2**	**$ 178.8**

8. OTHER FINANCIAL LIABILITIES

The Company's other financial liabilities were as follows:

	April 30, 2013	January 31, 2013
Dealer holdback programs and customers deposits	**$ 60.1**	$ 65.0
Due to Bombardier Inc.	**21.3**	21.3
Derivative financial instruments	**6.8**	4.1
Due to a pension management company	**6.7**	8.8
Other	**7.8**	6.9
Total other financial liabilities	**$ 102.7**	$ 106.1
Current	**73.4**	74.7
Non-current	**29.3**	31.4
Total other financial liabilities	**$ 102.7**	$ 106.1

The non-current portion is mainly comprised of derivative financial instruments, due to a pension management company and due to Bombardier Inc. in connection with indemnification related to income taxes.

[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

9. LONG-TERM DEBT

As at April 30, 2013 and January 31, 2013, the maturity dates, interest rates, outstanding nominal amounts and carrying amounts of long-term debt were as follows:

					April 30, 2013
	Maturity date	Contractual interest rate	Effective interest rate	Outstanding nominal amount	Carrying amount
Term Facility	**January 2019**	**5.00%**	**5.42%**	**U.S. $1,050.0**	**$ 1,038.3** [a]
Term Loan	**December 2014**	**1.21%**	**1.21%**	**Euro 1.1**	**1.4**
Term Loan	**December 2015**	**1.21%**	**1.21%**	**Euro 2.3**	**3.0**
Term Loan	**September 2016**	**1.46%**	**1.46%**	**Euro 1.4**	**1.9**
Term Loan	**December 2016**	**1.13%**	**6.85%**	**Euro 7.5**	**8.8**
Term Loan	**December 2017**	**1.17%**	**8.60%**	**Euro 7.5**	**7.9**
Term Loan	**December 2017**	**1.96%**	**6.64%**	**Euro 1.8**	**2.1**
Term Loan	**December 2018**	**1.19%**	**5.64%**	**Euro 7.5**	**8.3**
Total long-term debt					**$ 1,071.7**
Current					**12.6**
Non-current					**1,059.1**
Total long-term debt					**$ 1,071.7**

[a] Net of unamortized transaction costs of $19.3 million.

					January 31, 2013
	Maturity date	Contractual interest rate	Effective interest rate	Outstanding nominal amount	Carrying amount
Term Facility	**January 2019**	**5.00%**	**5.42%**	**U.S. $1,050.0**	**$ 1,029.2** [a]
Term Loan	**December 2014**	**1.23%**	**1.23%**	**Euro 1.1**	**1.5**
Term Loan	**December 2015**	**1.23%**	**1.23%**	**Euro 2.3**	**3.1**
Term Loan	**September 2016**	**1.48%**	**1.48%**	**Euro 1.4**	**1.9**
Term Loan	**December 2016**	**1.13%**	**6.85%**	**Euro 7.5**	**8.9**
Term Loan	**December 2017**	**1.17%**	**8.60%**	**Euro 7.5**	**7.9**
Term Loan	**December 2017**	**1.98%**	**6.68%**	**Euro 1.8**	**2.1**
Total long-term debt					**$ 1,054.6**
Current					**12.2**
Non-current					**1,042.4**
Total long-term debt					**$ 1,054.6**

[a] Net of unamortized transaction costs of $20.0 million.

a) Term Facility

As at April 30, 2013, the Company has the option to increase the amount of borrowing by U.S. 150.0 million under certain conditions. The Term Facility agreement contains customary representations and warranties but includes no financial maintenance covenants.

As at April 30, 2013, the cost of borrowing under the Term Facility is the following:
(i) LIBOR plus 3.75% per annum, with a LIBOR floor of 1.25%;
(ii) U.S. Base Rate plus 2.75%; or
(iii) U.S. Prime Rate plus 2.75%

As per the Term Facility agreement, the cost of borrowing in U.S. Base Rate or U.S. Prime Rate cannot be lower than borrowing in LIBOR.

[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

9. LONG-TERM DEBT [CONTINUED]

a) Term Facility (Continued)

On May 30, 2013, the Company amended certain terms of the Term Facility (see Note 16).

During the three-month period ended April 30, 2012, the Company borrowed U.S. 25.0 million ($25.0 million) of its U.S. 150.0 million availability.

b) Term Loans

During the three-month period ended April 30, 2013, the Company entered into a term loan agreement at favourable interest rates under an Austrian government program. This program supports research and development projects based on the Company's incurred expenses in Austria. The term loan has a nominal amount of Euro 7.5 million ($10.0 million) with an interest rate of 1.19% until June 30, 2016 and 2.19% from July 1, 2016 to its maturity date on December 31, 2018. The Company recognized a grant of Euro 1.2 million ($1.6 million) as a reduction of research and development expenses representing the difference between the fair value of the term loan at inception and the cash received.

During the three-month period ended April 30, 2012, the Company entered into a term loan agreement under an Austrian government program. This program support research and development projects based on the Company's incurred expenses in Austria. The term loan has a nominal amount of Euro 1.4 million ($1.8 million), bears interest at Euribor three-months plus 1.25% and matures in September 2016.

10. CAPITAL STOCK

The changes in capital stock issued and outstanding and classified in equity were as follows:

	April 30, 2013		**January 31, 2013**	
	Number of shares	**Carrying amount**	**Number of shares**	**Carrying amount**
Balance at beginning				
Class A Common Shares	**229,387,717**	**$ 32.7**	229,387,717	$ 32.7
Class A.1 Common Shares	**123,516,460**	**17.3**	123,516,460	17.3
Class B Common Shares	**20,813,623**	**2.2**	20,310,623	2.2
	373,717,800	**52.2**	373,214,800	52.2
Issued upon exercise of stock options				
Class B Common Shares	**9,103,750**	**15.1**	792,800	0.3
Repurchased				
Class B Common Shares	**(368,600)**	**(0.1)**	(289,800)	(0.3)
Reduction of stated capital				
Class A Common Shares	**—**	**(27.5)**	—	—
Class A.1 Common Shares	**—**	**(14.8)**	—	—
Class B Common Shares	**—**	**(2.6)**	—	—
	—	**(44.9)**	—	—
Balance at end				
Class A Common Shares	**229,387,717**	**5.2**	229,387,717	32.7
Class A.1 Common Shares	**123,516,460**	**2.5**	123,516,460	17.3
Class B Common Shares	**29,548,773**	**14.6**	20,813,623	2.2
	382,452,950	**$ 22.3**	373,717,800	$ 52.2

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[Unaudited]

For the three-month periods ended April 30, 2013 and 2012
[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

10. CAPITAL STOCK [CONTINUED]

The changes in capital stock issued and outstanding and classified in liabilities were as follows:

	April 30, 2013		January 31, 2013	
	Number of shares	**Carrying amount**	**Number of shares**	**Carrying amount**
Balance at beginning				
Class B Common Shares	**5,635,910**	**$ 21.2**	5,491,752	$ 14.3
Class Super B Common Shares	**4,016,550**	**15.0**	4,016,550	10.4
	9,652,460	**36.2**	9,508,302	24.7
Issued				
Class B Common Shares	**2,000**	**—**	197,846	0.7
	2,000	**—**	197,846	0.7
Repurchased/Cancelled				
Class B Common Shares	**(83,600)**	**(0.3)**	(53,688)	(0.2)
Class Super B Common Shares	**(100,000)**	**(0.2)**	—	—
	(183,600)	**(0.5)**	(53,688)	(0.2)
Exchanged/Conversed				
Class B Common Shares	**295,223**	**1.0**	—	—
Class Super B Common Shares	**(295,223)**	**(1.0)**	—	—
	—	—	—	—
Reduction of stated capital				
Class B Common Shares	—	**(0.7)**	—	—
Class Super B Common Shares	—	**(0.5)**	—	—
	—	**(1.2)**	—	—
Increase in fair value				
Class B Common Shares	—	**12.2**	—	6.4
Class Super B Common Shares	—	**7.4**	—	4.6
	—	**19.6**	—	11.0
Balance as at end				
Class B Common Shares	**5,849,533**	**33.4**	5,635,910	21.2
Class Super B Common Shares	**3,621,327**	**20.7**	4,016,550	15.0
	9,470,860	**$ 54.1**	9,652,460	$ 36.2

In connection with the initial public offering of its subordinate voting shares on May 29, 2013, the Company consolidated its outstanding shares on a 3.765 to one basis. As at April 30, 2013, this change has not been reflected retrospectively in the condensed consolidated interim financial statements, except where requested by IFRS (see Note 11).

On April 15, 2013, the Company declared and paid a dividend of $0.84 per share on its Class A Common Shares, Class A.1 Common Shares and Class B Common Shares and a dividend $2.87 per share on its Class Super B Common Shares for a total consideration of $330.2 million. In addition, the Company reduced the stated capital of all of its shares by $0.12 per share for an aggregate amount of $46.1 million.

Between April 15, 2013 and April 30, 2013, 9,103,750 stock options were exercised by their holders. As at April 30, 2013, 3,009,350 stock options are outstanding under the former stock option plan (799,296 after taking into account the share consolidation as described above).

On April 30, 2013, the Company declared and paid a dividend of $0.39 per share on all of its shares for an aggregate amount of $152.8 million.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[Unaudited]

For the three-month periods ended April 30, 2013 and 2012
[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

11. EARNINGS PER SHARE

a) Basic earnings per share

As per IFRS requirements, the basic earnings per share and the weighted average number of common shares outstanding have been calculated taking into account the consolidation of the outstanding shares on a 3.765 to one basis (see Note 10) and are as follows:

	Three-month period ended	
	April 30, 2013	**April 30, 2012**
Net income attributable to shareholders	**$ 25.7**	$ 54.7
Issued common shares, beginning of year	**101,824,770**	101,652,882
Effect of issuance of shares and exercise of stock options	**1,202,809**	10,757
Effect of repurchase and cancellation of shares	**(66,879)**	(19,476)
Weighted average number of common shares	**102,960,700**	101,644,163
Earnings per share – basic	**$ 0.25**	$ 0.54

b) Diluted earnings per share

As per IFRS requirements, the diluted earnings per share and the weighted average number of common shares outstanding after adjustment for the effects of all dilutive common shares have been calculated taking into account the consolidation of the outstanding shares on a 3.765 to one basis (see Note 10) and are as follows:

	Three-month period ended	
	April 30, 2013	**April 30, 2012**
Net income attributable to shareholders	**$ 25.7**	$ 54.7
Dilutive net income effect of diluted shares	**—**	—
Net income attributable to shareholders, adjusted for dilution effect	**25.7**	54.7
Weighted average number of common shares	**102,960,700**	101,644,163
Dilutive effect of stock options	**1,091,700**	1,101,789
Weighted average number of diluted common shares	**104,052,400**	102,745,952
Earnings per share - diluted	**$ 0.25**	$ 0.53

For the three-month periods ended April 30, 2013 and 2012, respectively nil and 1.7 million stock options were excluded from the calculation of diluted earnings per share as these options were conditional upon the occurrence of a liquidity event.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[Unaudited]

For the three-month periods ended April 30, 2013 and 2012
[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

12. OTHER OPERATING INCOME

Details of other operating income were as follows:

	Three-month period ended	
	April 30, 2013	**April 30, 2012**
Foreign exchange gain on working capital elements	**$ (7.1)**	$ (4.0)
Loss on forward exchange contracts	**1.5**	2.1
Other	**(0.1)**	0.1
Total	**$ (5.7)**	$ (1.8)

13. FINANCING COSTS AND INCOME

Details of financing costs and financing income were as follows:

	Three-month period ended	
	April 30, 2013	**April 30, 2012**
Interest and amortized transaction costs on long-term debt	**$ 14.5**	$ 6.1
Interest on government assistance repayable	**—**	10.6[a]
Interest and commitment fees on revolving credit facilities	**0.4**	0.6
Employee future benefits interest cost	**2.3**	2.3
Financial guarantee losses (recoveries)	**(0.2)**	1.0
Unwinding of discount of provisions	**0.3**	0.3
Other	**0.8**	0.3
Financing costs	**18.1**	21.2
Financing income	**(1.2)**	(0.8)
Total	**$ 16.9**	$ 20.4

[a] Includes $9.0 million related to accelerated government assistance repayment of $60.1 million.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[Unaudited]

For the three-month periods ended April 30, 2013 and 2012
[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

14. INCOME TAXES

Details of income taxes expense were as follows:

	Three-month period ended	
	April 30, 2013	**April 30, 2012**
Current income taxes expense		
Related to current year	**$ 5.8**	$ 5.5
Related to prior years	**(0.3)**	1.0
	5.5	6.5
Deferred income taxes expense		
Temporary differences	**9.9**	14.3
Effect of income tax rate changes on deferred income taxes	**0.2**	(0.2)
	10.1	14.1
Income taxes expense	**$ 15.6**	$ 20.6

The reconciliation of income taxes computed at the Canadian statutory rates to income taxes expense recorded was as follows:

	Three-month period ended			
	April 30, 2013		**April 30, 2012**	
Income taxes calculated at statutory rates	**$ 11.1**	**26.9%**	$ 20.2	26.9%
Increase (decrease) resulting from:				
Income tax rate differential of foreign subsidiaries	**(1.8)**		0.2	
Effect of income tax rate changes on deferred income taxes	**0.2**		(0.2)	
Tax benefits of losses and temporary differences not recognized	**0.4**		—	
Recognition of income taxes on foreign currency translation	**(0.4)**		0.3	
Permanent differences [a]	**6.9**		(0.5)	
Other	**(0.8)**		0.6	
Income taxes expense	**$ 15.6**		$ 20.6	

[a] The permanent differences result mainly from the valuation at fair value of the redeemable common shares and from the foreign exchange (gain) loss on the long-term debt denominated in U.S. dollars.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

[Unaudited]

For the three-month periods ended April 30, 2013 and 2012
[Tabular figures in millions of Canadian dollars, unless otherwise indicated]

15. FINANCIAL INSTRUMENTS

The fair value is the amount at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. The Company's financial instruments respective fair values take into account the credit risk embedded in the instrument which for financial assets, the credit risk of the counterparty and for financial liabilities, the credit risk of the Company.

In order to determine the fair value of its financial instruments, the Company uses, when active markets exist, quoted prices from these markets ("Level 1" fair value). When public quotations are not available in the market, fair values are determined using valuation methodologies. When inputs used in the valuation methodologies are only inputs directly and indirectly observable in the marketplace, fair value is presented as "Level 2" fair value. If fair value is assessed using inputs that require considerable judgment from the Company in interpreting market data and developing estimates, fair value is presented as "Level 3" fair value. For Level 3 fair value, the use of different assumptions and/or estimation methodologies may have a material effect on the estimated fair values.

The fair value, fair value level and carrying amount of restricted investments, derivative financial instruments, redeemable common shares and long-term debt were as follows:

		As at April 30, 2013	
	Fair value level	Carrying amount	Fair value
Restricted investments (Note 4)	Level 2	**$ 15.2**	**$ 15.2**
Derivative financial instruments			
Forward exchange contracts			
Favourable (Note 4)		**$ 0.9**	**$ 0.9**
(Unfavourable) (Note 8)		**(5.4)**	**(5.4)**
Inflation rate swap (Note 8)		**(1.4)**	**(1.4)**
	Level 2	**$ (5.9)**	**$ (5.9)**
Redeemable common shares (Note 10)	Level 3	**$ 54.1**	**$ 54.1**
Long-term debt (including current portion) (Note 9)			
Term Facility	Level 1	**$ 1,038.3**	**$ 1,066.8**
Term Loans	Level 2	**33.4**	**36.4**
		$ 1,071.7	**$ 1,103.2**

For cash, trade and other receivables, revolving credit facilities, trade payables and accruals, dealer holdback programs and customer deposits, the carrying amounts reported on the consolidated statements of financial position or in the notes approximate the fair values of these items due to their short-term nature.

16. SUBSEQUENT EVENTS

On May 29, 2013, the Company completed the initial public offering of its subordinate voting shares with the securities regulatory authorities in each of the provinces and territories of Canada. The Company received gross proceeds of $262.3 million from the issuance of the subordinate voting shares (approximately $240.8 million after taking in consideration the estimated $21.5 million of fees and expenses in relation with the initial public offering).

In connection with the initial public offering on May 29, 2013, the Company's Board of Directors approved a consolidation of the Company's shares outstanding on a 3.765 to one basis.

Furthermore, the Board of Directors approved a new stock option plan, pursuant to which a reserve of 5,814,828 subordinate voting shares are available to be granted in stock options to the Company's eligible employees. On 29 May 2013, 1,098,500 options were granted to eligible employees under the new stock option plan. Such stock options are time vesting and 25% of the options will vest on each of the first, second, third and fourth anniversary of the grant. The stock options have a ten-year term at the end of which the options expire. Additionally, 799,296 options to purchase subordinate voting shares remained outstanding under the former stock option plan.

In connection with the initial public offering, on May 29, 2013, the Company repaid U.S. dollars $258 million ($267.2 million) of the Term Facility. As a result to this repayment, the Company is no longer required to repay a minimum of 1% of the original Term Facility nominal amount each year until maturity in January 2019.

In connection with the initial public offering, on May 30, 2013, the Company amended its Term Facility resulting in a 0.75% decrease of the cost of borrowing and a 0.25% decrease of the LIBOR floor. In addition, the Company amended the Revolving Credit Facilities to provide an extension of the maturity from March 2016 to May 2018 and a reduction of 0.25% of the cost of borrowing. The costs related to the amendments are estimated at $11 million and will be amortized over the expected life of the Term Facility and the Revolving Credit Facilities.