



The Company

For Millions of people the name Polaris is synonymous with adventure and having fun. With the successful line of snowmobiles, all-terrain vehicles (ATVs), Polaris *RANGERS*, personal watercraft, motorcycles, and sport boats, Polaris offers “The Way Out”.

Polaris designs, engineers, manufactures and markets snowmobiles, all-terrain vehicles, personal watercraft, Victory motorcycles and the Polaris RANGER for recreational and utility use.

With annual 2003 sales of over \$1.6 billion, Polaris is a recognized leader in the snowmobile industry; one of the largest manufacturers of all terrain vehicles (ATVs) in the world; and a leading manufacturer of personal watercraft. Victory motorcycles was established in 1998, and represents the first all-new American-made motorcycle in nearly 60 years, is rapidly making impressive inroads into the motorcycle cruiser marketplace. Polaris also enhances the riding experience with a complete line of Pure Polaris apparel, accessories and parts, available at Polaris dealerships. Consumers can also purchase apparel and vehicle accessories anytime at polarisindustries.com

Polaris Industries Inc. trades on the New York Stock Exchange and Pacific Stock Exchange under the symbol “PII,” and the company is included in the S&P Small-Cap 600 stock price index.

The Goals

Polaris is determined to deliver better financial performance and become the undisputed brand leader in motorsport recreation.

To keep this potential in front of us - and add a sense of urgency to our daily actions - we've set four ambitious goals:

- \$2 billion by 2004; \$3 billion by 2007
- Grow earnings faster than sales; expand margins
- Build a dominant brand with industry-leading quality and distribution
- Expand the P/E multiple to 20+

Growing by making the most of today's opportunities

Over our 50-year history, Polaris has built a very good company simply by growing internally. One segment at a time, we've transformed from a snowmobile company into a flexible manufacturer of motorized products for people who enjoy the outdoors. We have ample opportunities to grow by continuing to innovate and build high-quality, lower-cost products.

Planting seeds for new growth.

Up to now, we've grown by focusing on core products, where there's certainly ample opportunity for more growth. But success has created some great opportunities surrounding our machines as well. We can accelerate growth by investing selectively in some of these new areas. Here are five places we've started planting seeds for new growth: (1) parts, garments and accessories; (2) financial services; (3) partnerships and acquisitions; (4) international business; and (5) the Polaris brand.