



FY 2016 Third Quarter Earnings Supplemental Information

February 11, 2016

Forward-Looking Statements



Certain statements in this presentation and other oral and written statements made by Vista Outdoor from time to time are forward-looking statements, including those that discuss, among other things: Vista Outdoor's plans, objectives, expectations, intentions, strategies, goals, outlook or other non-historical matters; projections with respect to future revenues, income, earnings per share or other financial measures for Vista Outdoor; and the assumptions that underlie these matters. The words 'believe', 'expect', 'anticipate', 'intend', 'aim', 'should' and similar expressions are intended to identify such forward-looking statements. To the extent that any such information is forward-looking, it is intended to fit within the safe harbor for forward-looking information provided by the Private Securities Litigation Reform Act of 1995.

Numerous risks, uncertainties and other factors could cause Vista Outdoor's actual results to differ materially from expectations described in such forward-looking statements, including the following: Vista Outdoor's ability to realize anticipated benefits and cost savings from acquisitions; Vista Outdoor's ability to retain and hire key personnel and maintain relationships with customers, suppliers and other business partners of acquired businesses; costs or difficulties related to the integration of acquired businesses; general economic and business conditions in the U.S. and Vista Outdoor's other markets, including conditions affecting employment levels, consumer confidence and spending; Vista Outdoor's ability to operate successfully as a standalone business; Vista Outdoor's ability to retain and hire key personnel and maintain and grow its relationships with customers, suppliers and other business partners, including Vista Outdoor's ability to obtain acceptable third party licenses; Vista Outdoor's ability to adapt its products to changes in technology, the marketplace and customer preferences; Vista Outdoor's ability to maintain and enhance brand recognition and reputation; reductions or unexpected changes in demand for ammunition, firearms or accessories or other outdoor sports and recreation products; risks associated with Vista Outdoor's sales to significant retail customers, including unexpected cancellations, delays and other changes to purchase orders; supplier capacity constraints, production disruptions or quality or price issues affecting Vista Outdoor's operating costs; seasonality and weather conditions in Vista Outdoor's markets; Vista Outdoor's competitive environment; risks associated with compliance and diversification into international and commercial markets; the supply, availability and costs of raw materials and components; changes in commodity, energy and production costs; changes in laws, rules and regulations relating to Vista Outdoor's business, such as federal and state firearms and ammunition regulations; Vista Outdoor's ability to execute its long-term growth strategy; Vista Outdoor's ability to take advantage of growth opportunities in international and commercial markets; changes in interest rates or credit availability; foreign currency exchange rates and fluctuations in those rates; the outcome of contingencies, including with respect to litigation and other proceedings relating to intellectual property, product liability, warranty liability, personal injury and environmental remediation; risks associated with cybersecurity and other industrial and physical security threats; risks associated with pension asset returns and assumptions regarding future returns, discount rates and service costs; capital market volatility and the availability of financing; changes to accounting standards or policies; and changes in tax rules or pronouncements.

Vista Outdoor undertakes no obligation to update any forward-looking statements. For further information on factors that could impact Vista Outdoor, and statements contained herein, please refer to Vista Outdoor's filings with the Securities and Exchange Commission, including the company's annual report on Form 10-K and any subsequent quarterly reports on Form 10-Q and current reports on Form 8-K filed with the U.S. Securities and Exchange Commission.

Third Quarter Highlights



□ Financial

- Sales of \$593m, organic sales excluding acquisitions of \$552m
 - Year-over-year growth of 16.9%; 8.8% organic
 - Sequential organic growth of 4.6%
- Fully-diluted earnings per share of \$0.70
- Adjusted earnings per share* of \$0.70
- YTD Free Cash Flow** of \$51m
- Continued share repurchase program
 - Q3 FY16 repurchased ~1.4m shares for \$61m
 - Q4 QTD repurchases of ~360k shares for \$16m
 - Inception-to-date repurchases of ~3.1m for \$138m through February 10, 2016

□ FY 16 Guidance

- Increases sales and adjusted EPS* ranges
- Reaffirms capital expenditures and tax rate
- Modest reduction in upper end of FCF** range

* See reconciliation table for details.

** Non-GAAP financial measure. See reconciliation table for details.

Shooting Sports



(\$ millions)	Q3 FY16	Q3 FY15	Q2 FY16	YoY Change	QoQ Change
Sales	\$356	\$309	\$338	15.4%	5.3%
Gross Profit	\$104	\$81	\$92	28.3%	13.2%

Quarter 3 versus prior-year quarter

- Sales increase driven by :
 - Increased market demand
 - All product lines experienced year-over-year growth

- Gross profit increase due to:
 - Increased volume driven by the market demand
 - Product mix and raw material favorability



Outdoor Products



(\$ millions)	Q3 FY16	Q3 FY15	Q2 FY16	YoY Change	QoQ Change
Sales	\$236	\$198	\$213	19.2%	10.9%
Gross Profit	\$64	\$54	\$57	17.3%	11.0%

Quarter 3 versus prior-year quarter

- Sales increase driven by:
 - Acquisitions, increased promotional activity and growth in golf and shooting accessories; partially offset by foreign exchange and lower sales in tactical products
 - Organic decline excluding acquisitions of 1.6% versus prior-year and growth of 3.3% sequentially
- Gross profit increase due to:
 - Impact of acquisitions
 - Organic decline of 13.5% versus prior-year due to unfavorable foreign exchange impacts, lower sales in tactical products and unfavorable product mix; partially offset by increased promotional activity



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- ❑ Quarter 3 versus prior-year quarter
 - Adjusted operating expenses were \$92m compared to \$68m, increase due to acquisitions, stand alone company costs, stock-based compensation, and additional R&D, selling and marketing investments
 - Interest expense was \$8m for the quarter compared to \$8m. For the prior year, this was an allocation from ATK to Vista Outdoor
 - Adjusted tax rate was 36.0%, compared to 33.4% due primarily to the true-up of prior-year taxes, which was more favorable in the prior year

FY 2016 Outlook



	Current FY 2016 Guidance	Prior FY 2016 Guidance
Sales	\$2.240 – \$2.260 billion	\$2.170 – \$2.240 billion
Adjusted Earnings per Share*	\$2.40 – \$2.50	\$2.05 – \$2.30
Free Cash Flow**	\$150 - \$170 million	\$150 - \$180 million
Tax Rate	~38%	~38%
Capital Expenditures	~\$45 million	~\$45 million

* See reconciliation table for details.

** Non-GAAP financial measure. See reconciliation table for details.



Appendix

- Reconciliation to GAAP Measures

Non-GAAP Financial Measures



Operating Profit and Earnings Per Share

The adjusted operating profit (adjusted EBIT), and adjusted earnings per share (adjusted EPS) presented above are non-GAAP financial measures that Vista Outdoor defines as operating profit (EBIT) and EPS excluding, where applicable, the impact of costs incurred in the period for current and possible transactions, acquisition inventory step-up, and goodwill/trade name impairment. Vista Outdoor management is presenting these measures so a reader may compare EBIT and EPS excluding these items, as the measures provide investors with an important perspective on the operating results of the company. Vista Outdoor management uses these measurements internally to assess business performance, and Vista Outdoor's definition may differ from those used by other companies.

Quarter ended January 3, 2016:					
	Operating Profit	Income Tax	Income Tax Rate	Net Income	EPS
As reported	\$ 75,232	\$ 24,297	36.0%	\$ 43,159	\$ 0.70
Transaction costs	265	101		164	—
Inventory step-up	505	192		313	—
As adjusted	\$ 76,002	\$ 24,590	36.0%	\$ 43,636	\$ 0.70
Quarter ended December 28, 2014:					
	Operating Profit	Income Tax	Income Tax Rate	Net Income (Loss)	EPS
As reported	\$ 11,394	\$ 14,206	467.8%	\$ (11,169)	\$ (0.17)
Goodwill/trade name impairment	52,220	4,144		48,076	0.75
Transaction costs	2,597	1,000		1,597	0.03
As adjusted	\$ 66,211	\$ 19,350	33.4%	\$ 38,504	\$ 0.61

See press release for additional descriptions of adjustments shown above.

Non-GAAP Financial Measures



Free Cash Flow

Free cash flow is defined as cash provided by operating activities less capital expenditures, allocated interest expense, and excluding transaction costs paid to date, net of tax. Vista Outdoor management believes free cash flow provides investors with an important perspective on the cash available for debt repayment, share repurchases and acquisitions after making the capital investments required to support ongoing business operations. Vista Outdoor management uses free cash flow internally to assess both business performance and overall liquidity.

	Nine months ended January 3, 2016	Nine months ended December 28, 2014	Projected year ending March 31, 2016
Cash provided by operating activities	\$ 71,288	\$ 79,174	\$189,337–\$209,337
Capital expenditures	(26,301)	(30,630)	~(45,000)
Allocated interest expense	—	25,281	—
Transaction costs paid to date, net of tax	5,663	6,115	5,663
Free cash flow	\$ 50,650	\$ 79,940	\$150,000–\$170,000

Non-GAAP Financial Measures



Adjusted Earnings Per Share – Guidance Reconciliation Table

The projected adjusted earnings per share (EPS) excluding transaction costs, facility rationalization costs, and inventory step-up incurred to date associated with current and possible transactions is a non-GAAP financial measure that Vista Outdoor defines as EPS excluding the impact of these items. Vista Outdoor management is presenting this measure so a reader may compare EPS excluding these items as this measure provides investors with an important perspective on the operating results of the company. Vista Outdoor management uses this measurement internally to assess business performance, and Vista Outdoor's definition may differ from those used by other companies.

Current FY16 Full-Year Adjusted EPS Guidance		
	Low	High
EPS guidance including transaction costs, facility rationalization, and inventory step-up incurred to date	\$ 2.29	\$ 2.39
Transaction costs incurred to date	0.08	0.08
Facility rationalization	0.02	0.02
Inventory step-up	0.01	0.01
Adjusted EPS guidance	\$ 2.40	\$ 2.50