



FY 2017 Third Quarter Earnings Supplemental Information

February 9, 2017

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: general economic and business conditions in the U.S. and Vista Outdoor's other markets, including conditions affecting employment levels, consumer confidence and spending, and other economic conditions affecting demand for our products and the financial health of our customers; Vista Outdoor's ability to attract and retain 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, unexpected changes in or our inability to accurately forecast demand for ammunition, firearms or accessories or other outdoor sports and recreation products; risks associated with Vista Outdoor's sales to significant 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; 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; increases 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, including our ability to complete and realize expected benefits from acquisitions and integrate acquired businesses; Vista Outdoor's ability to take advantage of growth opportunities in international and commercial markets; 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; 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



- ❑ Third Quarter
 - Sales of \$654 million
 - Adjusted fully-diluted* earnings per share of \$0.62
 - Free cash flow* \$(18) million

- ❑ Share Repurchases
 - Q3 FY17 ~1.6M shares for \$60 million
 - Completed \$100M share repurchase program initiated on August 25, 2016 repurchasing ~ 2.7 million shares
 - Total share repurchases since spin of approximately 7.2M shares for \$300 million

- ❑ Revised FY17 Guidance
 - Sales of \$2.500 - \$2.540 billion
 - Interest expense of ~ \$45 million
 - Tax rate of (12)%, with an adjusted tax rate of ~35%
 - EPS in a range of \$(4.57) - \$(4.42), with adjusted earnings per share* of \$1.95 - \$2.10
 - Capital expenditures of ~\$90 million
 - Free cash flow* of \$25 - \$40 million

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

Outdoor Products



(\$ millions)	Third Quarter		
	Q3 FY17	Q3 FY16	YoY Change
Sales	\$293	\$236	24.0%
Adjusted Gross Profit*	\$71	\$64	11.9%



Year-over-year change

- Sales increase driven by:
 - Impact of acquisitions
 - Organic sales down 15% versus prior-year caused by decreased sales across all product lanes, including the impact of increased promotional activities across the segment
- Adjusted gross profit increase:
 - Impact of acquisitions
 - Organic gross profit down 26% year over year due to decreased sales and increased promotional activity

Jimmy Styks



GIRO



CAMELBAK®



Bushnell

CAMP CHEF
THE WAY TO COOK OUTDOORS®

bolle



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

Shooting Sports



(\$ millions)	Third Quarter		
	Q3 FY17	Q3 FY16	YoY Change
Sales	\$361	\$356	1.2%
Gross Profit	\$98	\$104	(6.1%)



Year-over-year change

- Sales increase driven by:
 - Increased centerfire and rimfire ammunition
 - Partially offset by lower shotshell ammunition and firearms and increased rebate and promotional cost
- Gross profit decrease:
 - Unfavorable product mix
 - Increased rebate and promotional cost





- ❑ Third Quarter versus prior-year quarter
 - Adjusted operating expenses* were \$103 million compared to \$92 million, increase due to operating expenses generated from acquired businesses, partially offset by lower incentive accruals as a result of current-year performance and cost cutting initiatives
 - Adjusted tax rate* was 33.6 percent, compared to 36.0, percent driven by a more favorable true up of the prior-year return and a higher domestic manufacturing deduction
 - Interest expense was approximately \$11 million compared to \$8 million, increase due to an increase in the average debt balance due to acquisitions and higher average interest rate

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

FY 2017 Outlook



	Current FY 2017 Guidance	Prior FY 2017 Guidance
Sales	\$2.500 - \$2.540 billion	\$2.72 - \$2.78 billion
Interest expense*	~\$45 million	~\$45 million
Tax Rate**	~35%	~37%
Earnings per Share**	\$1.95 - \$2.10	\$2.65 - \$2.85
Capital Expenditures	~\$90 million	~\$90 million
Free Cash Flow***	\$25 - \$40 million	\$130 - \$160 million

* Includes amortization of financing costs and write off of deferred financing fees

** Excludes impact goodwill and intangible impairment, transition/transaction expense, acquisition claim settlement gain, contingent consideration revaluation and inventory step-up. See reconciliation table for details

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



Appendix

- Reconciliation to GAAP Measures

Non-GAAP Financial Measures



Gross Profit, Operating Profit and Earnings Per Share

The adjusted gross profit, adjusted operating expenses, operating profit (adjusted EBIT), adjusted tax rate, adjusted net income, and adjusted earnings per share (adjusted EPS) presented above are non-GAAP financial measures that Vista Outdoor defines as gross profit, operating expenses, operating profit (EBIT), tax rate, net income, and EPS excluding, where applicable, the impact of a non-cash goodwill and intangible asset impairment, changes in value of future payments of contingent consideration, costs incurred in the period for completed and potential transactions, transition costs for the Action Sports acquisition, and acquisition inventory step-up. As these transactions impact a variety of financial measures Vista Outdoor management is presenting each of these measures so a reader may compare gross profit, operating expenses, EBIT, tax rate, net income 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 1, 2017:							
	Gross Profit	Operating Expenses	Operating Profit	Income Tax	Income Tax Rate	Net Income(Loss)	EPS
As reported	\$ 168,606	\$ 553,262	\$ (384,656)	\$ (17,548)	4.4%	\$ (377,659)	\$ (6.44)
Goodwill and intangibles impairment	—	(449,199)	449,199	35,670		413,529	7.05
Contingent consideration	—	(843)	843	320		523	0.01
Transaction and transition costs	—	(16)	16	6		10	—
As adjusted	\$ 168,606	\$ 103,204	\$ 65,402	\$ 18,448	33.6%	\$ 36,403	\$ 0.62
Quarter ended January 3, 2016:							
	Gross Profit	Operating Expenses	Operating Profit	Income Tax	Income Tax Rate	Net Income	EPS
As reported	\$ 167,504	\$ 92,272	\$ 75,232	\$ 24,297	36.0%	\$ 43,159	\$ 0.70
Transaction costs	—	(265)	265	101		164	—
Inventory step-up	505	—	505	192		313	—
As adjusted	\$ 168,009	\$ 92,007	\$ 76,002	\$ 24,590	36.0%	\$ 43,636	\$ 0.70

See press release for additional descriptions of adjustments shown above.

Non-GAAP Financial Measures



Gross Profit, Operating Profit and Earnings Per Share

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Outdoor Products	
Quarter ended January 3, 2016:	
	Gross Profit
As reported	\$ 63,607
Inventory step-up	505
As adjusted	\$ 64,112

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 and excluding an acquisition claim settlement, and transaction and transition costs net of taxes incurred to date. 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 1, 2017	Nine months ended January 3, 2016	Projected year ending March 31, 2017
Cash provided by operating activities	\$ 57,891	\$ 71,288	\$141,357–\$156,357
Capital expenditures	(49,302)	(26,301)	~(90,000)
Acquisition claim settlement gain, net	(30,027)	—	(30,027)
Transaction and transition costs paid to date, net of tax	3,670	5,663	3,670
Free cash flow	\$ (17,768)	\$ 50,650	\$25,000–\$40,000

See press release for additional descriptions of adjustments shown above.

Non-GAAP Financial Measures



Adjusted Earnings Per Share – Guidance Reconciliation Table

The projected adjusted earnings per share (EPS), excluding the impact of a goodwill and intangible impairment, a gain due to an acquisition claim settlement, costs incurred for completed and potential transactions, transition costs for the Action Sports acquisition, changes in value of future payments of contingent consideration, and acquisition inventory step-up, 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 FY17 Full-Year Adjusted EPS Guidance		
	Low	High
EPS guidance including goodwill and intangible impairment, acquisition claim settlement, contingent consideration revaluation, transaction and transition costs, and inventory step-up incurred to date	\$ (4.57)	\$ (4.42)
Goodwill and intangibles impairment	6.99	6.99
Acquisition claim settlement, net	(0.50)	(0.50)
Contingent consideration	(0.03)	(0.03)
Transaction and transition costs incurred to date	0.05	0.05
Inventory step-up	0.01	0.01
Adjusted EPS guidance	\$ 1.95	\$ 2.10