



Financial results for the second quarter ended June 30, 2013

Presentation to investors,
financial analysts and media

August 1, 2013

BOMBARDIER
the evolution of mobility

Forward-looking statement

This presentation includes forward-looking statements, which may involve, but are not limited to: statements with respect to our objectives, guidance, targets, goals, priorities, our market and strategies, financial position, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business outlook, prospects and trends of an industry; expected growth in demand for products and services; product development, including projected design, characteristics, capacity or performance; expected or scheduled entry-into-service of products and services, orders, deliveries, testing, lead times, certifications and project execution in general; our competitive position; and the expected impact of the legislative and regulatory environment and legal proceedings on our business and operations. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “anticipate”, “plan”, “foresee”, “believe”, “continue”, “maintain” or “align”, the negative of these terms, variations of them or similar terminology. By their nature, forward-looking statements require us to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause our actual results in future periods to differ materially from forecasted results. While we consider our assumptions to be reasonable and appropriate based on information currently available, there is a risk that they may not be accurate. For additional information with respect to the assumptions underlying the forward-looking statements made in this presentation refer to the respective Guidance and forward-looking statements sections in Overview, Bombardier Aerospace and Bombardier Transportation sections in the Management’s Discussion and Analysis (“MD&A”) in the Corporation’s annual report for the fiscal year ended December 31, 2012.

Certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include risks associated with general economic conditions, risks associated with our business environment (such as risks associated with the financial condition of the airline industry and major rail operators), operational risks (such as risks related to developing new products and services; doing business with partners; product performance warranty and casualty claim losses; regulatory and legal proceedings; the environment; dependence on certain customers and suppliers; human resources; fixed-price commitments and production and project execution), financing risks (such as risks related to liquidity and access to capital markets, exposure to credit risk, certain restrictive debt covenants, financing support provided for the benefit of certain customers and reliance on government support) and market risks (such as risks related to foreign currency fluctuations, changing interest rates, decreases in residual values and increases in commodity prices). For more details, see the Risks and uncertainties section in Other in the MD&A of the Corporation’s annual report for the fiscal year ended December 31, 2012. Readers are cautioned that the foregoing list of factors that may affect future growth, results and performance is not exhaustive and undue reliance should not be placed on forward-looking statements. The forward-looking statements set forth herein reflect our expectations as at the date of this presentation and are subject to change after such date. Unless otherwise required by applicable securities laws, we expressly disclaim any intention, and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

All amounts in this presentation are expressed in U.S. dollars unless otherwise indicated.

This presentation contains both IFRS and non-GAAP measures. Non-GAAP measures are defined and reconciled to the most comparable IFRS measures in our MD&A. See Caution regarding Non-GAAP measures at the end of this presentation.

Good second quarter with overall increases in revenues, EBIT and backlog

REVENUES

\$4.4 B

ADJUSTED¹ EPS

\$0.09

- Revenues of \$4.4 billion, an increase of 8% from last fiscal year
- EBIT before special items of \$257 million (5.8% of revenues)
- Adjusted¹ net income of \$158 million (adjusted¹ EPS of \$0.09)
- Free cash flow¹ usage of \$566 million
- Strong liquidity of \$4.5 billion²
- Decrease in net retirement benefit liability of \$614 million since the beginning of the year
- Record backlog of \$65.5 billion²

¹ See Caution regarding Non-GAAP measures at the end of this presentation

² As at June 30, 2013

Segmented results

(in millions of dollars)	Three-month periods ended June 30				Six-month periods ended June 30			
	2013		2012		2013		2012	
Revenues								
Aerospace	2,255		2,265		4,513		3,764	
Transportation	2,175		1,832		4,256		3,814	
Total – Revenues	4,430		4,097		8,769		7,578	
EBIT before special items ¹								
Aerospace	107	4.7%	99	4.4%	208	4.6%	165	4.4%
Transportation	150	6.9%	115	6.3%	289	6.8%	237	6.2%
Total – EBIT before special items¹	257	5.8%	214	5.2%	497	5.7%	402	5.3%
EBIT								
Aerospace	138	6.1%	99	4.4%	239	5.3%	188	5.0%
Transportation	150	6.9%	115	6.3%	289	6.8%	237	6.2%
Total – EBIT	288	6.5%	214	5.2%	528	6.0%	425	5.6%

¹ See Caution regarding Non-GAAP measures at the end of this presentation

Financial results overview

(in millions of dollars, except per share amounts)	Three-month periods ended June 30		Six-month periods ended June 30	
	2013	2012	2013	2012
Revenues	4,430	4,097	8,769	7,578
EBIT before special items ¹	257	214	497	402
Special items	(31)	-	(31)	(23)
EBIT	288	214	528	425
Net financing expense	36	29	71	66
EBT	252	185	457	359
Income taxes	72	38	129	57
Net income	180	147	328	302
Diluted EPS (in dollars)	0.10	0.08	0.18	0.16
Adjusted net income¹	158	167	314	317
Adjusted EPS¹ (in dollars)	0.09	0.09	0.17	0.17

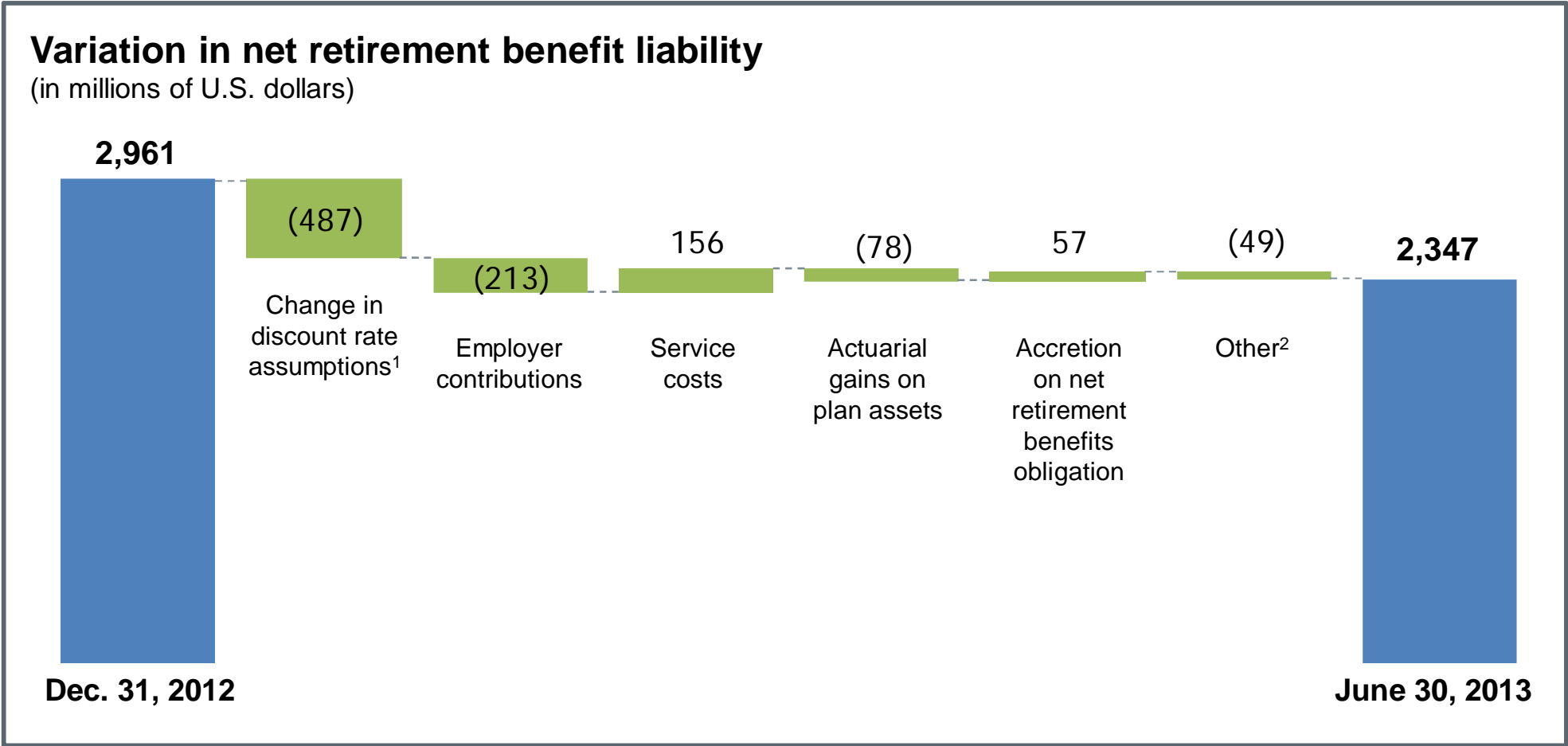
¹ See Caution regarding Non-GAAP measures at the end of this presentation

Free cash flow

(in millions of dollars)	Three-month periods ended June 30		Six-month periods ended June 30	
	2013	2012	2013	2012
Aerospace				
Cash flows from operating activities	75	(23)	117	(223)
Net additions to PPE & intangible assets	(534)	(481)	(1,037)	(853)
Total Aerospace	(459)	(504)	(920)	(1,076)
Transportation	(21)	(44)	(94)	(129)
Interest and taxes	(86)	(60)	(142)	(98)
Free cash flow usage¹	(566)	(608)	(1,156)	(1,303)

¹ See Caution regarding Non-GAAP measures at the end of this presentation

Significant decrease in the net retirement benefit liability since the beginning of the year



¹ Discount rates used to determine the benefit cost and obligation for fiscal years ended must represent the market rates for high-quality corporate fixed income investments for the period to maturity of the benefits. As such, management has little discretion in its selection.

² Other includes changes in foreign exchange rates and actuarial losses on defined benefit obligation

We are well positioned for future growth

- **Record backlog of \$65.5 billion representing approximately four years of manufacturing revenues**
- **State-of-the-art products coming into service in the next few years**



Non-GAAP financial measures

CAUTION REGARDING NON-GAAP FINANCIAL MEASURES

This presentation is based on reported earnings in accordance with International Financial Reporting Standards (IFRS). Reference to generally accepted accounting principles (GAAP) means IFRS, unless indicated otherwise. This presentation is also based on non-GAAP financial measures including EBIT before special items, EBIT margin before special items, adjusted net income, adjusted earnings per share and free cash flow. These non-GAAP measures are mainly derived from the interim consolidated financial statements, but do not have a standardized meaning prescribed by IFRS; therefore, others using these terms may calculate them differently. Management believes that providing certain non-GAAP performance measures, in addition to IFRS measures, provides users of our interim consolidated financial statements with enhanced understanding of our results and related trends and increases transparency and clarity into the core results of our business. Refer to the Non-GAAP financial measures and Liquidity and capital resources sections in the Corporation's MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measures.