



# Forward-looking statements

This presentation includes forward-looking statements, which may involve, but are not limited to, statements with respect to the ours objectives, targets, goals, priorities and strategies, financial position, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business conditions outlook, prospects and trends of the 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; competitive position; and 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” or “continue”, 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 Forward-looking statements sections in BA and BT in the MD&A of the Corporation’s annual report for fiscal year 2010.

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; to 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, 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 value 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 fiscal year 2010. 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, the Corporation expressly disclaims any intention, and assumes 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.



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## Overview



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## Aerospace



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## Transportation



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## Summary

# Bombardier – A Global Market Leader

## For the fiscal year 2010

<i>(in millions of U.S. dollars)</i>		<b>BOMBARDIER INC.</b>	
Revenues	\$ 19,366	Free Cash Flow	\$ (215)
EBITDA	\$ 1,596	Backlog <sup>(a)</sup>	\$ 43,800
EBIT	\$ 1,098	EPS <sup>(b)</sup> <i>(in U.S. dollars)</i>	\$ 0.39
Net income	\$ 707	Employees <sup>(a)</sup>	62,900

<b>AEROSPACE</b>		<b>TRANSPORTATION</b>	
<b>#1 - Business aircraft manufacturer</b> <b>#1 - Regional aircraft manufacturer</b>		<b>#1 - Rail equipment manufacturer and services provider</b>	
Revenues	\$ 9,357	Revenues	\$ 10,009
EBITDA	\$ 844	EBITDA	\$ 752
EBIT	\$ 473	EBIT	\$ 625
Backlog <sup>(a)</sup>	\$ 16,700	Backlog <sup>(a)</sup>	\$ 27,100
Employees <sup>(a)</sup>	28,900	Employees <sup>(a)</sup>	33,800

(a) As of January 31, 2010

(b) Diluted

# Bombardier Today

**62,900 employees\***

- 95 nationalities
- 23 languages

**A presence in over 60 countries**

**Customers in over 100 countries**



# Bombardier Today

**More than 100,000  
Bombardier rail cars and  
locomotives in service  
worldwide**



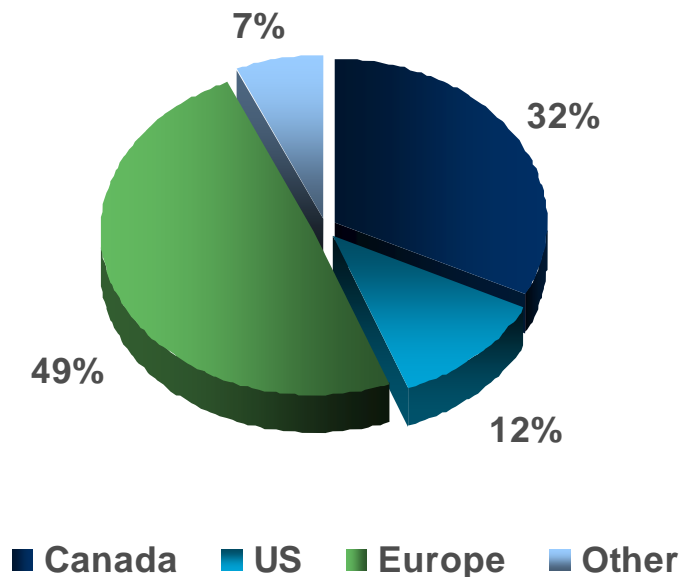
# Bombardier Today

**Every three seconds, a  
Bombardier aircraft takes  
off or lands somewhere  
around the globe**



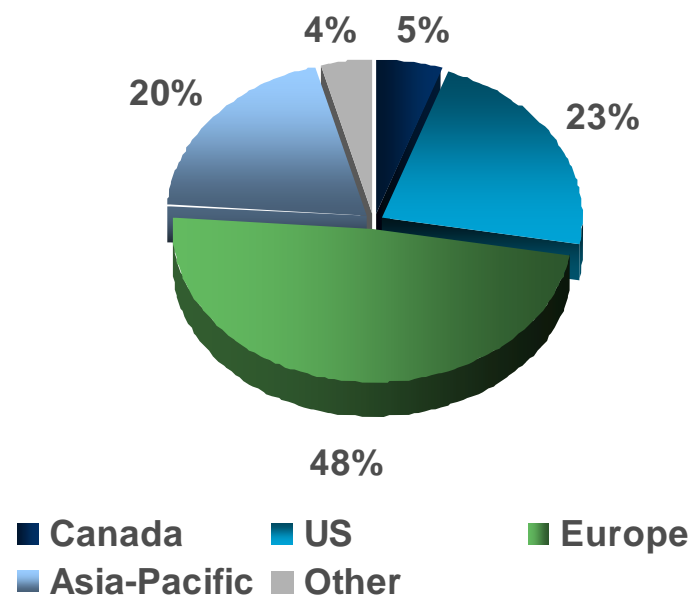
# Bombardier – A truly global company

## Employees Geographic segmentation



*Total employees\*: 62,900*

## F2010 Revenues Geographic segmentation








*Total F2010 revenues: US\$19.4 billion*

\* As of January 31, 2010

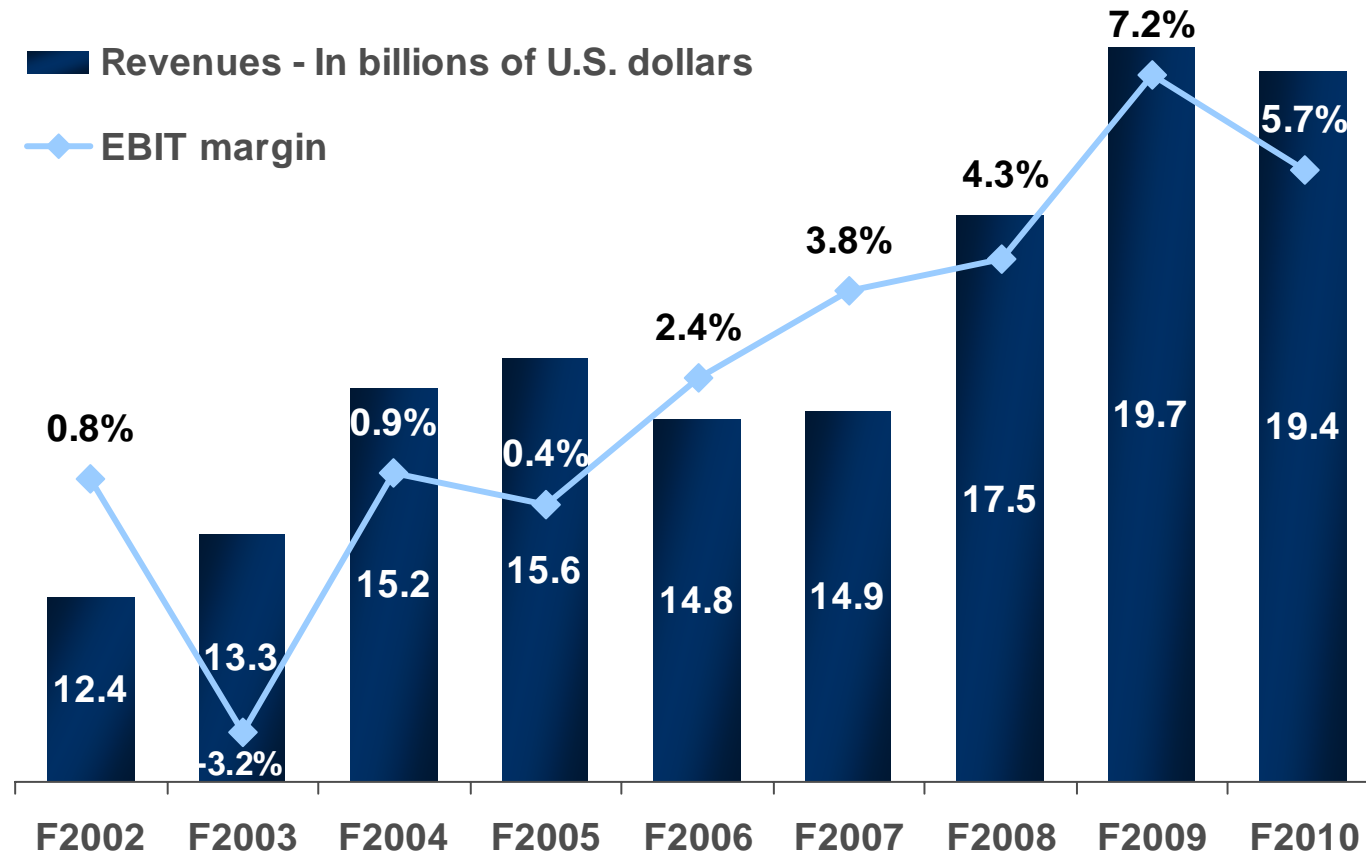


# Bombardier – From entrepreneurial to global leader

	1942-1973	1974-1985	1986-1993	1994-2001	2002-today
Entry	 <b>Invention of snowmobile</b>	 <b>Rail transportation</b>	 <b>Aerospace</b>	 <b>Consolidation of leadership position</b>	 <b>Global leadership</b>
Revenues*	<b>\$0.7 B</b>	<b>\$1.0 B</b>	<b>\$5.6 B</b>	<b>\$12.4 B</b>	<b>\$19.4 B</b>
Major acquisitions	<ul style="list-style-type: none"> <li>▪ Lohnerwerke (Rotax)</li> </ul>	<ul style="list-style-type: none"> <li>▪ MLW</li> <li>▪ Worthington</li> <li>▪ Alco Power (U.S.)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Canadair</li> <li>▪ Shorts</li> <li>▪ Learjet</li> <li>▪ deHavilland</li> <li>▪ BN } BT</li> <li>▪ ANF }</li> </ul>	<ul style="list-style-type: none"> <li>▪ Waggonfabrik Talbot</li> <li>▪ Deutsche Waggonbau</li> <li>▪ Adtranz</li> </ul>	Organic growth
Products Developed or Major Projects		<ul style="list-style-type: none"> <li>▪ 423 cars - Montreal Subway</li> <li>▪ 825 cars - NY City subway (\$1BUS)</li> </ul>	<ul style="list-style-type: none"> <li>▪ CRJ100/200</li> <li>▪ Learjet 31A</li> <li>▪ Learjet 60</li> </ul>	<ul style="list-style-type: none"> <li>▪ CRJ700</li> <li>▪ Learjet 45</li> <li>▪ Global Express</li> <li>▪ Q400</li> </ul>	<ul style="list-style-type: none"> <li>▪ Talent II</li> <li>▪ Zefiro</li> <li>▪ Challenger 300</li> <li>▪ Learjet 85</li> <li>▪ CSeries</li> </ul>

\* In constant US dollars

# Global leadership through organic growth



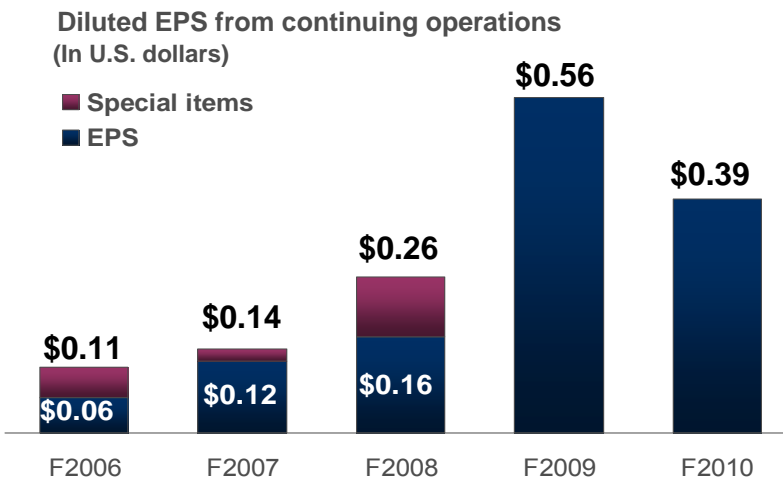
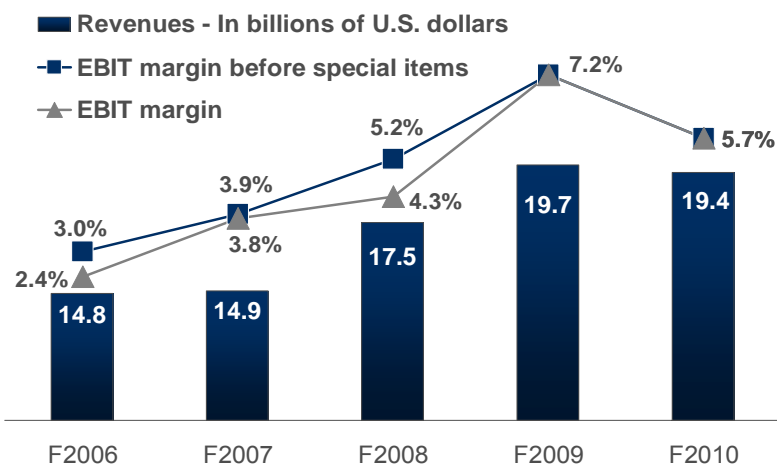
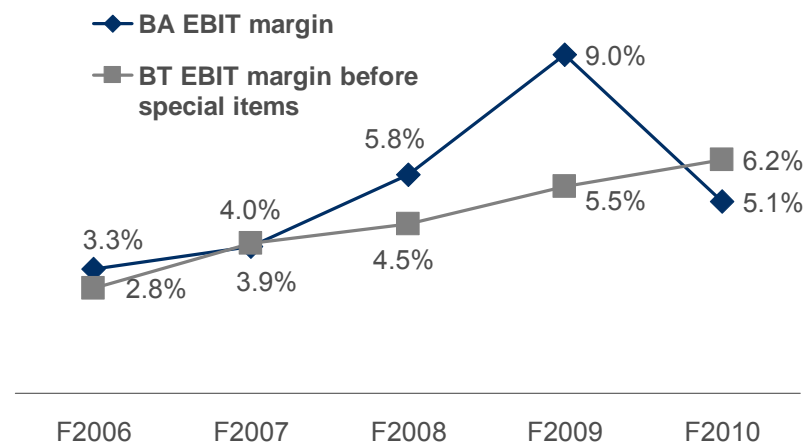
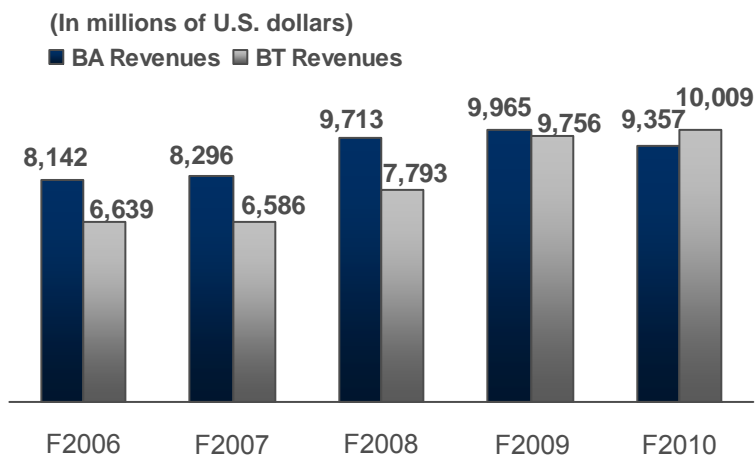
# Significant improvements over the last five years

- 1. Improved long-term profitability**
- 2. Maintained strong liquidity**
- 3. Improved capital structure**



# Significant improvements over the last few years – however, the last year has been impacted by the recession

## Improved long-term profitability



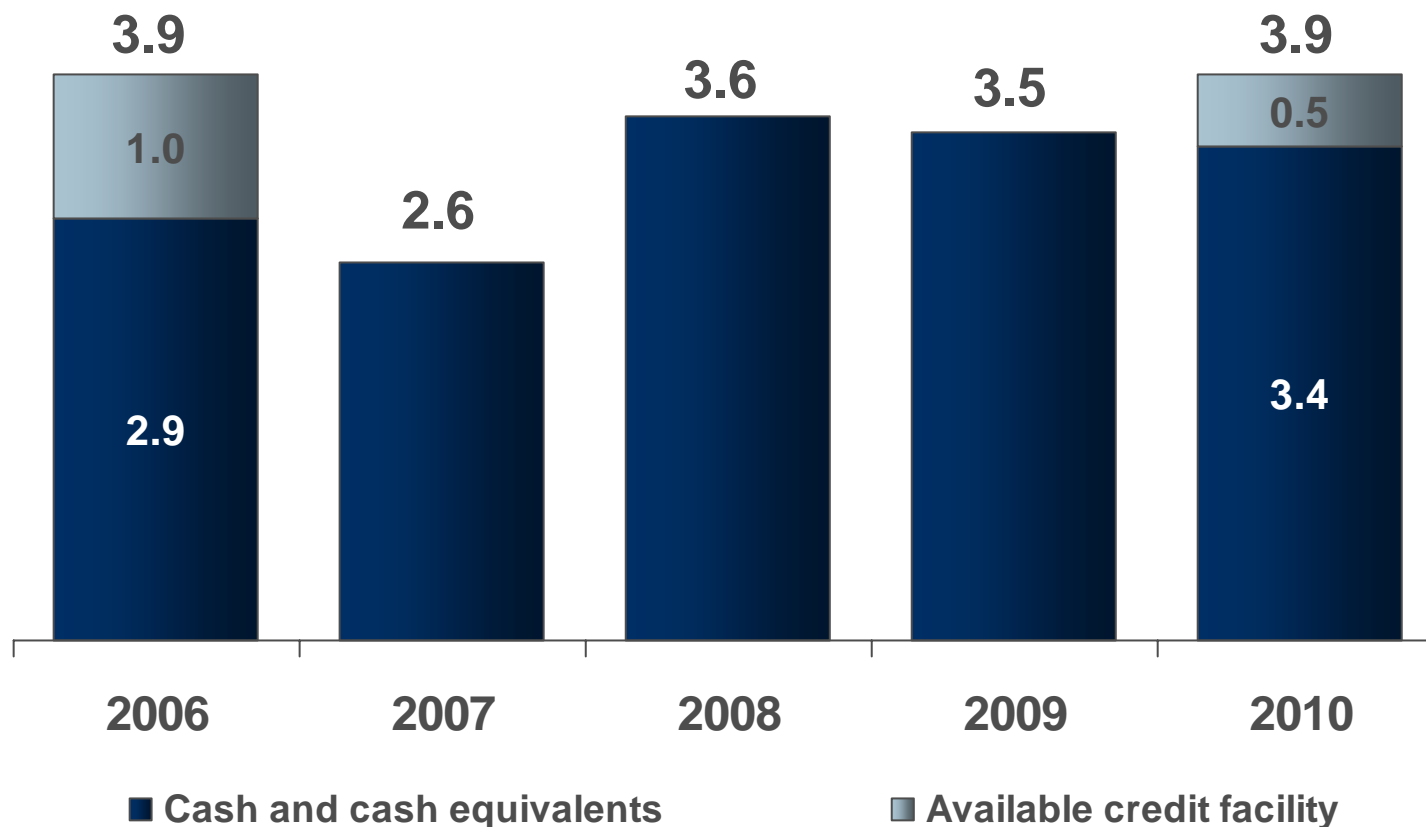
# Significant improvements over the last five years

## Maintained strong liquidity

### Short-term capital resources

(as at January 31)

(in billions of U.S. dollars)



# Significant improvements over the last five years

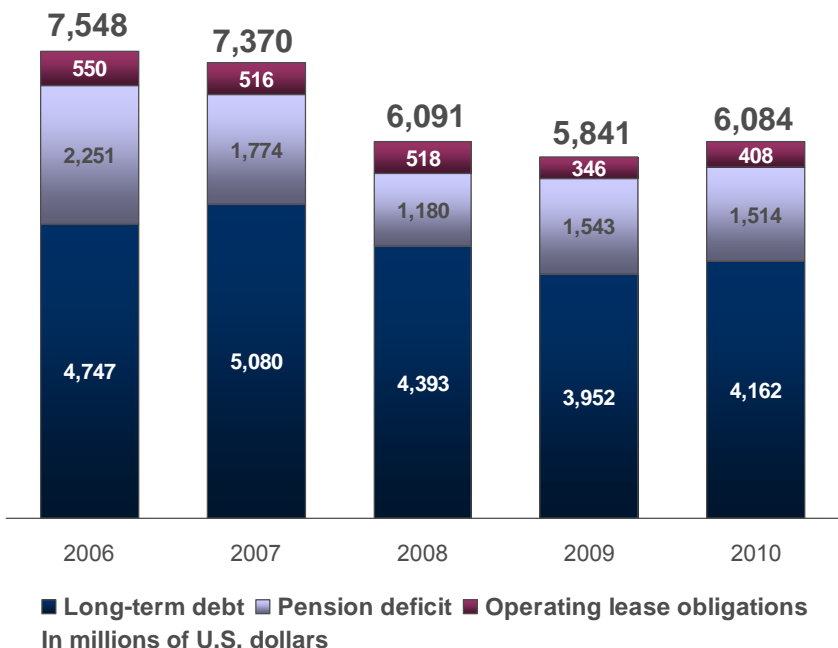
## Capital structure

In March 2010, we implemented a refinancing plan aimed at extending our long-term debt maturity profile and providing additional short-term capital resources.

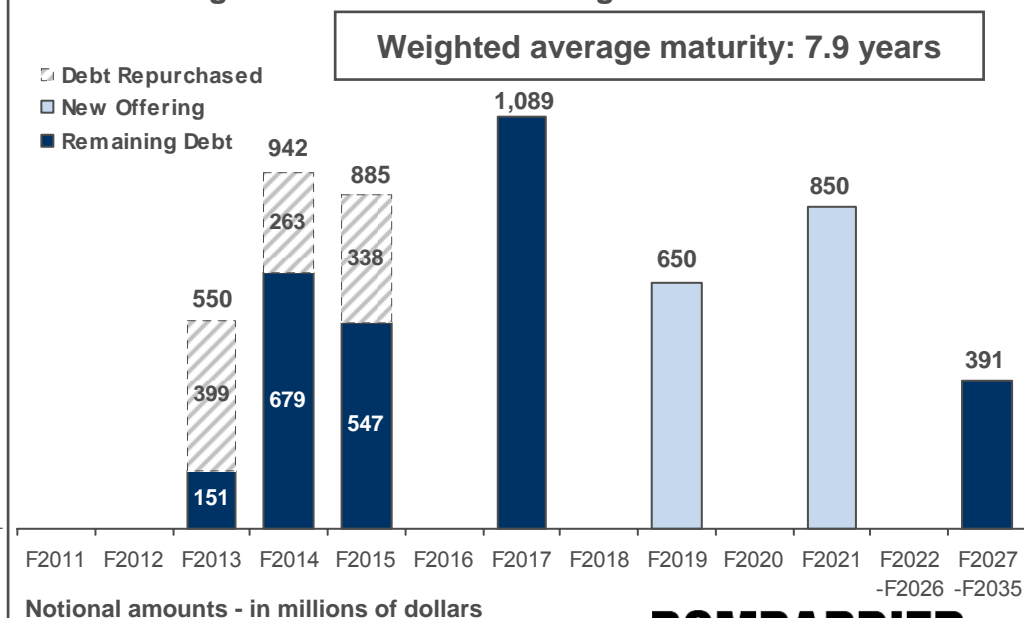
As such, we issued \$1.5 billion of Senior Notes due in calendar years 2018 to 2020. Concurrently, we repurchased a total of \$1.0 billion of long-term debt maturing from calendar years 2012 to 2014.

## Reduced total debt and extended maturities

### Total adjusted debt (as at January 31)



### Debt Maturity Profile After Giving Effect to the Refinancing Plan



# To achieve our aspirations – Our way forward

We have established five priorities

- 1** Become number one in customer satisfaction through enhanced execution discipline
- 2** Raise our game on global talent management
- 3** Actively manage our exposure to key business risks
- 4** Establish local roots in all our key markets
- 5** Enhance our corporate social responsibility



## Overview



## Aerospace



## Transportation



## Summary

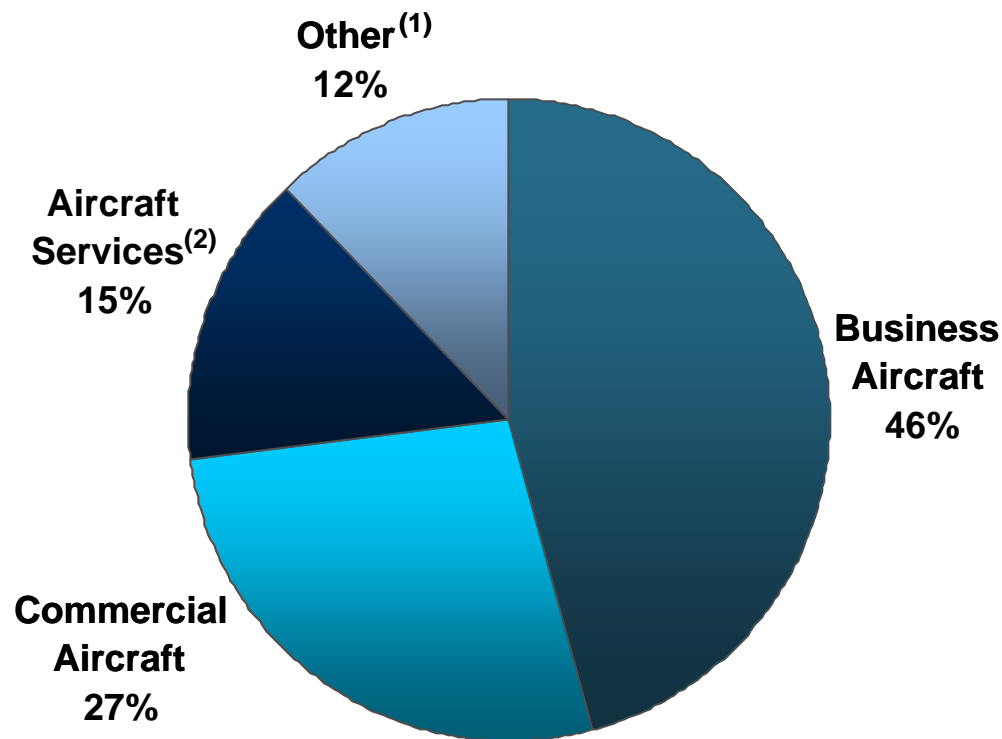


# Bombardier Aerospace - A Global Market Leader

## Balanced portfolio of products and services

### AEROSPACE REVENUE BREAKDOWN BY BUSINESS

(%) Aerospace revenue – Fiscal year 2010



**Total Revenues F2010 = \$9,357 million**

- (1) Other includes primarily sales of pre-owned aircraft and component manufacturing for third parties
- (2) Includes revenues from parts logistics, aircraft fractional ownership and hourly flight entitlement program's service activities, aircraft maintenance, commercial training and Military Aviation Training (MAT)

# Bombardier's Business Aircraft offers the industry's most complete product portfolio

## LEARJET Family



*Learjet 40 XR*



*Learjet 45 XR*



*Learjet 60 XR*



*Learjet 85*

## CHALLENGER Family



*Challenger 300*



*Challenger 605*



*Challenger 800 Series*

## GLOBAL Family



*Global 5000*



*Global Express XRS*

# Bombardier is well-positioned in the business jet market with product line covering 94% of revenues

	Market Shares YTD Q2C2010*	Very Light Jet	Light Jet	Super Light Jet	Midsize Jet	Super Midsize Jet	Large Jet	Super Large Jet	Ultra-Long Range Jet	Converted Airlines
Bombardier	36%		L40XR	L45XR	L60XR	CL-300	CL-605	G5000	GEX-XRS	CL-800 Series
					L85			Global Vision		
Gulfstream	29%				G150	G200	G350	G450	G550	
						G250		G500	G650	
Cessna	4%	Mustang	CJ3	XLS+	Sovereign	CX				
		CJ1+	CJ4							
		CJ2+								
Dassault	25%						F2000DX	F900DX	F7X	
							F2000LX	F900EX /LX		
Hawker Beechcraft	5%	Premier 1A	H400XP	H750	H850XP	H4000				
		Premier II	H450XP		H900XP					
Embraer	2%	P100	P300		Legacy 450	Legacy 500				Legacy 600 /650
										Lineage
Other	0%	HondaJet								
		Eclipse								
		SJ30-2								

← 94% of Market Revenue →

**In Prod.**  
38

**In Dev.**  
12

Note: Segmentation is largely determined by a combination of cabin volume, range and speed.  
\* Market shares calculated on a revenue basis excluding VLJs, Boeing and Airbus converted airliners

# The current recession should not impact market fundamentals of business aircraft in the long term

Market driver	CY 2010-19 outlook
Wealth creation	
Emerging markets	
Globalization of trade	
Replacement demand	
New aircraft program	
Demand from non-traditional offering	

# Bombardier's Commercial Aircraft portfolio is aligned with current market trends towards environmentally friendly aircraft

## **Q-SERIES**

**Turboprop**



## **CRJ NextGen**

**Regional jets**



## **CSERIES**

**Mainline single-aisle jets**



# Competitors offer aircraft in each of Bombardier Commercial Aircraft's segments...



**Turboprops**



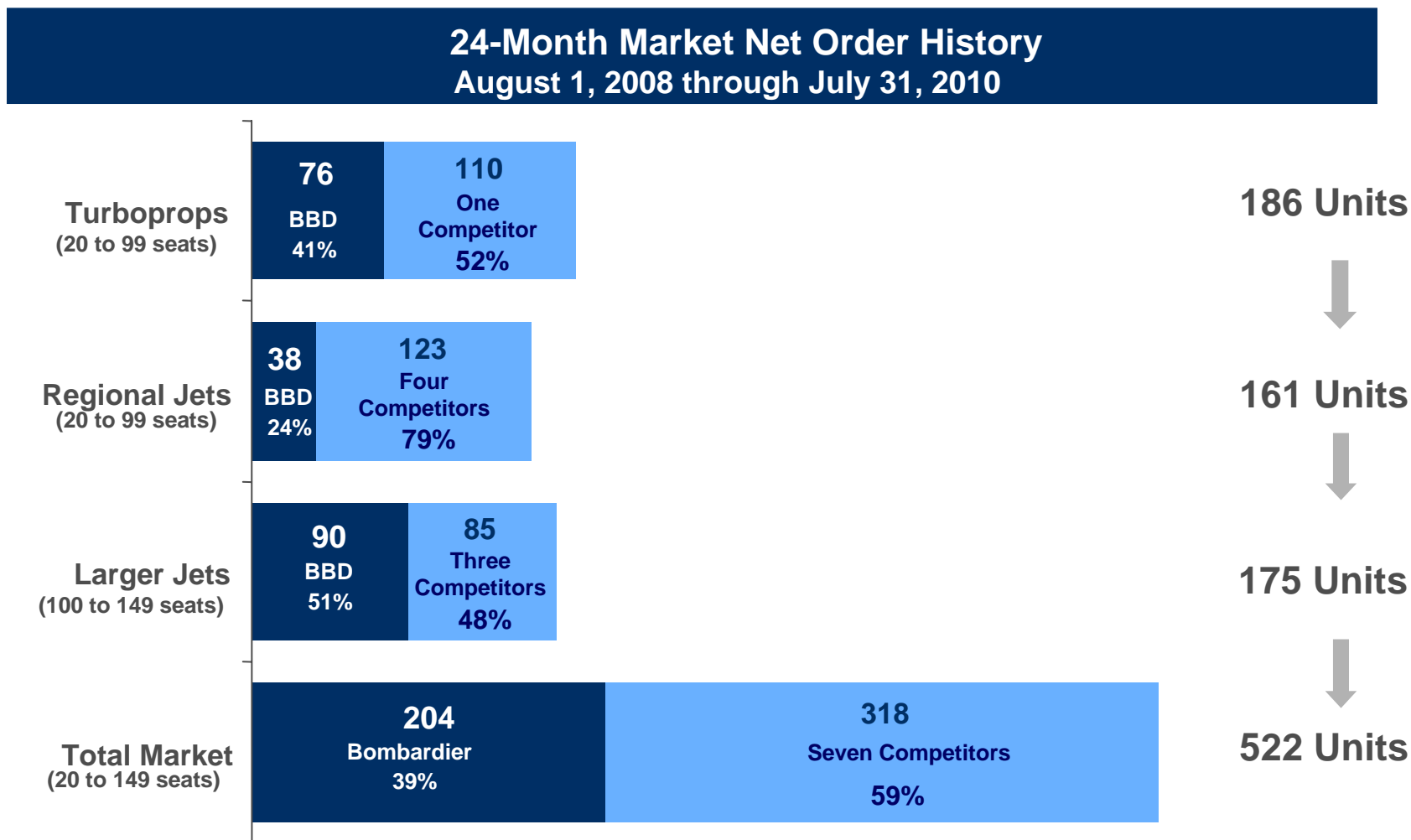
**Regional Jets**



**Single-Aisle  
Mainline Jets**

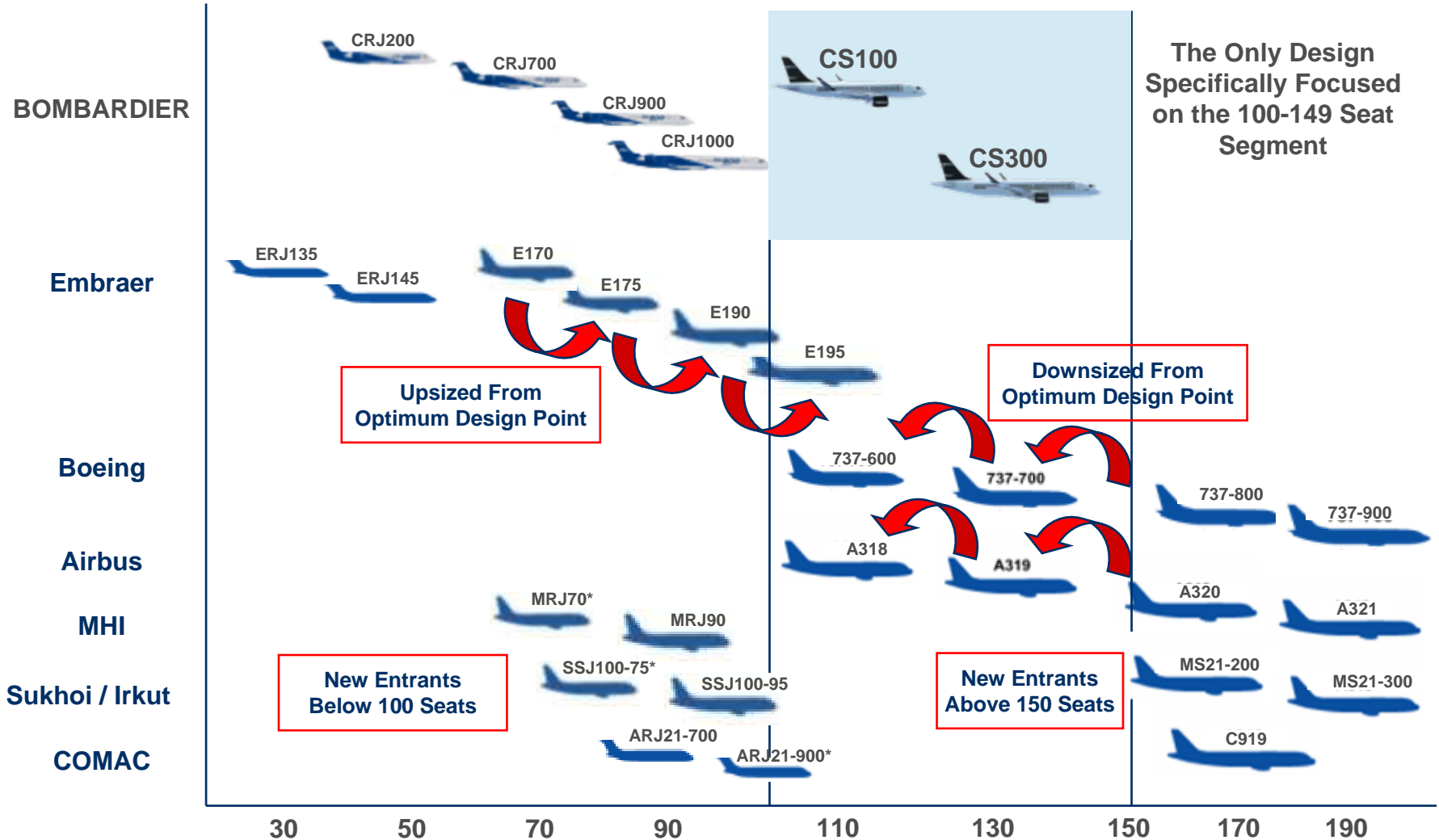


# Bombardier has a leading market share in the 20- to 149-seat market



Order totals are net of cancellations and conversions between programs and does not include corporate aircraft.  
Sources of competitor data are company websites and year-end reports.  
Net negative orders not shown (but includes net effect of 10 E195 cancellations in the 100-149 segment)

# C-Series • A New Family Optimized for the Lower End of the 100 to 149-seat Market Segment Is Long Overdue



\* Programs that are not yet launched or are under study



# CSERIES

## A Game Changer in its Class

**90 firm orders and 90 options from three customers to date**



- ✓ **Family of Aircraft with Full Operational Commonality**
- ✓ **Unmatched Reduction in Environmental Footprint**
- ✓ **Total Life Cycle Cost Improvement**
- ✓ **15% Better Cash Operating Costs – 20% Fuel Burn Advantage**
- ✓ **Widebody Comfort In A Single Aisle Aircraft**
- ✓ **Mature 99% Reliability at Entry Into Service**
- ✓ **Operational Flexibility – Short Field and Longer Range Performance**

# CSeries Aircraft Program

Executing according to plan

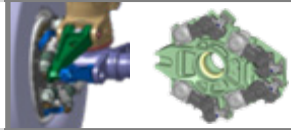
2008

Technologies Selection and Program Launched At Farnborough Airshow



2009

Finalizing Conceptual Design Phase And Start Definition Of System Interfaces



2010

Joint Definition Phase, Detail Design Phase  
Technologies Demonstrators, Facilities



# Long-term outlook for commercial aircraft remains positive despite short-term cyclicality

Market driver	CY 2010-29 outlook
Economic growth	
Fuel prices	
Developing markets	
Environmental regulations	
Replacement demand	
Labour trends	

# Aerospace – Outlook for F2011

## In F2011, Aerospace will continue to be impacted by the economic downturn

### What we expect \*

- Approximately 15% less business jet deliveries in F2011 than in F2010
- Approximately 20% less commercial aircraft deliveries in F2011 than in F2010
- EBIT margin should remain at a similar level as F2010
- Free cash flow is expected to be neutral in F2011 as cash flow from operating activities will be used to finance capital expenditures, including the significant investments in product development





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**Summary**

# We are providing a full range of products and solutions to our customers around the world

## Rolling stock

### Passengers



- Light rail vehicles
- Metros
- Commuter trains
- Regional trains
- Intercity trains
- High-speed trains
- Very high-speed trains

### Locomotives & Equipment



- Locomotives
- Bogies
- Traction converters
- Auxiliary converters
- Drives / traction motors
- Train control and communication

## Services



- Fleet management
- Spare parts & logistics management
- Vehicle refurbishment and overhaul
- Component repair and overhaul
- Technical support

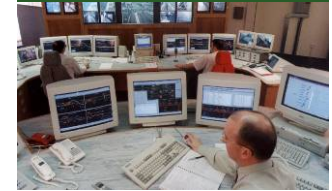
## System & Signaling

### Systems



- Automated people movers
- Advanced rapid transit
- Light rapid transit
- Automated monorail
- Operations and maintenance
- Transit security

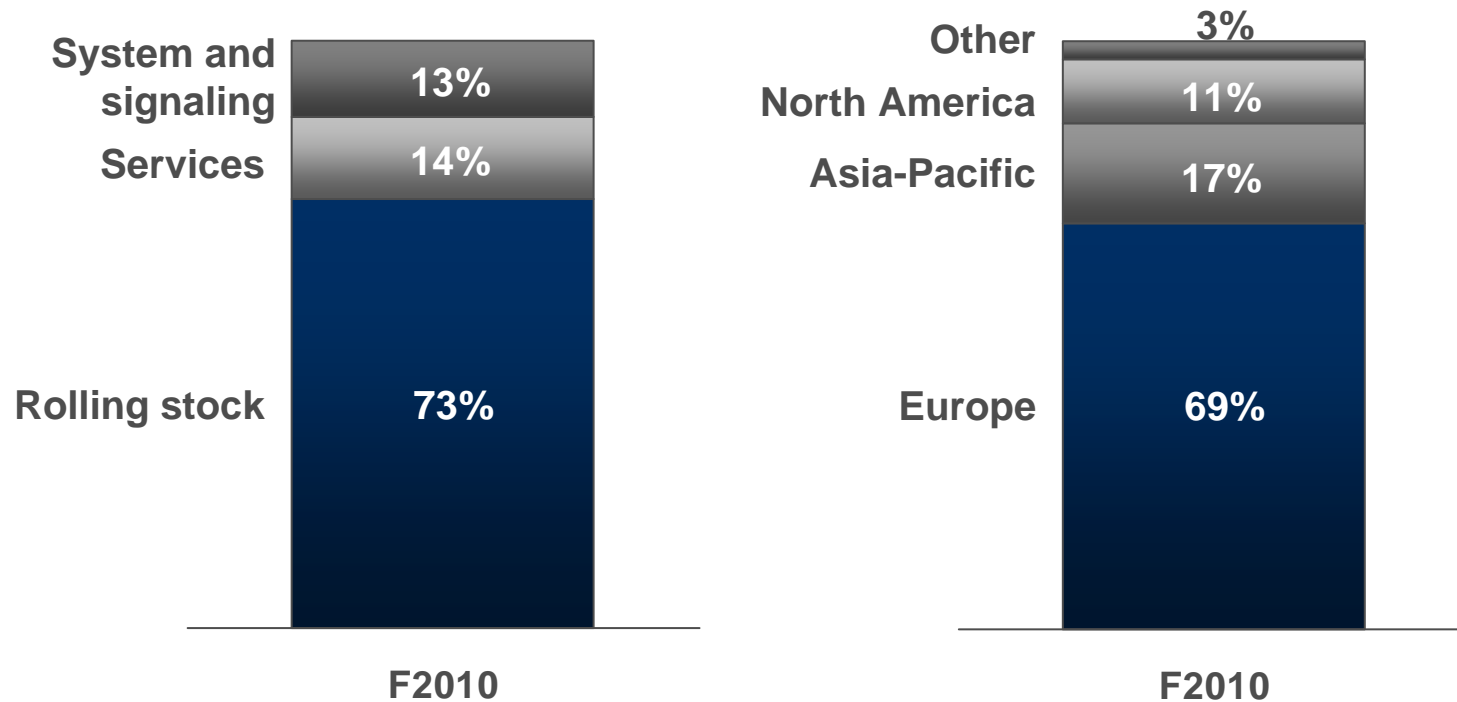
### Rail Control Solutions



- Integrated control systems
- Onboard computer systems
- Automatic train protection and operation
- Wayside interlocking and equipment

# Transportation

## Revenues by product line and geographic region



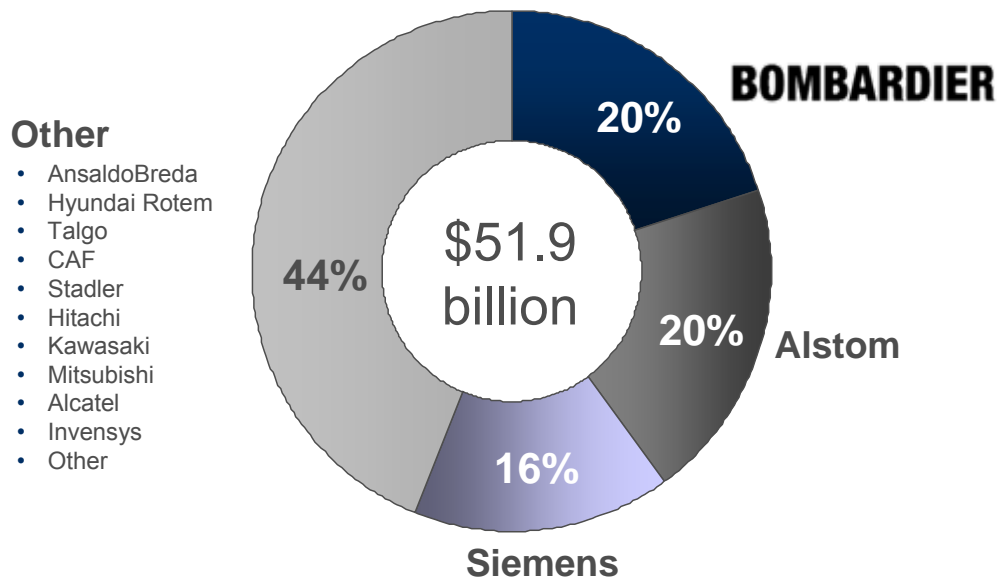
**Total Revenues F2010 = \$10,009 million**

Note: Revenues are attributed to countries based on the location of the customer

# BT is the market leader in the rail industry

The market was not significantly impacted by the economic downturn with a growth of 2% compared to calendar years 2006 to 2008

Average market shares based on order intake 2007-09  
Bombardier relevant market



Our relevant market represents the worldwide rail market accessible to external suppliers, therefore excluding the share of local contractors in emerging markets, maintenance performed in-house by operators and the Japanese market. This market also excludes markets in which we do not have a product offering, therefore excluding freight locomotives in North America, worldwide freight cars, rail infrastructure and electrification. Due to the cyclical nature of the market and in line with common industry practice, our relevant market is stated as the average of a three-year period, based on published orders for rolling stock and system, and on estimated market volumes for services and signalling.

## Competitors with at least 10% market share in one segment

	PASSENGERS					LOCOMOTIVES AND EQUIPMENT			SERVICES	SYSTEM	SIGNALLING
	Light rail	Metros	Commuter	Regional	High speed & intercity	Electric loco-motives (1)	Bogies	Propulsion & controls			
BT	#1	#4	#1	#1	#3	#1	#1	#1	#1	#2	#6 (2)
Alstom											
Siemens											
Stadler											
CAF											
Hyundai Rotem											
Ansaldo STS											
Thales											

(1) Including dual-mode locomotives

(2) BT holds a market share of 6%

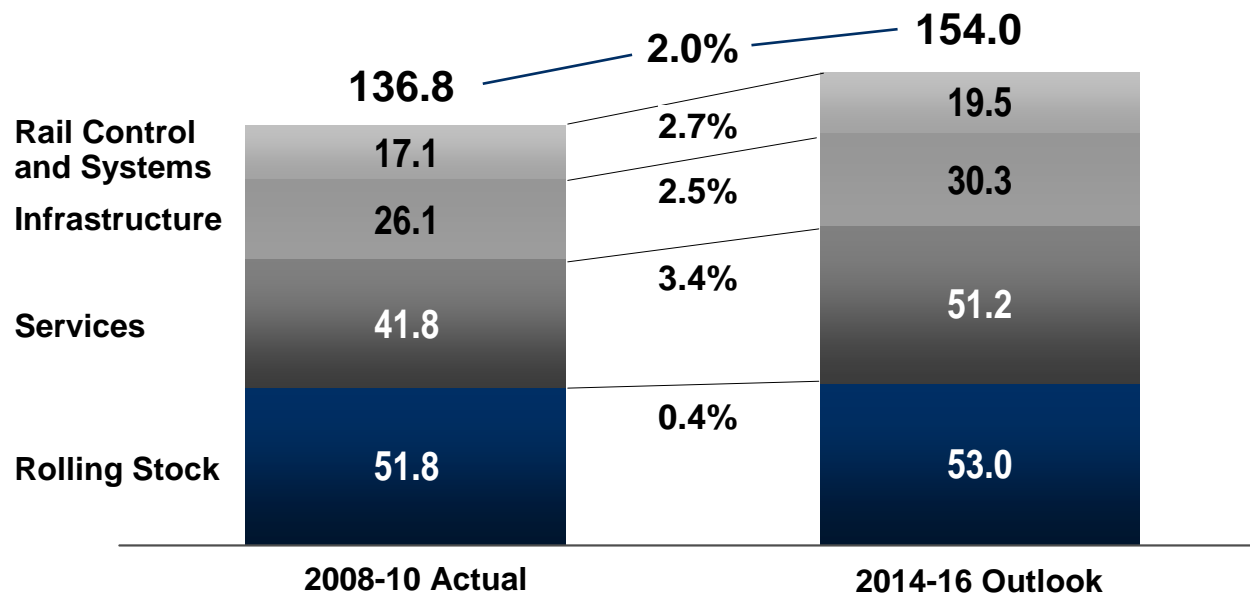
Source: Published information and BT market analysis.



# The fundamentals of the rail industry are positive

## Accessible market by segment







(for calendar years)  
(in billions of dollars)



Source: "Worldwide rail market study - status quo and outlook 2016" published by the Association of the European Rail Industry in September 2008 (2008 UNIFE Study).

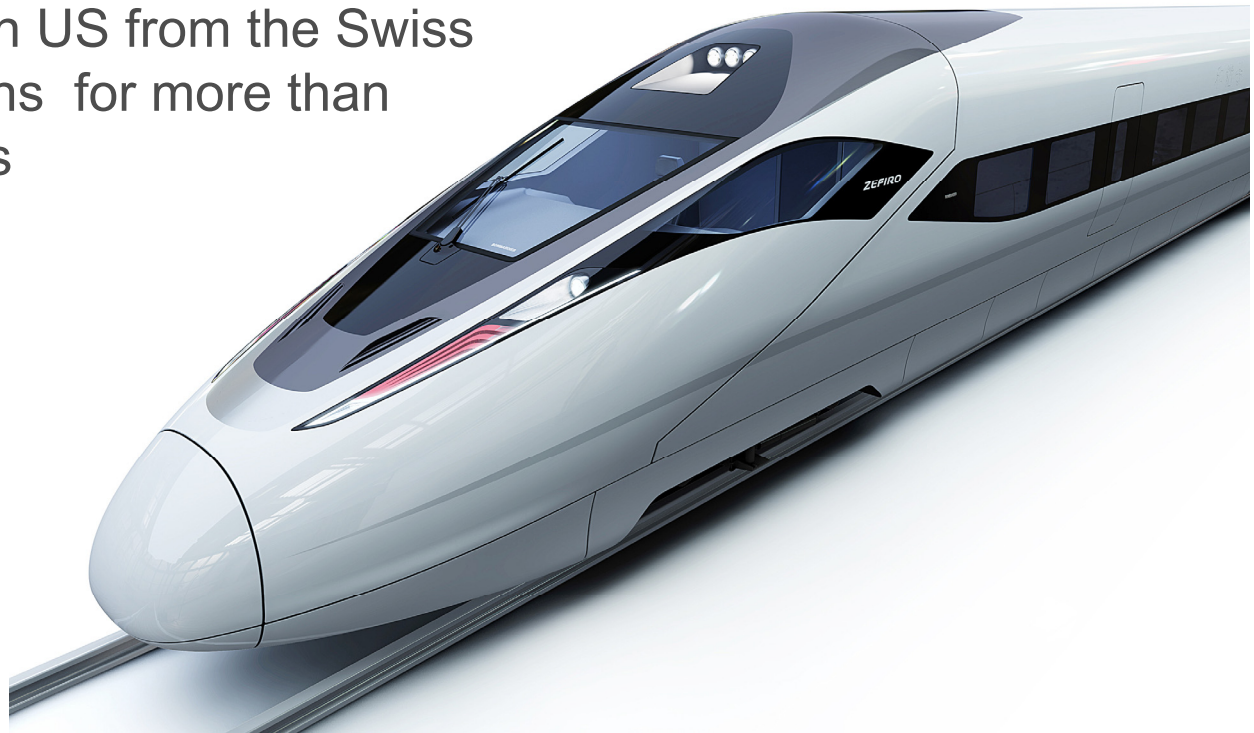
Values translated using a Euro/USD foreign exchange rate of 1.3870

# Transportation – Well positioned in an attractive market

Market driver	Market segments	Geographical regions	CY 2010-16 outlook
Urbanization and population growth	All	Asia-Pacific and Other	
Oil scarcity and energy price	Rolling stock, Services and System	Worldwide	
Environmental awareness	All	Worldwide	
Replacement of aging rail equipment	Rolling stock, Services and Signalling	Europe and North America	
Liberalization of rail transport markets	Rolling stock and Services	Europe	
Public funding	All	Worldwide	

# Recent orders

- Signed a framework agreement with SNCF for up to 860 double deck trains for an estimated amount of \$11 billion (two firm orders already received for 129 trains)
- Order in June 2010 for 59 double deck trains valued at \$1.6 billion US from the Swiss Railways with options for more than 100 additional trains



# In the medium term, the market is expected to remain at a high level with major tenders progressing

## Market outlook

- In the short to medium term, the market will be fuelled by several large contracts, already in advanced stages
- In the longer term, concerns regarding funding will need to be overcome, e.g. by innovative financing solutions
- Overall, the fundamentals for rail remain positive and growth in emerging markets will continue to benefit the rail supply industry

## Key projects to be awarded

<i>Project name</i>	<i>Size</i>
 DB intercity trains (ICx) <sup>1</sup>	220 trains
 MOR HS/VHS trains	more than 70 trains
 Trenitalia VHS <sup>2</sup>	50 trains
 Thameslink (London)	up to 1200 cars
 Israel double-deck coaches	up to 460 cars
 BART Rapid Transit	more than 700 cars
 Stockholm Metro	300 cars
 Melbourne trams <sup>3</sup>	up to 150 trains
 IR <sup>4</sup> locomotives “Madhepura”	up to 800 twin units
 IR <sup>4</sup> locomotives “Dankuni”	up to 1,000 units
 Amtrak locomotives	up to 70 units
 Dublin Metro North	System
 Brisbane Gold Coast Rapid Transit	System
 London SSL ATC Equipment	Signalling

1) Preferred bidder status awarded to Siemens/ Bombardier

2) Contract awarded to Ansaldo Breda/ Bombardier

3) Contract awarded to Bombardier

4) IR: Indian Railways

# Transportation – Moving into high gear

## STRATEGIC FOCUS

Fiscal years 2002-2014

Contribution to increased earnings and industry leadership

Moving into high gear

Goal 8% EBIT\*

Profitable growth TOPSIX

Goal 6% EBIT achieved

Turnaround TOPTEN

Post-merger integration

2002-2005    2005    2006    2007    2008    2009    2010    2011    2012    2013    2014

**We will reach our goal by:**

- Continuing to improve execution
- Further reducing our costs
- Improving our portfolio of products
- etc...



\* Please refer to forward-looking statements in MD&A for underlying assumptions



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Summary

# Financial results overview

(In millions of U.S. dollars, except per share amounts)

	Q2 F2010-11		Q2 F2009-10		YTD Q2 F2010-11		YTD Q2 F2009-10	
		%		%		%		%
<b>Revenues</b>								
Aerospace	1,962		2,399		3,897		4,618	
Transportation	2,117		2,547		4,428		4,799	
<b>Total Revenues</b>	<b>4,079</b>		<b>4,946</b>		<b>8,325</b>		<b>9,417</b>	
<b>EBIT</b>								
Aerospace	91	4.6	154	6.4	180	4.6	264	5.7
Transportation	140	6.6	159	6.2	275	6.2	284	5.9
<b>Total EBIT</b>	<b>231</b>	<b>5.7</b>	<b>313</b>	<b>6.3</b>	<b>455</b>	<b>5.5</b>	<b>548</b>	<b>5.8</b>
<b>Financing expense, net</b>	<b>44</b>		<b>49</b>		<b>72</b>		<b>82</b>	
<b>EBT</b>	<b>187</b>	<b>4.6</b>	<b>264</b>	<b>5.3</b>	<b>383</b>	<b>4.6</b>	<b>466</b>	<b>4.9</b>
<b>Income taxes</b>	<b>39</b>		<b>62</b>		<b>82</b>		<b>106</b>	
<b>Net income</b>	<b>148</b>	<b>3.6</b>	<b>202</b>	<b>4.1</b>	<b>301</b>	<b>3.6</b>	<b>360</b>	<b>3.8</b>
<b>Dilutes EPS (in dollars)</b>	<b>0.08</b>		<b>0.11</b>		<b>0.16</b>		<b>0.20</b>	

# Free Cash Flow

(In millions of U.S. dollars)

	<b>Q2 F2010-11</b>	<b>Q2 F2009-10</b>	<b>YTD Q2 F2010-11</b>	<b>YTD Q2 F2009-10</b>
<b>Aerospace</b>	<b>(287)</b>	<b>(10)</b>	<b>(492)</b>	<b>(540)</b>
<b>Transportation</b>	<b>(132)</b>	<b>149</b>	<b>(159)</b>	<b>(111)</b>
<b>Interest and taxes</b>	<b>(89)</b>	<b>(121)</b>	<b>(74)</b>	<b>(148)</b>
<b>Total</b>	<b>(508)</b>	<b>18</b>	<b>(725)</b>	<b>(799)</b>
<b>Cash &amp; cash equivalents</b>	<b>2,776</b>	<b>2,804</b>		



We have what it takes to deliver results:

- Broad, leading-edge product offering
- Markets with solid long-term demand growth
- Global presence and a diversified customer base
- Committed to invest in our product development programs
- Solid balance sheet with strong liquidity

**Sharpening our execution, investing in our people and products, and being socially responsible are the drivers of profitable growth at Bombardier**

**Today, the success story continues ...**



**CSeries**

Today, the success story continues ...



Zefiro