

Turning Obstacles into Opportunity

Bombardier Aerospace

Farnborough Airshow Presentation



Aerospace Senior Management Team

Bombardier Aerospace

July 19, 2010

BOMBARDIER

Forward-looking statements

This presentation includes forward-looking statements. 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 Bombardier Inc. (the “Corporation”) to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause the Corporation’s actual results in future periods to differ materially from forecasted results. While the Corporation considers its 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, please refer to the respective sections of the Corporation’s aerospace segment (“Aerospace”) and the Corporation’s transportation segment (“Transportation”) in the fiscal year 2010 MD&A.

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 the Corporation’s business environment (such as risks associated with the financial condition of the airline industry), 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 the fiscal year 2010 MD&A. 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 the Corporation’s 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.

Against a challenging economic backdrop, we delivered good financial results in fiscal 2010...

Paris 2009

Aerospace (G.Hachey)

- **Delivered 9.0% EBIT in FY09**
- **Focus is on taking action in turbulent times**



Business Aircraft (S.Ridolfi)

- **Confident on the long-term potential of the industry**
- **Strengthening our market and product positions**



Commercial Aircraft (G.Scott)

- **Good order intake and solid backlog in FY09**
- **CSeries aircraft launch order firmed up**



Customer Services & Support (J.Hoblyn)

- **Market outlook**
- **Serving our customers and growing our business**



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- Optimized solutions for the 60- to 149-seat market, well positioned for the future

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- Market outlook
- Serving our customers and growing our business

- Market outlook improving
- Good progress on customer engagement
- New services driving growth

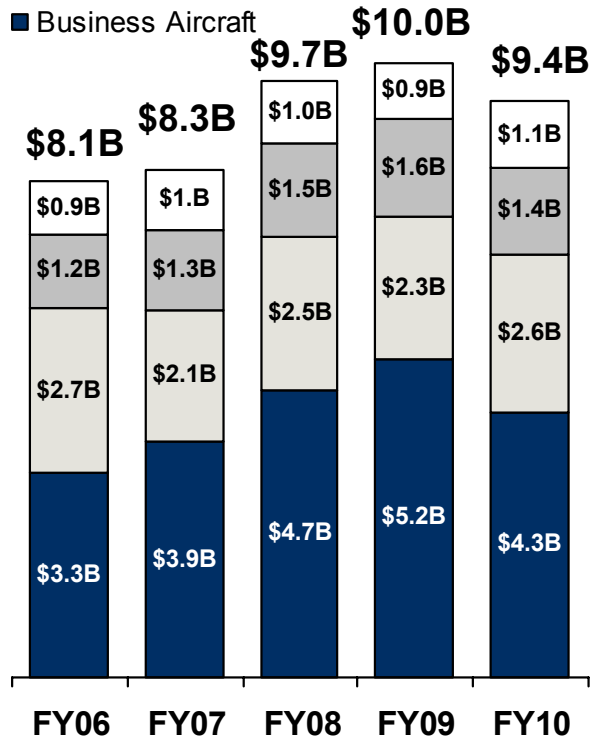
The recession has impacted our recently improving financial performance

BOMBARDIER AEROSPACE FINANCIAL RESULTS

REVENUES

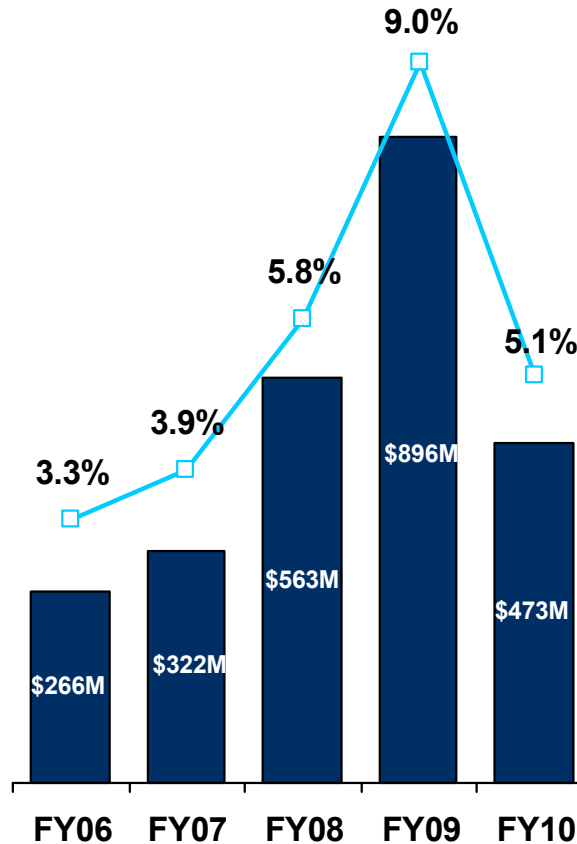
US\$, FY06-FY10

- Other (1)
- Services (2)
- Commercial Aircraft
- Business Aircraft



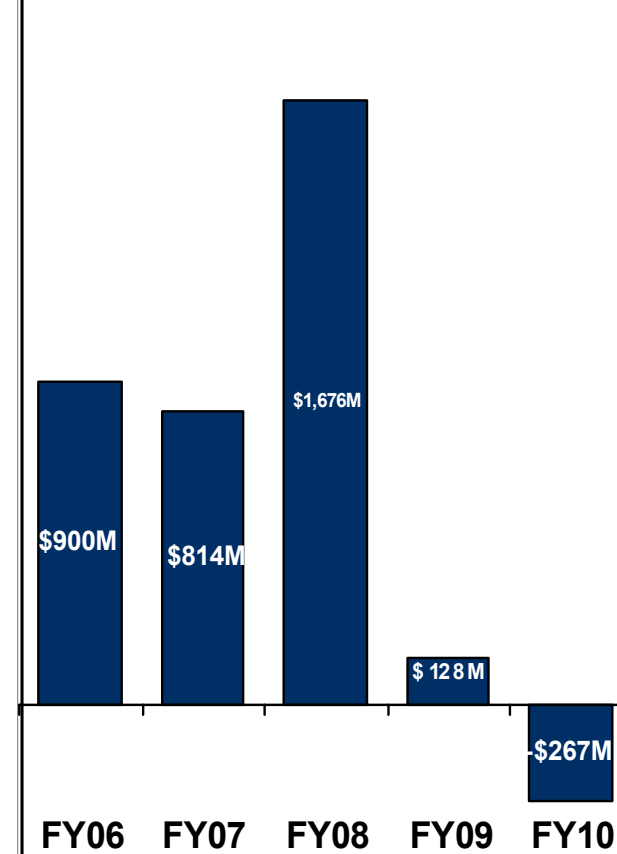
EBIT

US\$, % of Revenues, FY06-FY10



FREE CASH FLOW

US\$, FY06-FY10



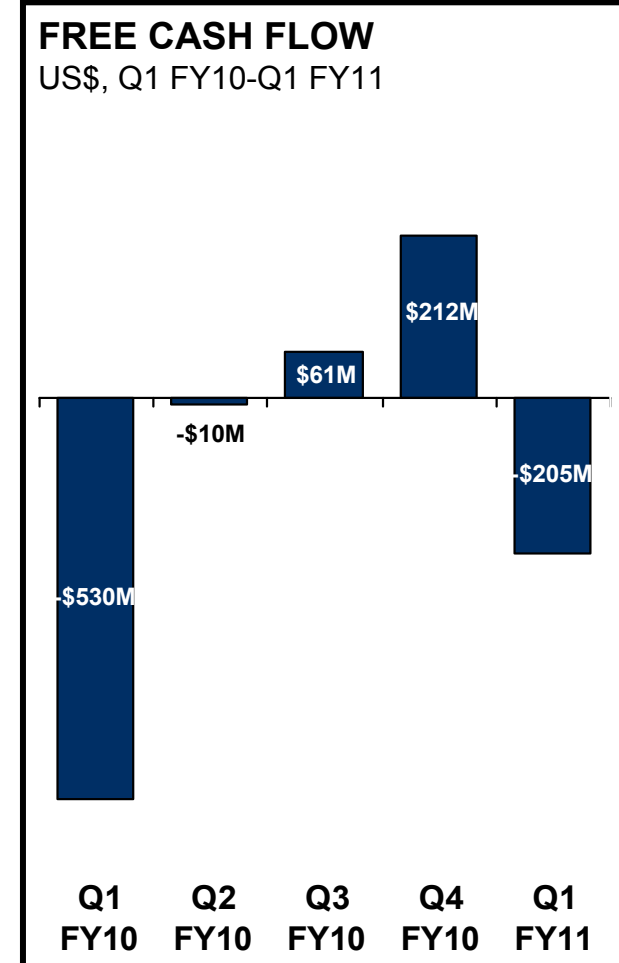
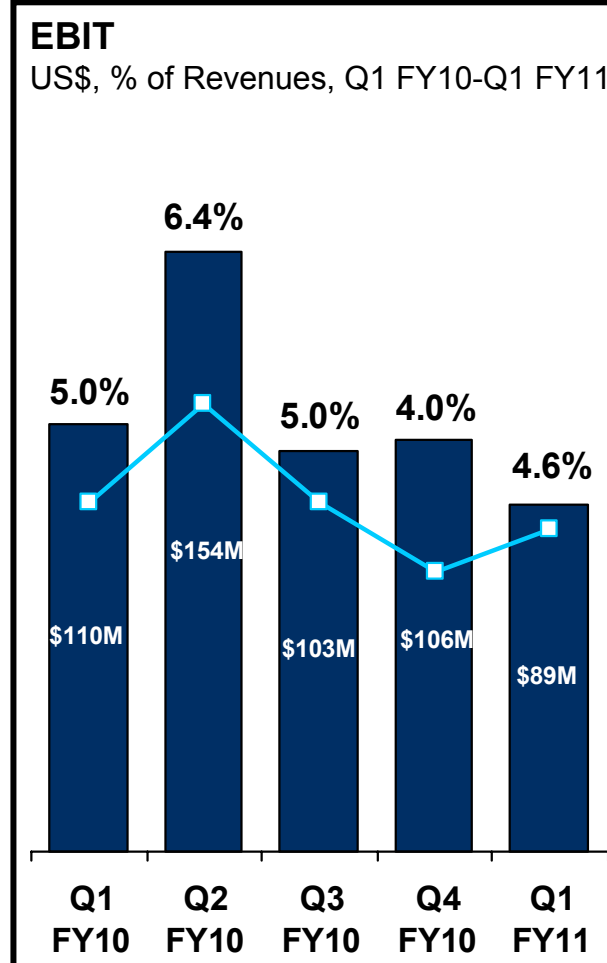
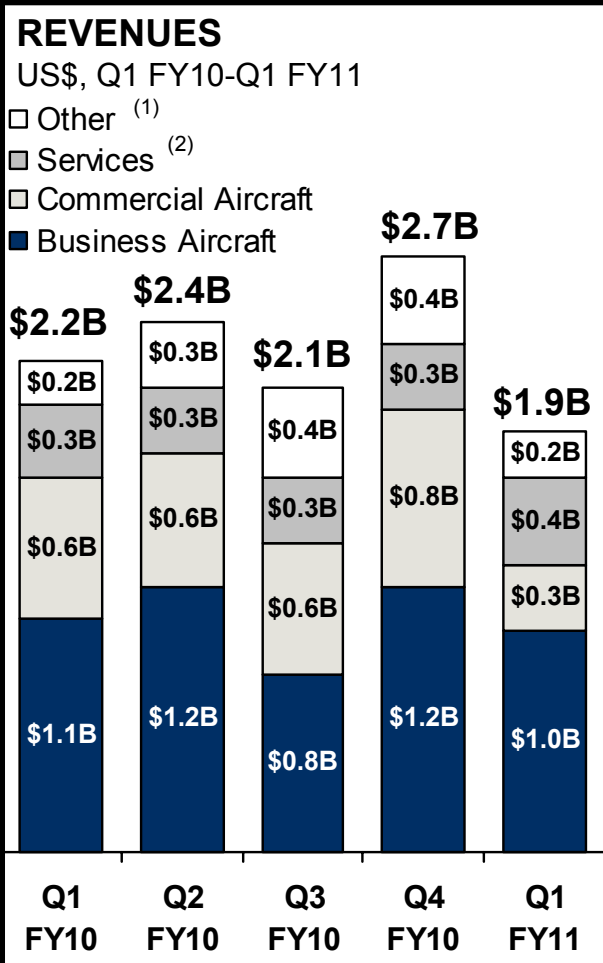
(1) Other includes primarily other manufacturing (eg. Amphibious, sub-contract) and pre-owned aircraft sales

(2) Services include Services (i.e. non-manufacturing) and Flexjet service revenues

Source: Bombardier Annual Reports

The difficult economic environment specifically affected our financial performance in fiscal 2010

BOMBARDIER AEROSPACE FINANCIAL RESULTS

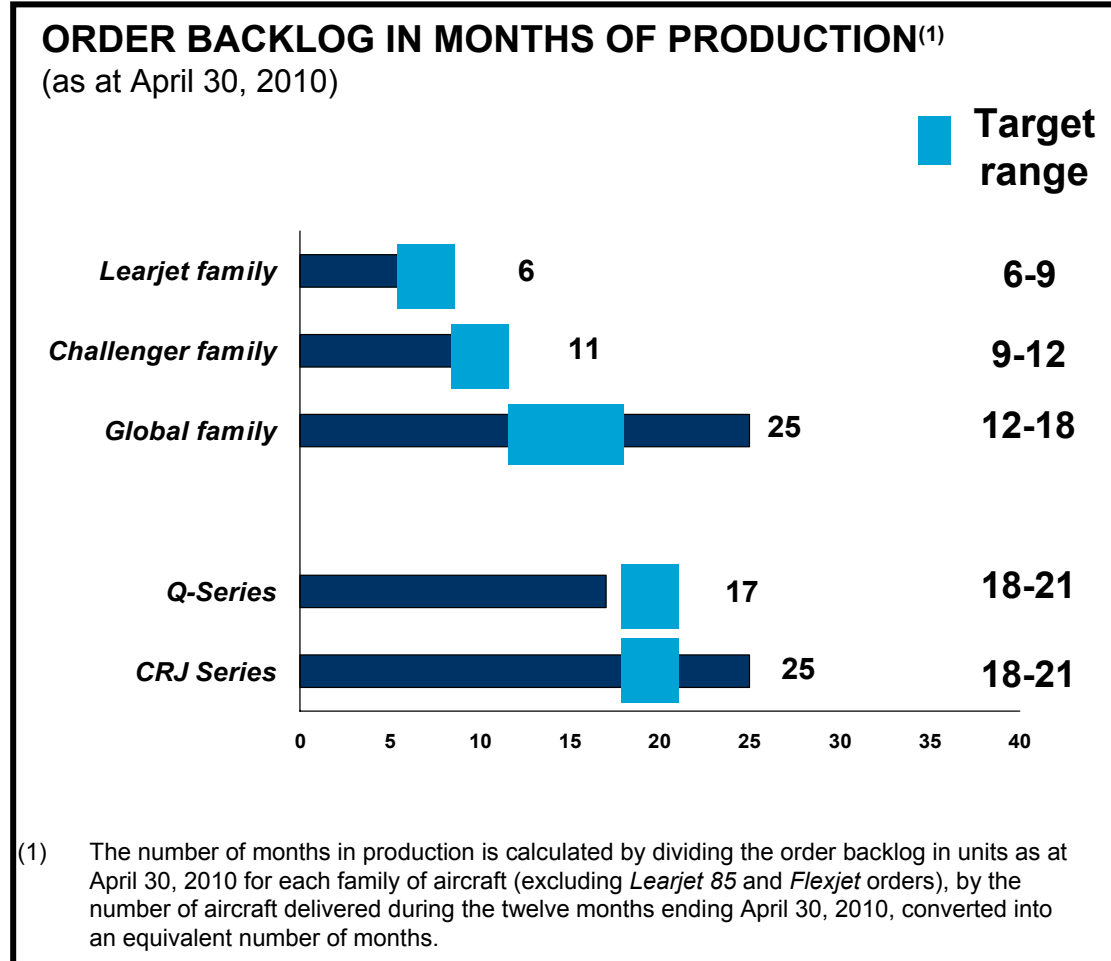
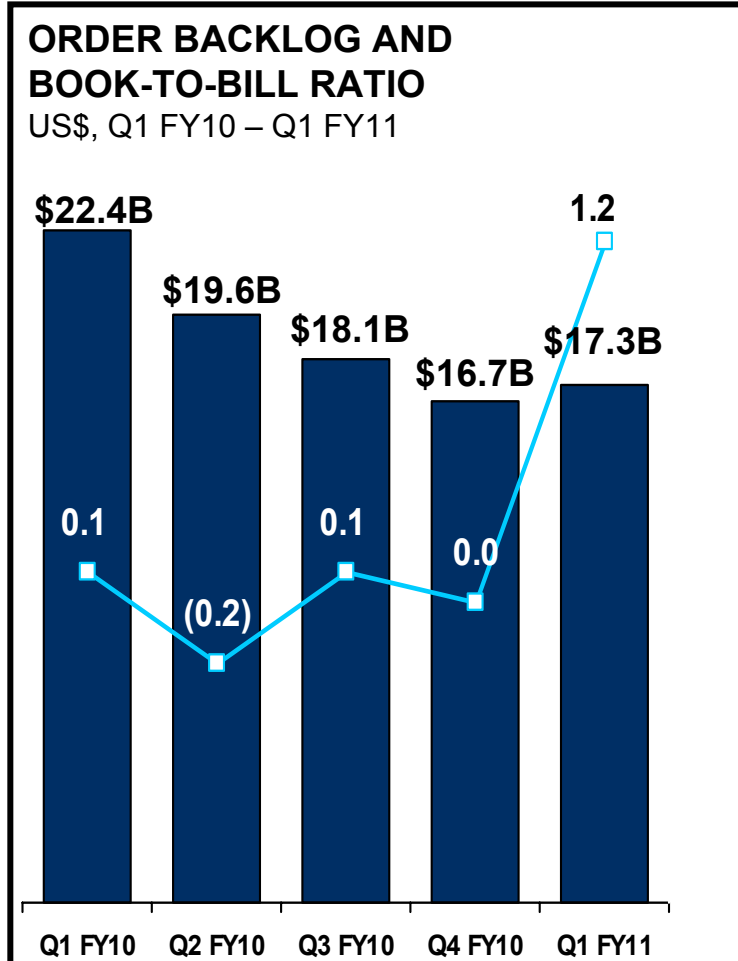


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Source: Bombardier Annual Reports

The aviation industry lags economic recovery however recent orders have stabilized our backlog









Source: Bombardier Quarterly Reports

Long-term, business aircraft market drivers remain solid

Calendar years 2010-29 Outlook		
Market driver	Description	Outlook
Wealth creation	Our customer base, comprised of corporations, individuals and governments, is highly dependent on economic growth to sustain its wealth creation. Over the next 20 years, the forecast for real GDP growth is 3.2% ⁽¹⁾ , which should enable healthy market conditions.	↑
Emerging markets	Accelerated wealth creation coupled with aviation infrastructure development is expected to help business aviation penetrate emerging countries.	↑
Globalization of trade	As trade barriers fall and global mobility increases, the business community requires flexible travel means like business aviation to efficiently link all workplaces.	↑
Replacement demand	The worldwide installed base is comprised of over 14K aircraft ⁽²⁾ and a majority of aircraft replacement occur 5 to 10 years after initial delivery.	↑
New aircraft programs	New aircraft programs stimulate demand. There are numerous aircraft programs in development scheduled for potential entry into service over the next decade.	↑
Demand from non-traditional offerings	The world recession has drastically reduced the demand for non-traditional offerings and will continue to in the short term. However, as economic conditions improve, the contribution of non-traditional demand to business aircraft sales is expected to return to pre-recession levels.	→

Source: (1) IHS Global Insight February 2010, non-chained weighted (2) Ascend December 2009, includes categories where Bombardier competes

Long-term, commercial aircraft market drivers remain solid

Calendar years 2010-29 Outlook		
Market Driver	Description	Outlook
Economic Growth	Air travel demand is directly related to economic growth. Based on Global Insight data issued in February 2010, the worldwide real GDP growth rate should average 3.2% ⁽¹⁾ over the next 20 years.	
Fuel Prices	The price of fuel has an impact on airline fleet mix. While high fuel/oil prices negatively affect airline profitability, they will also accelerate the retirements of old, less efficient aircraft types, increasing demand for fuel efficient new aircraft.	
Developing Markets	Growth potential from developing countries is strong as economic growth forecasts are well above the average for these markets. As economies develop, so does their demand for aircraft needed to satisfy a growing traveler base.	
Environmental Regulations	Environmental concerns are being addressed by the aviation industry with increased retirements of older aircraft, fleet modernization, technology, infrastructure and operational improvements. The progression of environmental awareness and regulations will have a positive effect on demand for new efficient aircraft while negatively affecting airline profitability.	
Replacement Demand	More than half of the current commercial aircraft fleet will be replaced in the next 20 years due to technical obsolescence. Most of those replaced will be 100- to 149-seat aircraft.	
Labour Trends	It is predicted that scope clauses will evolve, permitting 100-seat aircraft to be flown by regional carriers.	

Source: (1) IHS Global Insight February 2010 , non-chain weighted

Bombardier Aerospace Strategy Statement

*Objective
&
Scope*

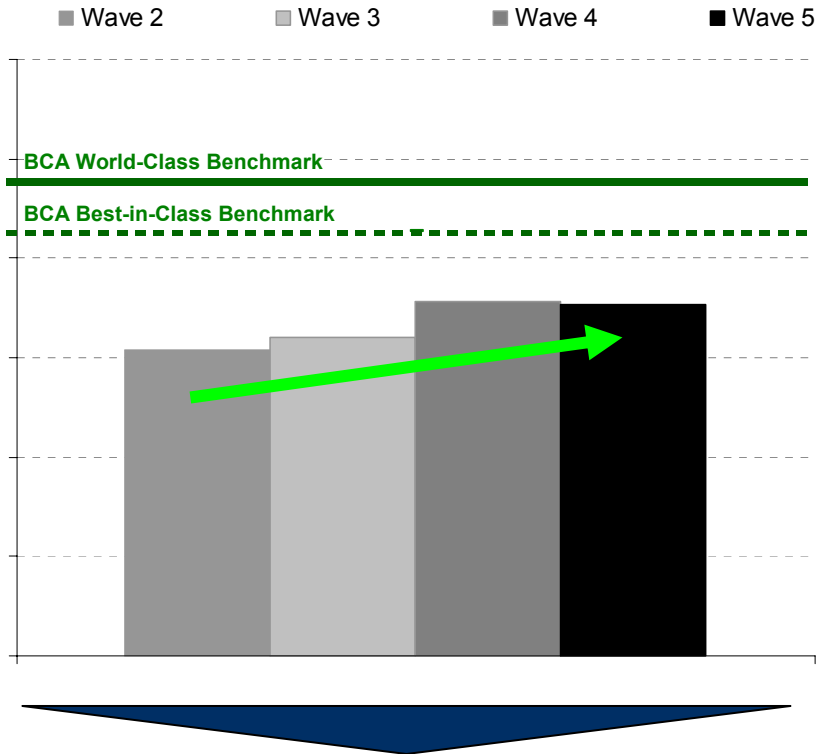
Strengthen long-term **leadership** in our industry segments through revenue growth and sustainable **best-in-class financial** performance with the **most loyal customer** base by 2020. We will achieve this by leveraging our **comprehensive portfolio** of high performance business jets, efficient commercial jets and turboprops, quality aircraft services and :

*Levers of
our
Strategy*

	WAY FORWARD					OPERATIONS	
	1	2	3	4	5	6	7
	Be #1 in customer satisfaction through flawless execution	Raise our game on global talent management	Actively manage risks	Establish local roots in all key markets	Enhance our corporate social responsibility	Develop innovative, environmentally conscious products that meet customer needs globally	Evolve into a lean enterprise with strong global supply chain partnerships

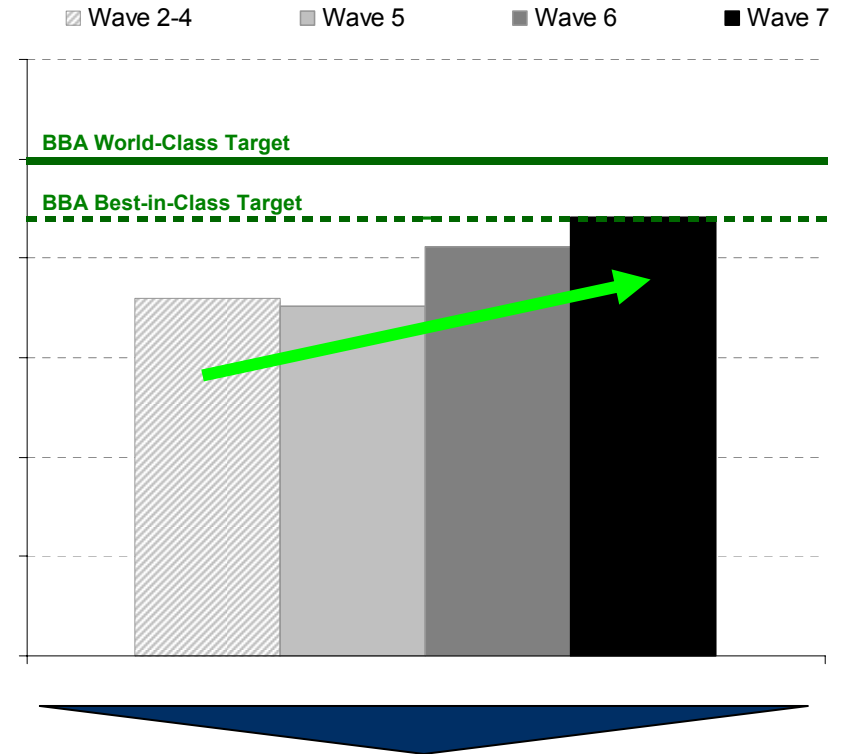
We continue to focus on improving customer satisfaction

Bombardier Commercial Aircraft Overall Customer Engagement (CE) Mean



Overall positive trend in
Customer Engagement

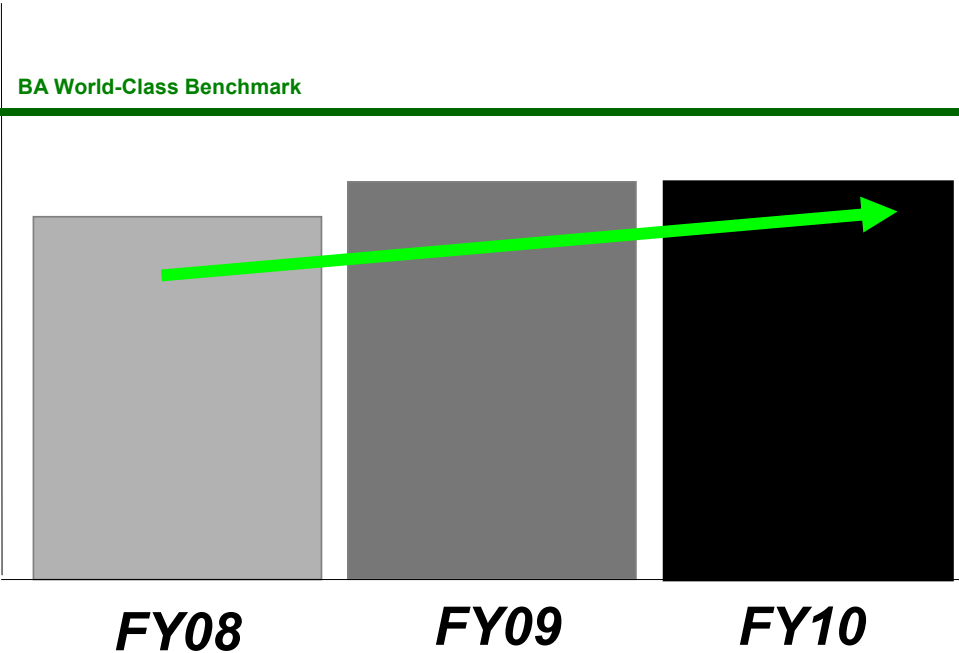
Bombardier Business Aircraft Overall Customer Engagement (CE) Mean



Overall Customer Engagement has reached
BBA "Best-in-Class" target!

Our focus remains to become a world-class employer even during challenging times for our industry

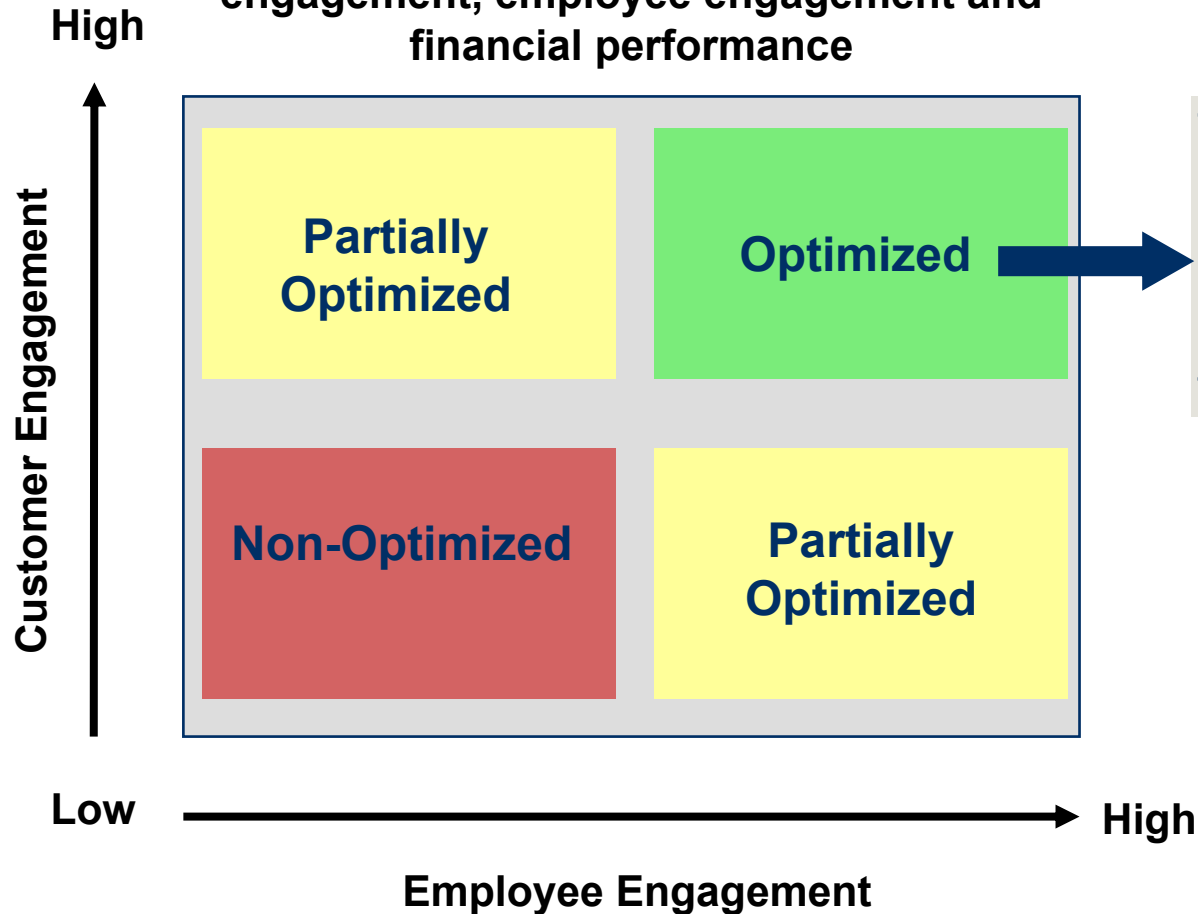
Bombardier Aerospace Employee Engagement



During a very challenging FY10, we maintained the employee engagement accomplishments of FY09

Studies have shown that high levels of employee and customer engagement create more effective organizations

Relationship between customer engagement, employee engagement and financial performance



To achieve customer engagement, employees need to be fully engaged. Studies have shown that higher levels of employee and customer engagement result in 3.4 times more effective organizations

We have been investing in new facilities

Mirabel

Complete Integrated Aircraft System Test Area (CIASTA) and *CSeries* aircraft final assembly



Belfast

Manufacturing of *CSeries* aircraft composite wing



Querétaro

Manufacturing of composite wings and fuselage for *Learjet 85* aircraft



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We have been continuously improving performance at our sites through investment in automation and introduction of lean principles

**St-Laurent
Panel Moving Line**

Before



After



**Belfast
Lean Layout**

Before



After

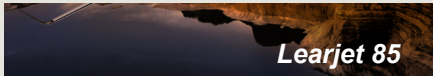


Bombardier has the industry's strongest product portfolio



Learjet aircraft

- Learjet 40XR
 - Learjet 45XR
 - Learjet 60XR
 - Learjet 85



Q-Series aircraft

- Q400 NextGen



Challenger aircraft

- Challenger 300
- Challenger 605
- Challenger 850



CRJ aircraft

- CRJ700 NextGen
- CRJ900 NextGen
- CRJ1000 NextGen



Global aircraft

- Global 5000
- Global Express XRS



CSeries aircraft

- CS100
- CS300

We are continuing to invest in our future

Business Aircraft

Learjet 85

- First all-composite structure business jet
- Larger, more comfortable stand-up cabin than any existing aircraft in its class
- Entry into service scheduled for 2013



Global Vision Flight Deck

- Improved avionics system
- Increased situational awareness and comfort
- Superior design aesthetics in the cockpit
- Entry into service scheduled for 2012



Commercial Aircraft

CRJ1000 NextGen

- CRJ1000 NextGen aircraft provides up to 14% lower operating economics than in production competing aircraft
- Entry into service scheduled for the second half of this year



CSeries

- Optimized design with 15% lower operating economics than in production competing aircraft
- First product specifically designed for this segment in the last 20 years
- Entry into service scheduled for 2013



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Against a challenging economic backdrop, we delivered good financial results in fiscal 2010...

Paris 2009

Farnborough 2010

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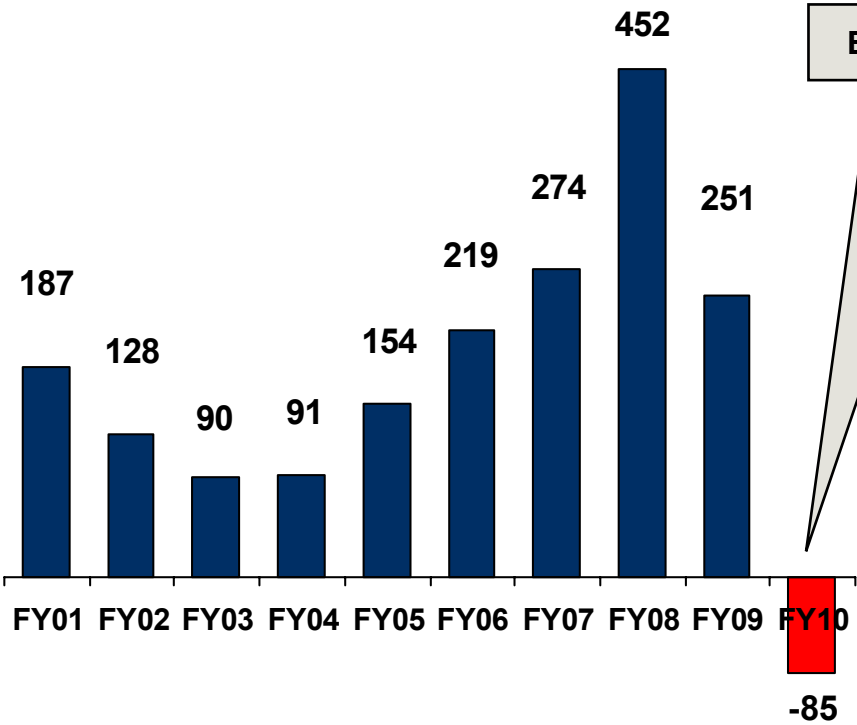
- Market outlook
- Serving our customers and growing our business

- Market outlook improving
- Good progress on customer engagement
- New services driving growth

The full impact of the worldwide recession was felt in our business last year

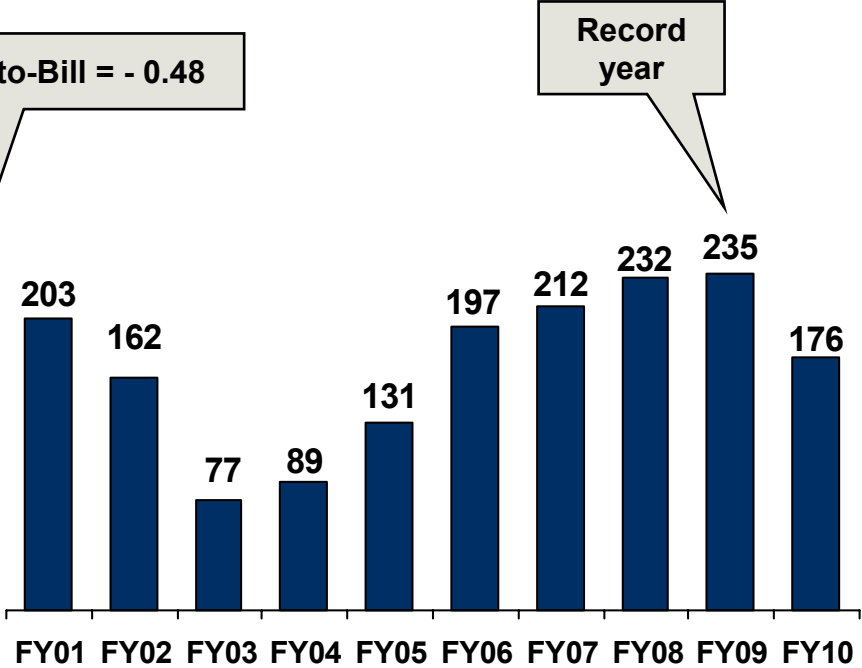
BOMBARDIER BUSINESS AIRCRAFT ORDERS

Units, Fiscal Year 2001 – 2010



BOMBARDIER BUSINESS AIRCRAFT DELIVERIES

Units, Fiscal Year 2001 – 2010

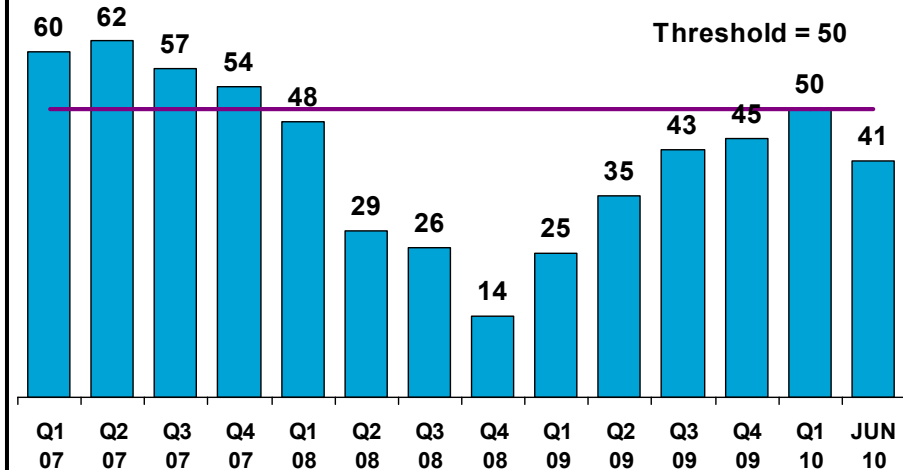


Source: Bombardier Business Aircraft Finance

Key “health indicators” of business aviation have improved...

UBS BUSINESS JET MARKET CONDITIONS INDEX

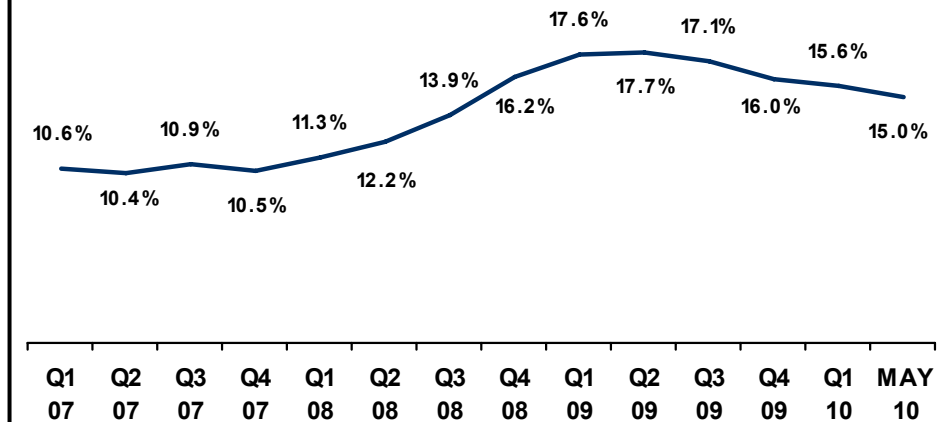
Business jet dealers and brokers confidence
Average, 100-point scale



Source: UBS July 2010

INDUSTRY PRE-OWNED INVENTORY AS % OF FLEET

All Aircraft, Excluding VLJs



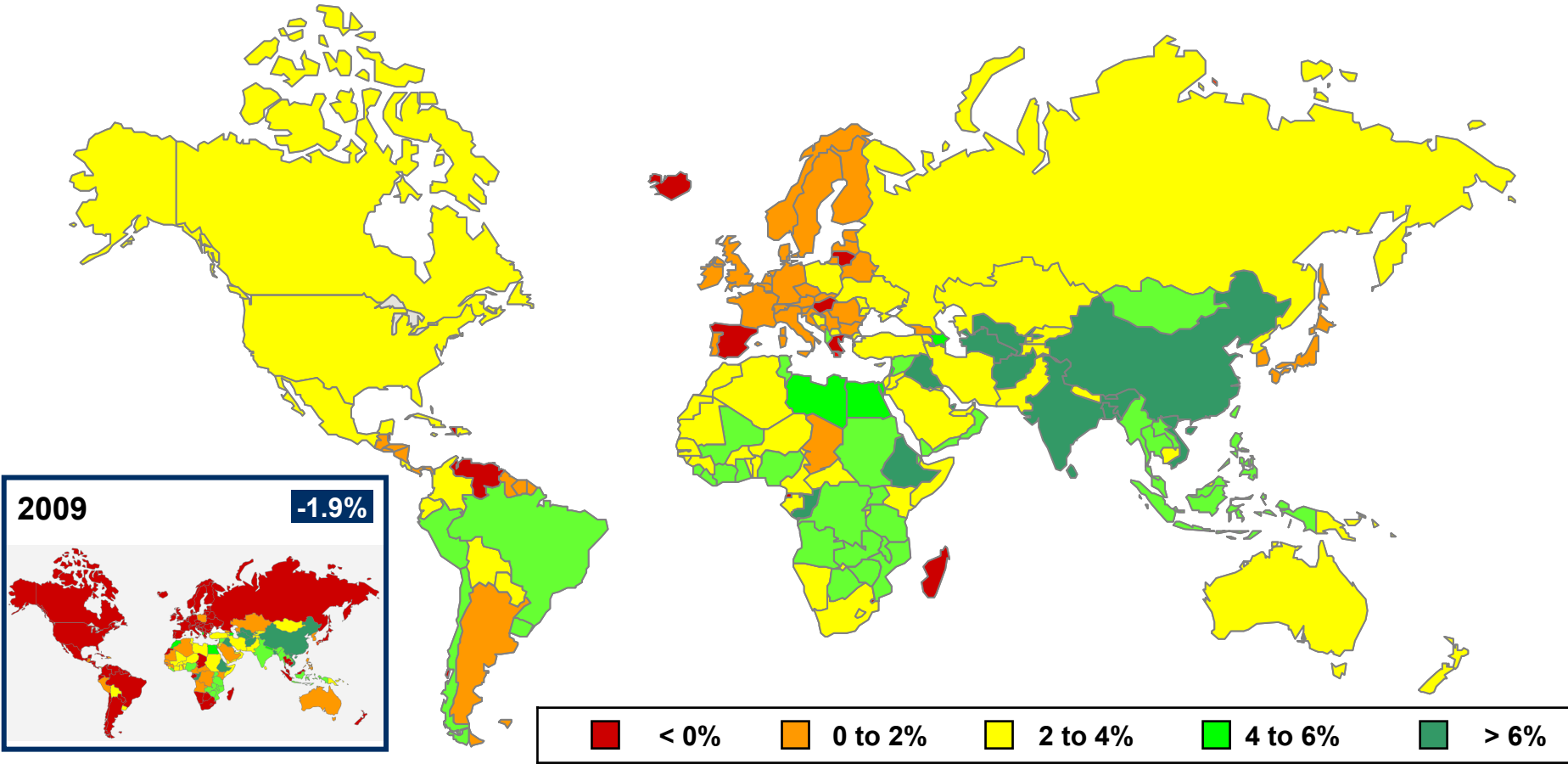
Source: JETNET database

...however, we have yet to see strong and sustained recovery

The world economy emerged positively in 2010 after facing the worst recession in recent history

2010 WORLD REAL GDP GROWTH

% Growth	World
Realistic Forecast	+3.0%

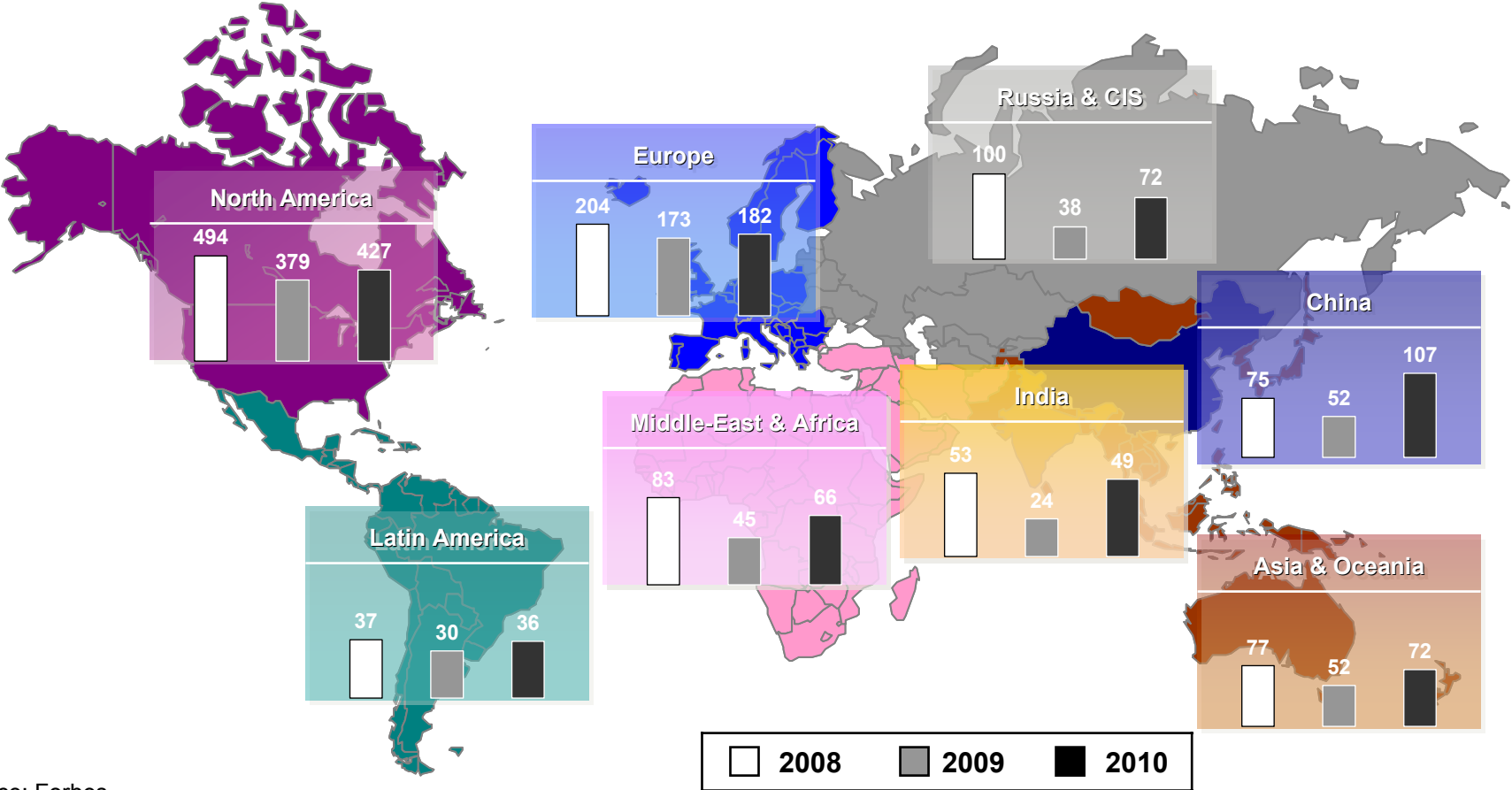


Source: IHS Global Insight, Feb. 2010

World wealth on the rise: 27% more billionaires in 2010 than a year earlier

BILLIONAIRES BY REGION 2008, 2009 and 2010

Billionaires	2008	2009	2010
World	1,123	793	1,011

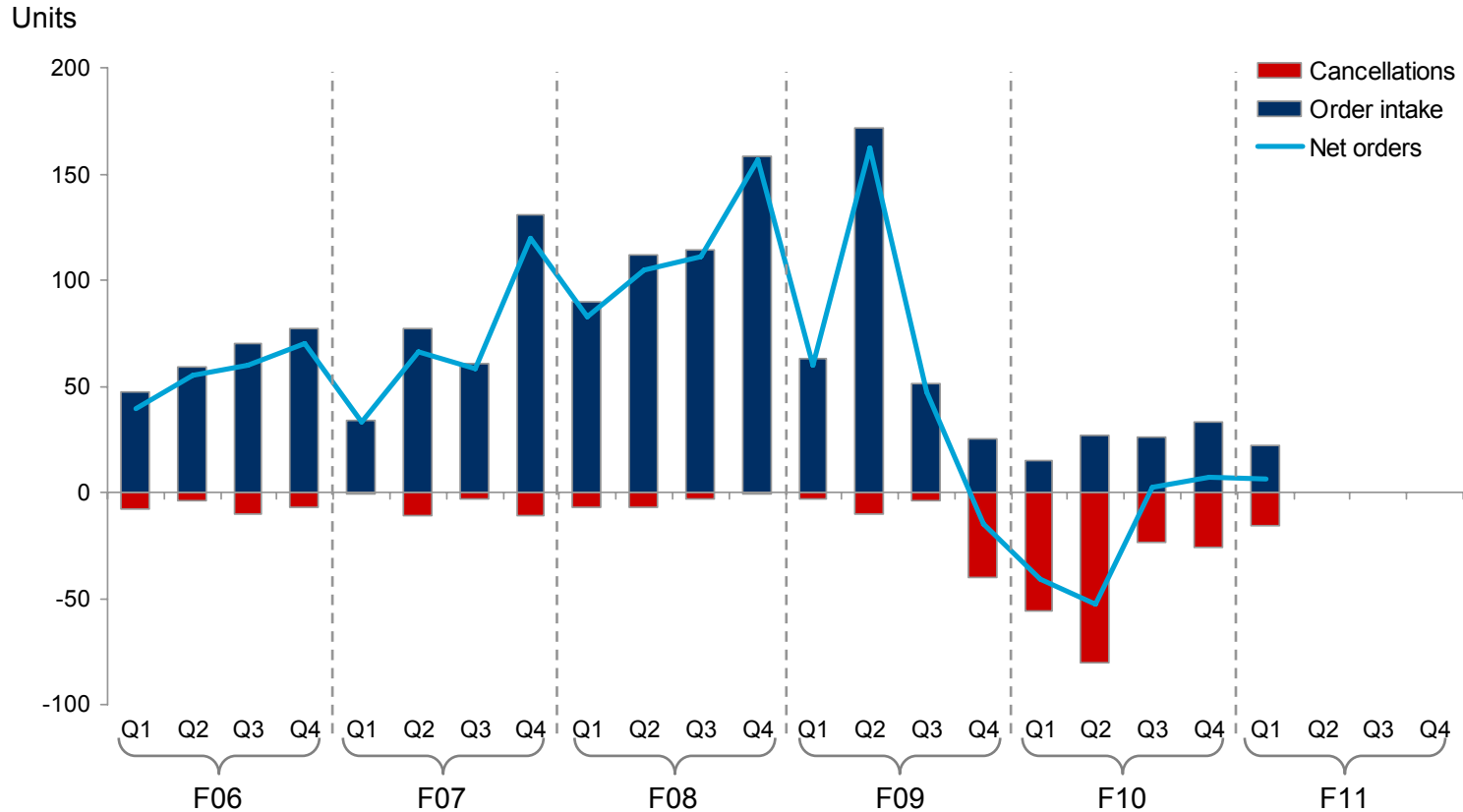


Source: Forbes

Last three quarters have seen positive net orders

Gradual improvement expected through FY11

Gross / Net order evolution



Note: Gross includes Flexjet and excludes swaps
Sources: Bombardier MD&A and internal data

Bombardier Business Aircraft Product Portfolio



**LEADING
THE WAY**

BOMBARDIER

Bombardier has the industry's strongest product portfolio



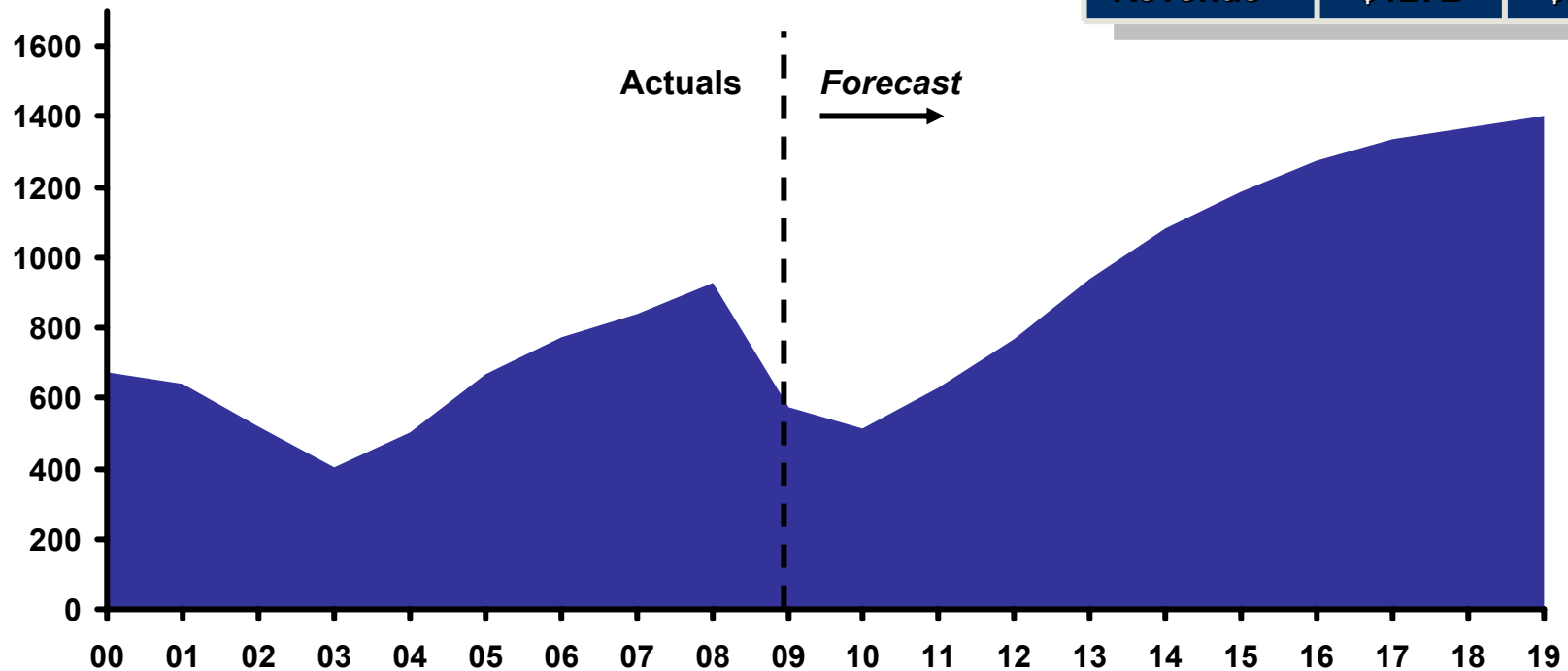
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10,500 business aircraft deliveries expected over 10 years

INDUSTRY BUSINESS JET DELIVERIES

Units, constant 2009 US\$B, calendar years 2000-2019

	2000-09	2010-19
Unit	6,500	10,500
Revenue	\$127B	\$254B

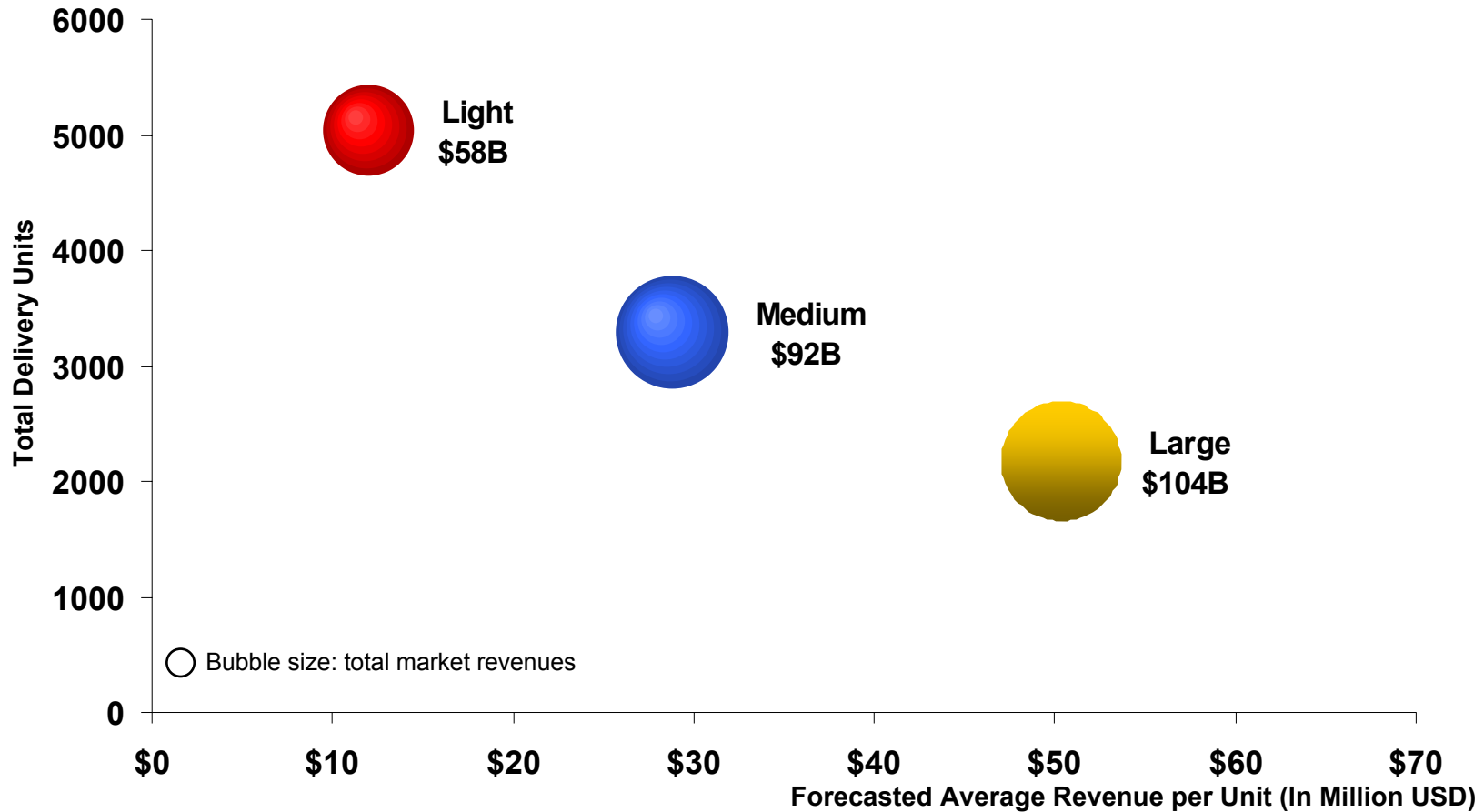


Sources: GAMA, Bombardier Forecasting Model, Revenues estimated from GAMA and 2009 B&CA list prices.

Business jet forecast deliveries and revenues by category

BUSINESS JET FORECAST BY CATEGORY (10 YEARS)

Delivery units, avg. revenue per unit, total market revenue (US\$B), constant 2009 \$, calendar years 2010-2019



Sources: Bombardier analysis. Revenues estimated from GAMA and 2009 B&CA list prices.

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LEARJET

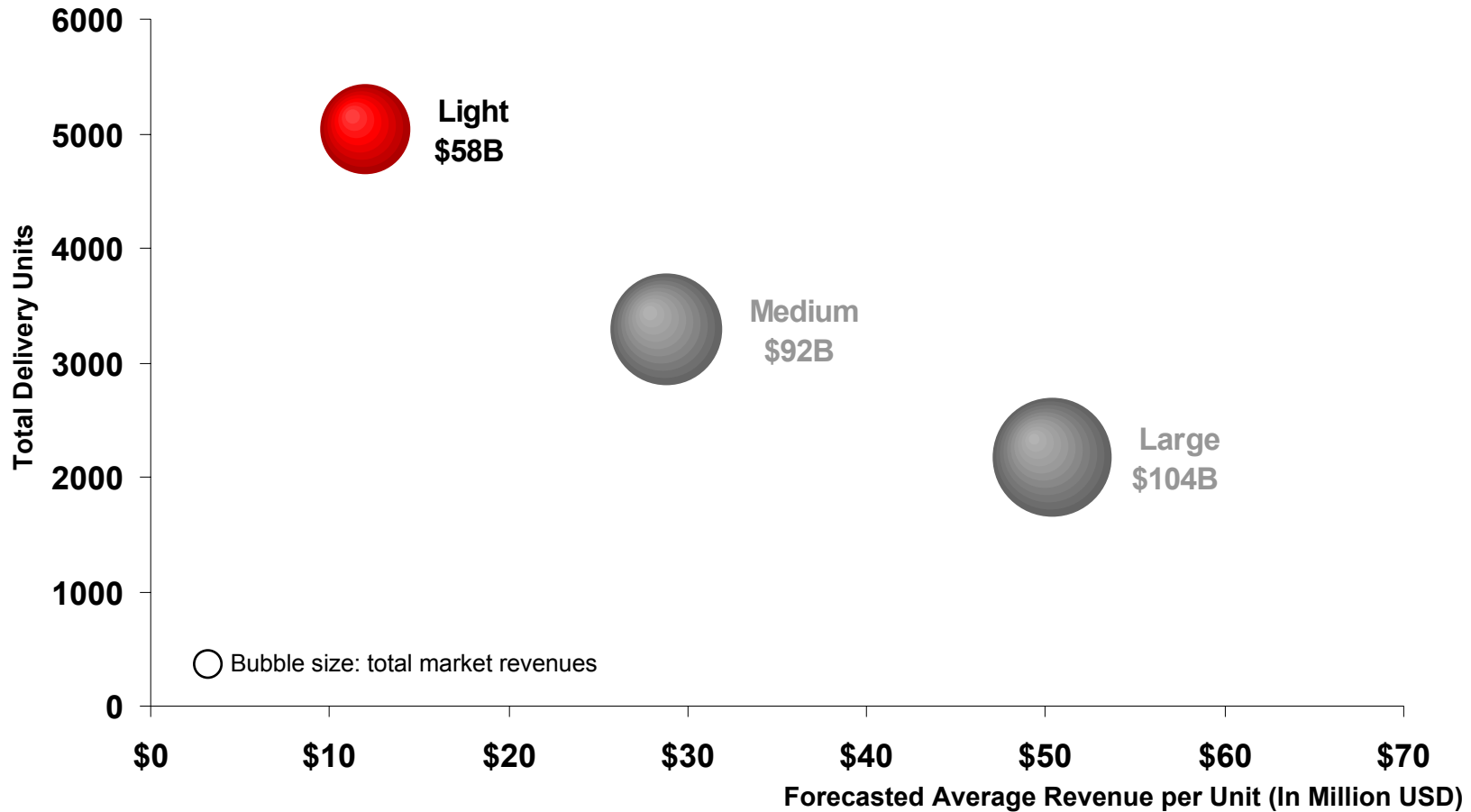


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Deliveries in the light category of business aviation will represent about \$58B in revenue

BUSINESS JET FORECAST BY CATEGORY (10 YEARS)

Delivery units, avg. revenue per unit, total market revenue (US\$B), constant 2009 \$, calendar years 2010-2019

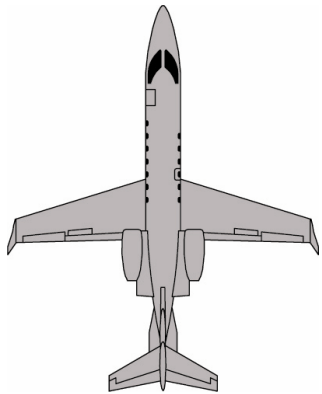


Sources: Bombardier analysis. Revenues estimated from GAMA and 2009 B&CA list prices.

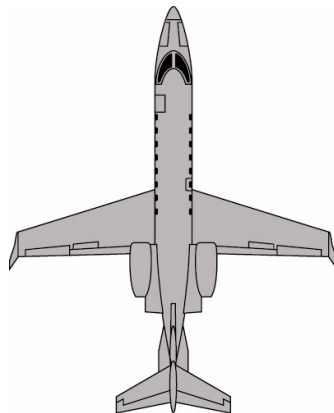
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Learjet Product Portfolio

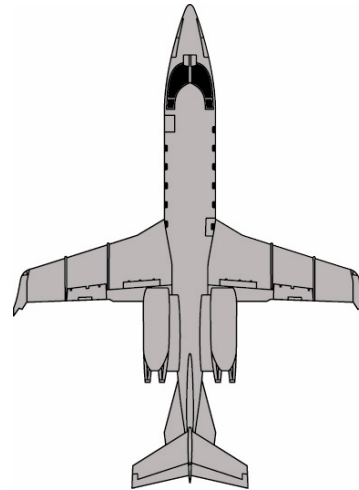
- Poised to expand our product offering and capture future growth



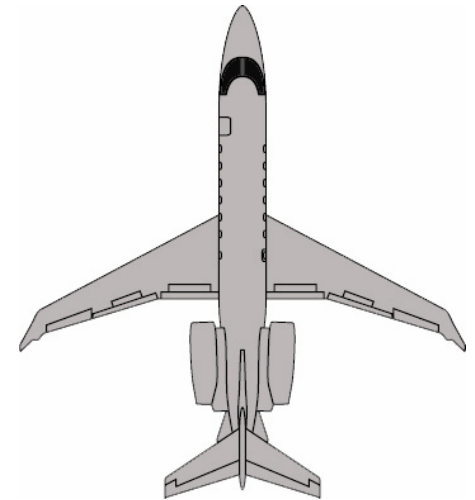
BOMBARDIER
LEARJET 40XR



BOMBARDIER
LEARJET 45XR



BOMBARDIER
LEARJET 60XR



BOMBARDIER
LEARJET 85

A strong, diversified product portfolio aimed at providing customers a complete offering in light and midsize categories



- 2,000 NM range
- Highest cruise speeds in segment - M0.81
- Fastest climb performance - 23 minutes to FL430
- FAR Part 25 redundancy and robustness

BOMBARDIER
LEARJET 45XR



- 2,000 NM range
- Highest cruise speeds - M0.81
- Most economical super-light jet

BOMBARDIER

BOMBARDIER
LEARJET 60XR



- 2,400 nm range
- High cruise speeds - M0.81
- Fastest climb - 18 minutes to FL410
- Highly competitive operating costs

BOMBARDIER



- Stand-up cabin with wide cross section
- Newly designed cabin styling

BOMBARDIER
LEARJET 85



- **3,000 NM range**
- **Aggressive climb capability - 18 minutes to FL410**
- **Next-generation avionics and systems**
- **First Part 25 all composite business jet**

BOMBARDIER

- ✓ Mexico factory build progressing to plan for July start-up
- ✓ FAA concurrence to Mexico parts conformity achieved
- ✓ Wichita final assembly facility readiness plan in place
- ✓ Second world mock-up tour ongoing

PROGRESS

IS

EVERYTHING



- ✓ Program is now in the Detail Design Phase
- ✓ Technology Readiness testing progressing as planned
- ✓ System design, installation and integration on target
- ✓ Improving design for maintainability
- ✓ Significant portion of composite tooling underway

The program is progressing on schedule for entry into service in 2013

BOMBARDIER

- The widest, tallest, longest *Learjet* cabin ever
- Largest windows in *Learjet* fleet
- Innovative interior design enhancing personal storage

BOMBARDIER
CHALLENGER



BOMBARDIER
CHALLENGER 300

BOMBARDIER
CHALLENGER 605

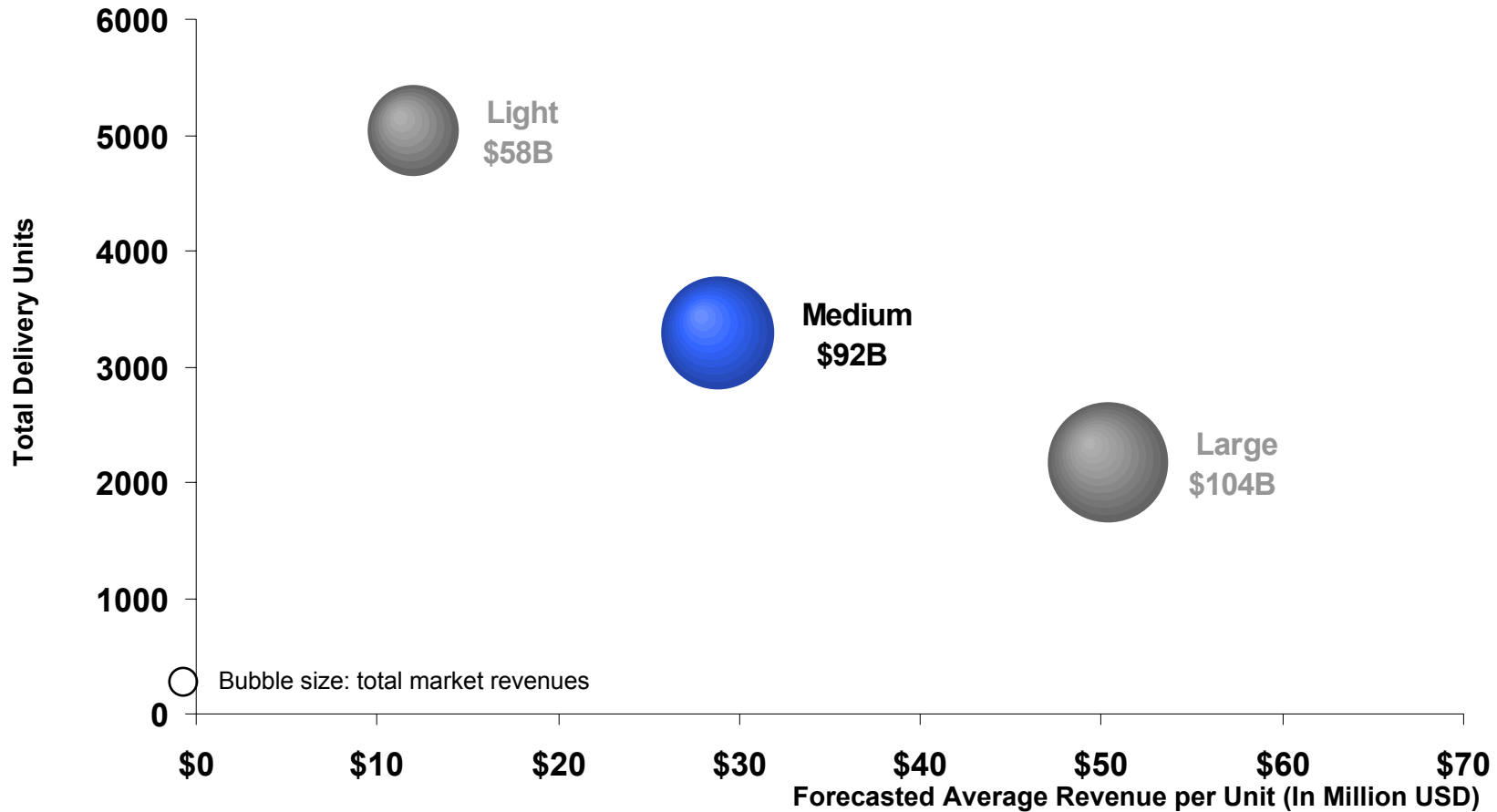
BOMBARDIER
CHALLENGER 850

BOMBARDIER

Deliveries in the medium category of business aviation will represent about \$92B in revenue

BUSINESS JET FORECAST BY CATEGORY (10 YEARS)

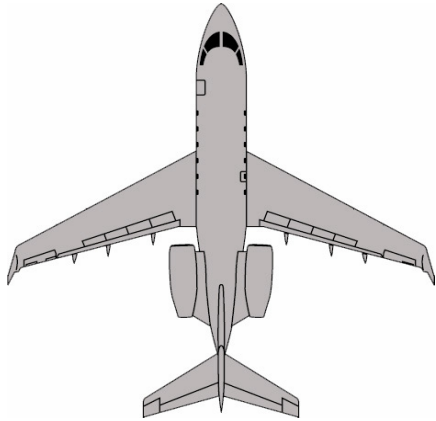
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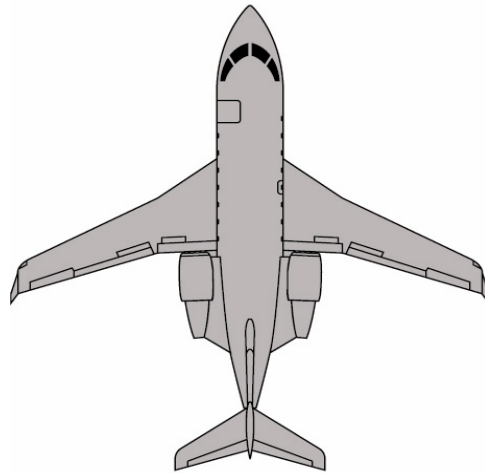
Sources: Bombardier analysis. Revenues estimated from GAMA and 2009 B&CA list prices.

BOMBARDIER

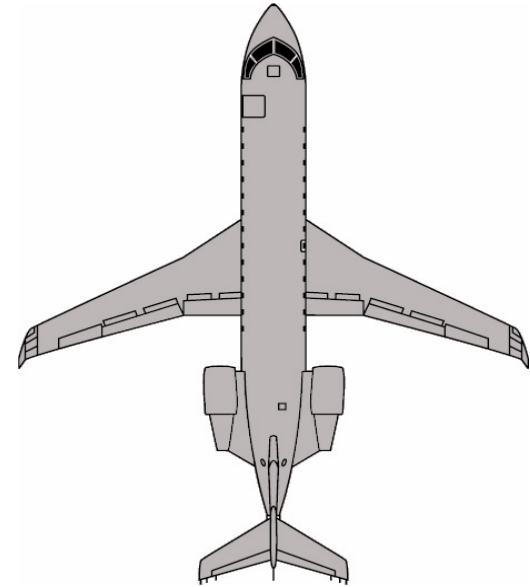
Challenger Product Portfolio



BOMBARDIER
CHALLENGER 300



BOMBARDIER
CHALLENGER 605



BOMBARDIER
CHALLENGER 850

A diverse product portfolio designed to suit all corporate aviation needs with outstanding all-around performance

BOMBARDIER
CHALLENGER 300



- **Overwhelming market success**
- **Transcontinental range - 3,100 NM**
- **Strong field performance**
- **Proven platform – Dispatch reliability of 99.7%**

BOMBARDIER

BOMBARDIER
CHALLENGER 605



- **Intercontinental range - 4,000 NM**
- **Airliner systems redundancy**
- **Most dependable engine in industry - ~41,8 M flight hrs**
- **Undisputed reliability champion - 99.8%**


BOMBARDIER

BOMBARDIER
CHALLENGER 850



- Transcontinental range
- Incredible value
- Renowned reliability
- Industry leading DOCs

BOMBARDIER

- 
- **Widest and longest cabin in the segment – 3 zones**
 - **40% more volume**
 - **Excellent servicing - 2 lavs and deluxe galley**
 - **Quiet cabin environment - 55 dbSIL**

BOMBARDIER
GLOBAL



BOMBARDIER
GLOBAL 5000

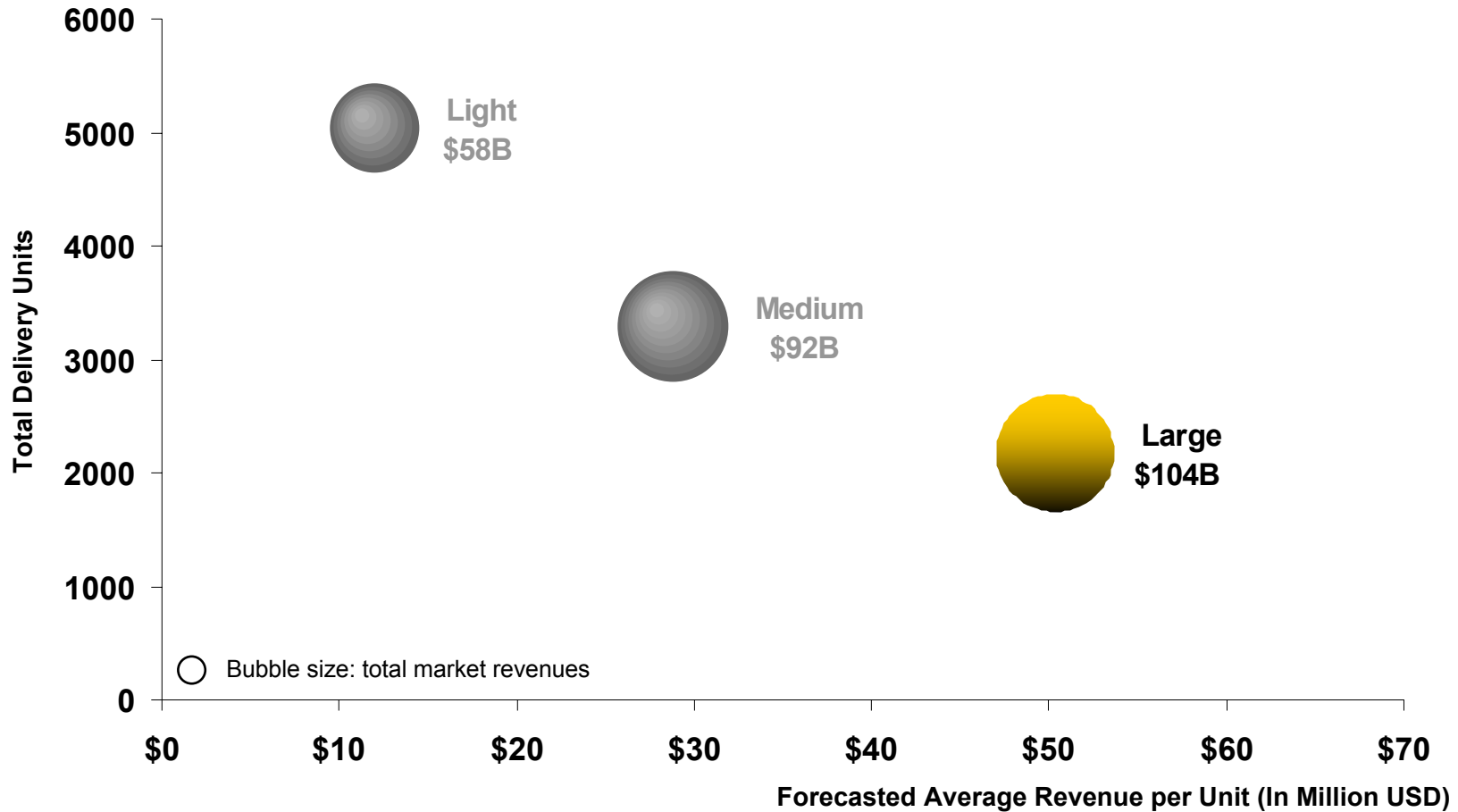
BOMBARDIER
GLOBAL EXPRESS XRS

BOMBARDIER

Deliveries in the large category of business aviation will represent about \$104B in revenue

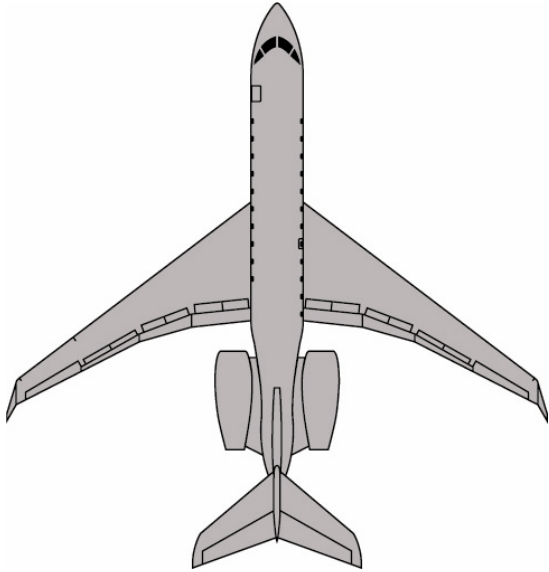
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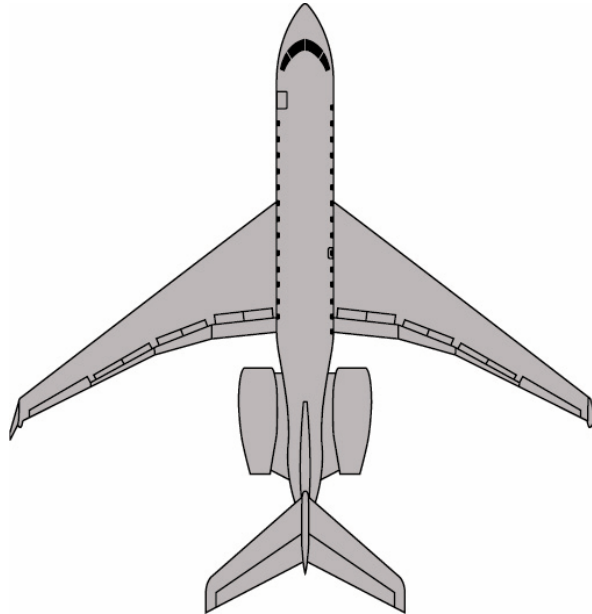


Sources: Bombardier analysis. Revenues estimated from GAMA and 2009 B&CA list prices.

Global Aircraft Product Portfolio



BOMBARDIER
GLOBAL 5000



BOMBARDIER
GLOBAL EXPRESS XRS



Global Vision

Strong diversified product portfolio covering the Super Large and Ultra Long-Range market segments

BOMBARDIER
GLOBAL 5000



- 5,200 NM range
- Highest cruise speed in segment - M0.89
- Versatile field performance - TOFL of 5,500 ft

BOMBARDIER

BOMBARDIER
GLOBAL EXPRESS^{XRS}



- Business aviation's benchmark in range and speed
- Excellent low speed handling characteristics - Vref of 108 kts
- Industry leading avionics with Global Vision Cockpit

BOMBARDIER

- **Widest and longest cabin in the segment**
- **Lowest cabin altitude – 4,500 ft at 45,000 ft**
- **Quietest aft state room**
- **Latest cabin technology - Hi-Fi home theatre systems, 5.1 surround sound, BluRay DVD**

Global Vision Flight Deck



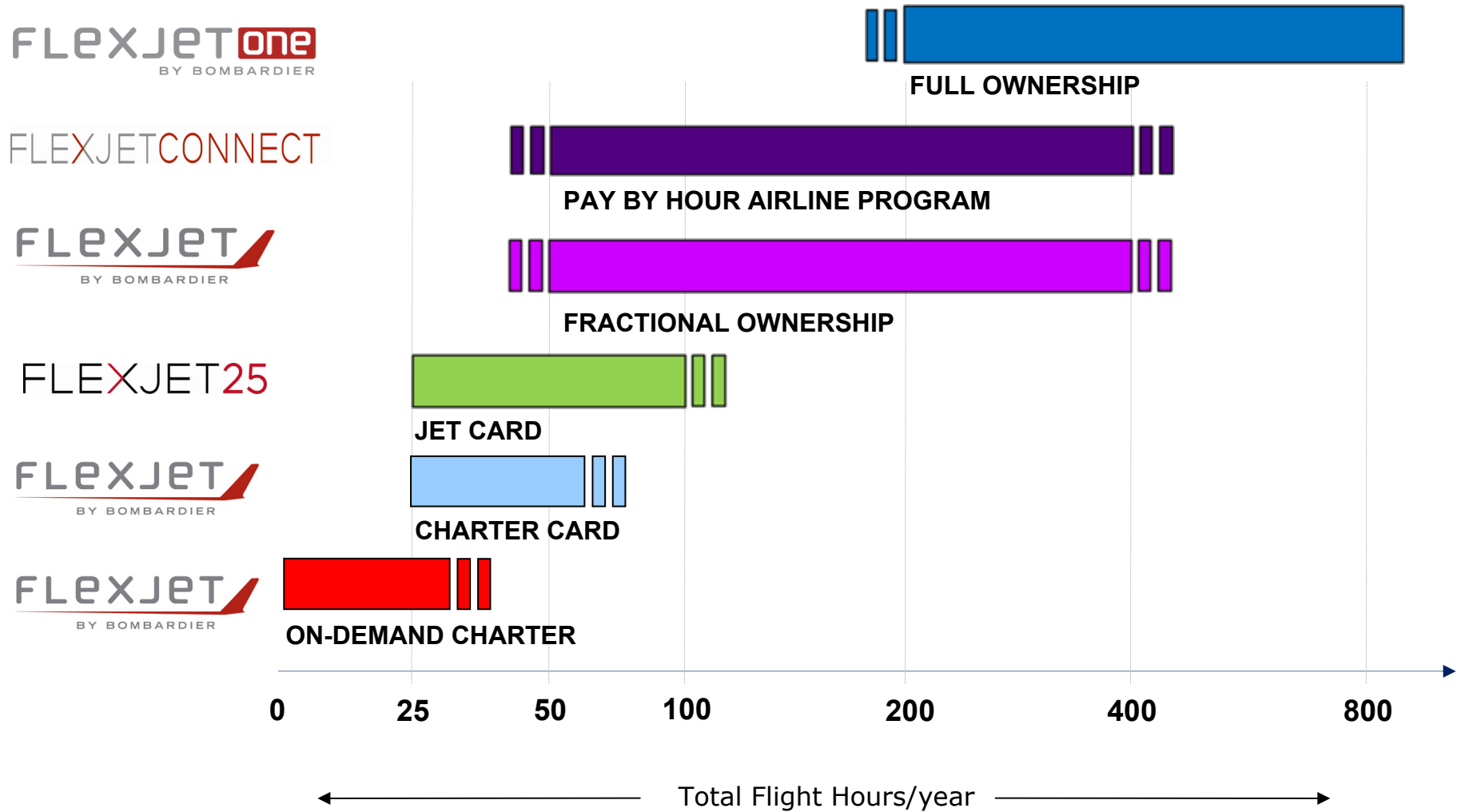
BOMBARDIER

Global Vision: Entry into service in 2012

- **First flight on August 3, 2009**
- **Currently in active flight test program**
- **More than 100 flights, 300 hours+ flown**



Flexjet offers a wide range of products that cater to the needs of the customer



Flexjet outperforms the competition and commands a leadership position in areas critical to customers



Commitment to Safety

- All Flight Training Conducted By Active Company Pilots
- All Aircraft Designed, Maintained And Operated Solely By The Manufacturer
- Jet Fleet Less Than 4 Years of Age

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Service Guarantees

- Guaranteed Charter Limit (Not To Exceed 5%)
- Guaranteed Upgrades & Downgrades
- Multiple Use Of Aircraft For All Owners

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Program Enhancements

- Allows Owners To Buy And Sell Hours To Precisely Match Their Travel Needs
- Allows Owners To Purchase Additional Program Benefits At Any Time
- Positioning Fee Waivers To Bermuda, Mexico, Canada, Central America And Caribbean
- Positioning Fee Waivers To And From Europe And Hawaii For Super Mid-Size and Large Aircraft Owners

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Aircraft Choice

- Complete Family Of Business Aircraft
- Fastest Fleet of Aircraft

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All program attributes are subject to change and should be verified with supplier. Actual terms and conditions are subject to definitive agreements

Note* Registered trademark of NetJets which has no affiliation with or sponsorship of the Flexjet program

Note** Registered trademark of CitationShares which has no affiliation with or sponsorship of the Flexjet program

Note*** Registered trademark of Flight Options which has no affiliation with or sponsorship of the Flexjet program



Bombardier is building on its leadership position

Improving product portfolio



- *Global Vision Flight Deck, in development*
- *Global 5000 aircraft range increase*
- *Learjet 85 aircraft, in development*
- *Learjet 40 XR aircraft range increase*
- *Learjet 60 XR aircraft Signature Series, now available*

Improving operational efficiency



- Continued emphasis on lean manufacturing initiatives
 - *Challenger 300 aircraft and Challenger 605 aircraft green assembly*
 - *Challenger 300 aircraft and Challenger 605 aircraft U-Line completions*
 - *Global aircraft completions dynamic line*
- Implementation of Achieving Excellence System

Improving customer satisfaction



- Reduction of Open Delivery Items & reliability issues
- Aircraft-On-Ground support in Europe – MRT
- *PartsExpress* In Europe
- *SMARTFIX Plus* roll out
- Customer Care organization
- Increase parts and training availability

BOMBARDIER

Against a challenging economic backdrop, we delivered good financial results in fiscal 2010...

Paris 2009

Farnborough 2010

Aerospace (G.Hachey)

- Delivered 9.0% EBIT in FY09
- Focus is on taking action in turbulent times

- Delivered 5.1% EBIT in FY10
- Determined to steer through the crisis to emerge stronger

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- Confident on the long-term potential of the industry
- Strengthening our market and product positions

- Sluggish market still impacting our business
- Longer term fundamentals of business aviation remain solid

Commercial Aircraft (G.Scott)

- **Good order intake and solid backlog in FY09**
- **CSeries aircraft launch order firmed up**

- **Optimized solutions for the 60- to 149-seat market, well positioned for the future**

Customer Services & Support (J.Hoblyn)

- Market outlook
- Serving our customers and growing our business

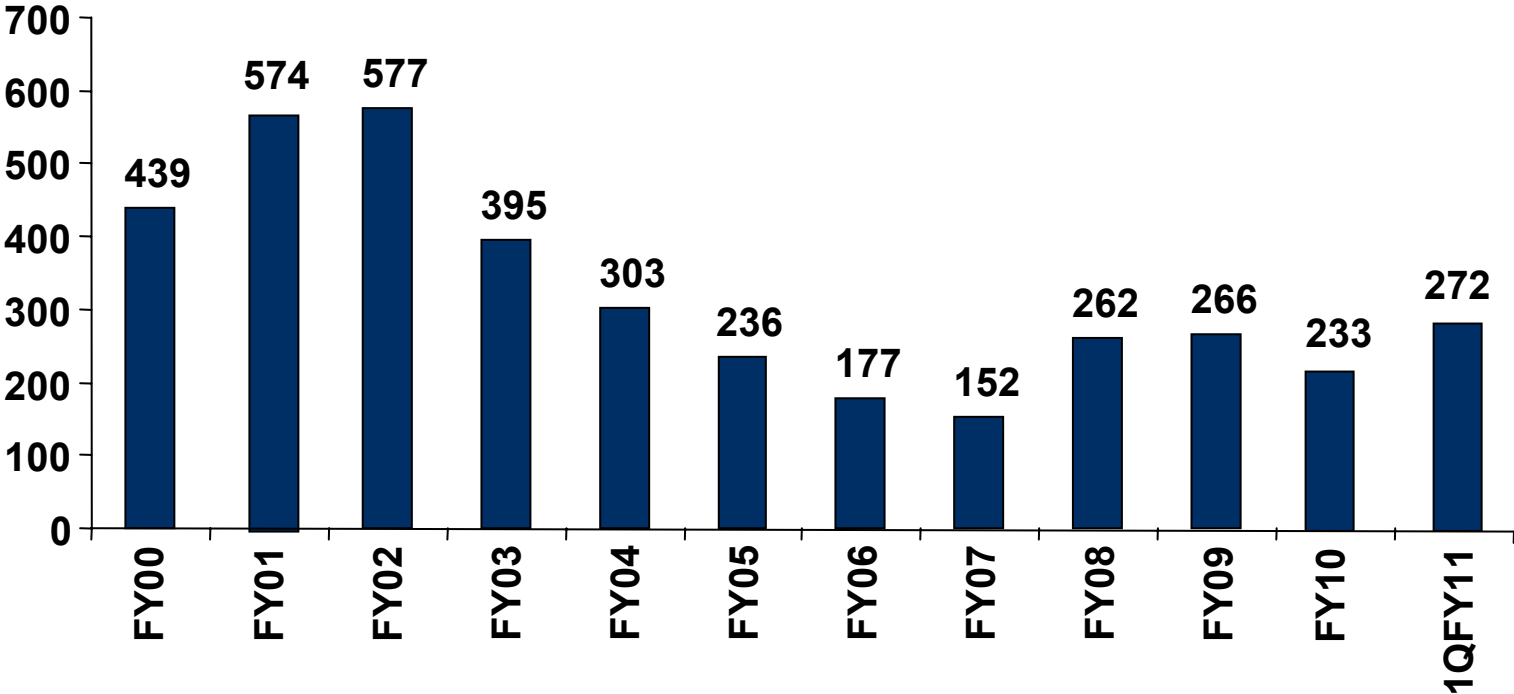
- Market outlook improving
- Good progress on customer engagement
- New services driving growth

Our backlog remains solid despite market weakness with a total of 272 aircraft

ORDER BACKLOG

Units, Fiscal Years 2000 – 2010, Q1 Fiscal Year 2011

Units

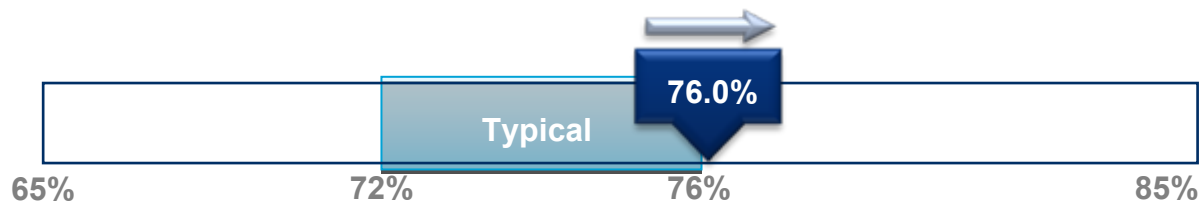


*As of April 30, 2010

Industry metrics stable: load factors remain high; fuel price dips; profitability returning; lower YTD order totals

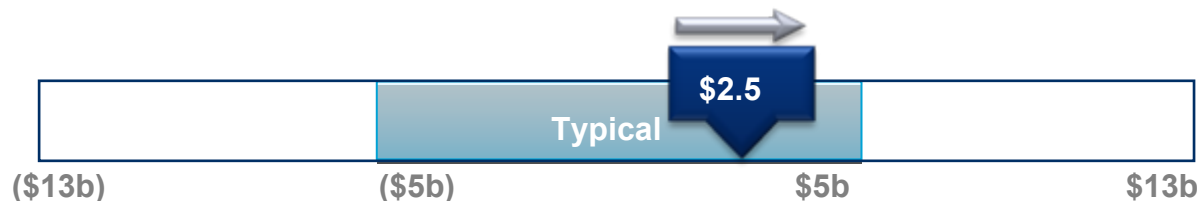
LOAD FACTOR

May 2010
IATA Worldwide



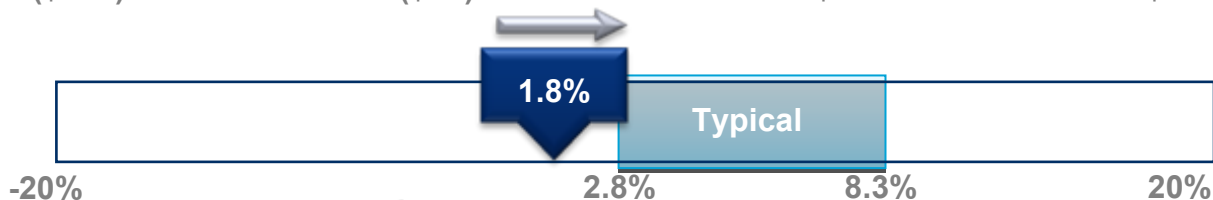
AIRLINE PROFITS

IATA 2010 Net P&L Forecast
as of June 2010



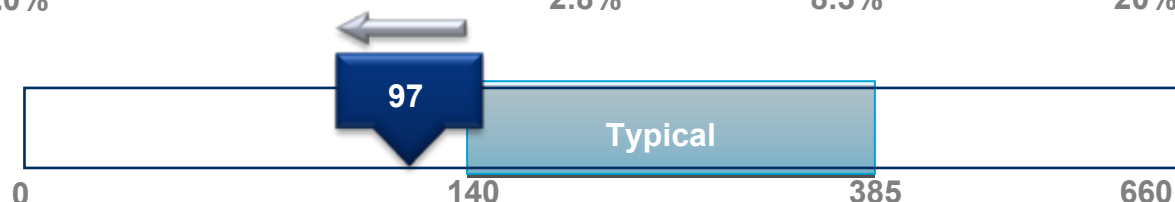
CAPACITY GROWTH

June 2010
20-149 Seat Segment



AIRCRAFT ORDERS

YTD Net as of June 30, 2010
20-149 Seat Segment



OIL PRICES

July 2010 (Latest)
EIA Spot Prices



Note: Arrows indicate directional change compared to the beginning of 2010, with the exception of Aircraft Orders, which are compared to the same period in 2009.

Sources: IATA, OAG Schedules, Manufacturer's Reports, and US Department of Energy

Bombardier's Commercial Aircraft portfolio is optimized for the segments they serve

Turboprops

Optimized Short-Haul Solution

1049 orders*

Q400 NextGen



Regional Jets

Optimized Regional Network Solution

1695 orders*



CRJ700 NextGen



CRJ900 NextGen



CRJ1000 NextGen

Single-Aisle Mainline Jets

Optimized for 100-149 Seat Market

90 firm orders + 90 options*



CS100



CS300

*As of April 30, 2010 (Order total of all aircraft family type since program inception)

BOMBARDIER

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



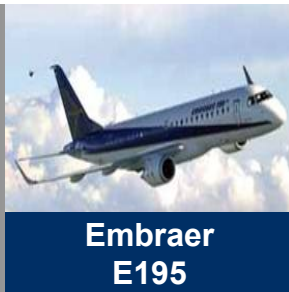
Turboprops



Regional Jets



**Single-Aisle
Mainline Jets**



...however our product offering has significant advantages



- *Q400* aircraft can cruise up to 30% faster than nearest turboprop competitor
- *Q400* aircraft offers seamless integration into and maintaining jet schedules
- Only 21st century technology commercial turboprop available today
- Lowest per seat operating economics in its class



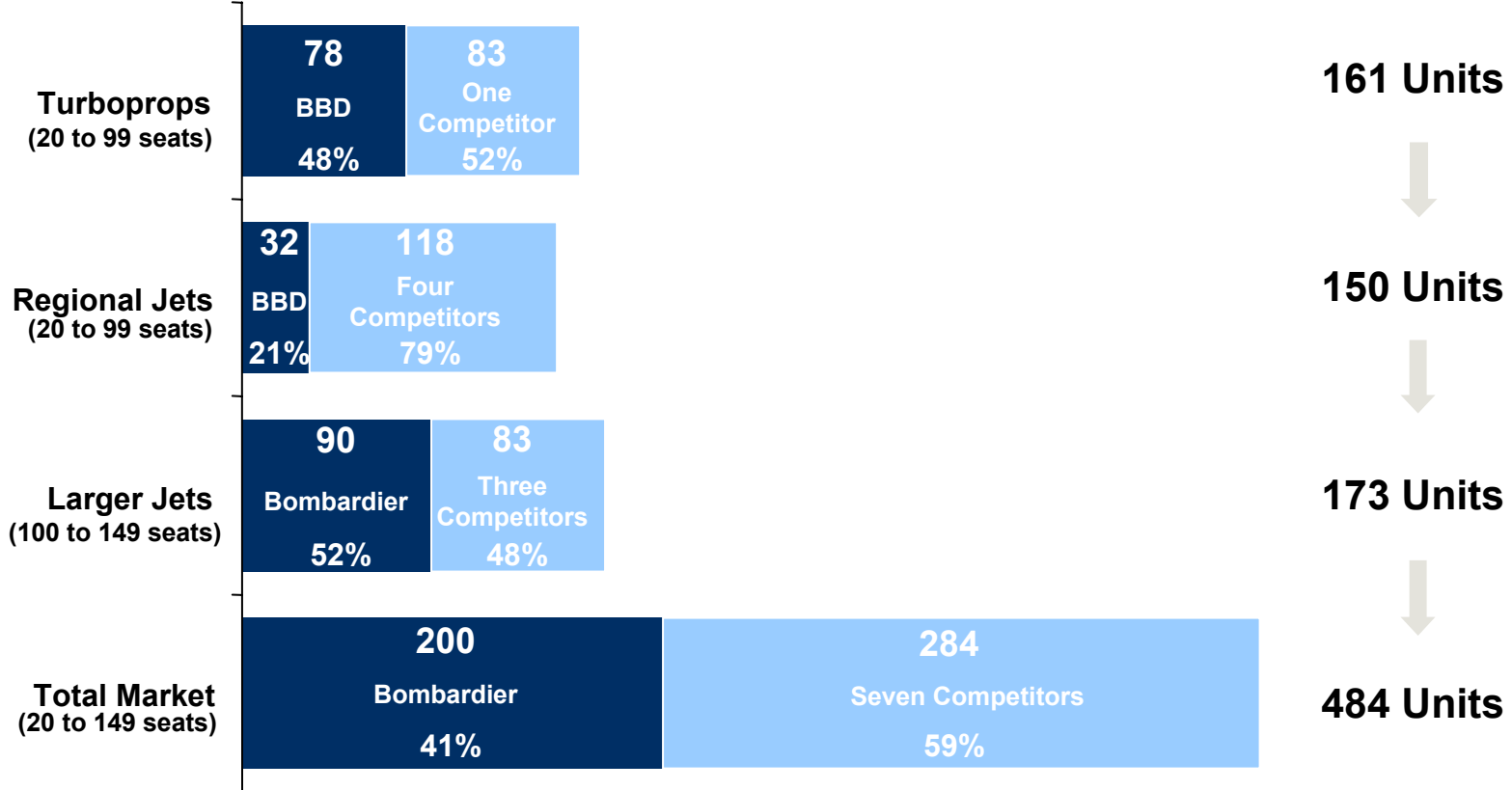
- *CRJ NextGen* aircraft provides up to 14% lower operating economics than in production competing aircraft
- *CRJ NextGen* aircraft family shares high level of parts commonality
- Only family of aircraft with common pilot rating from 50 to 100 seats
- Industry proven track record



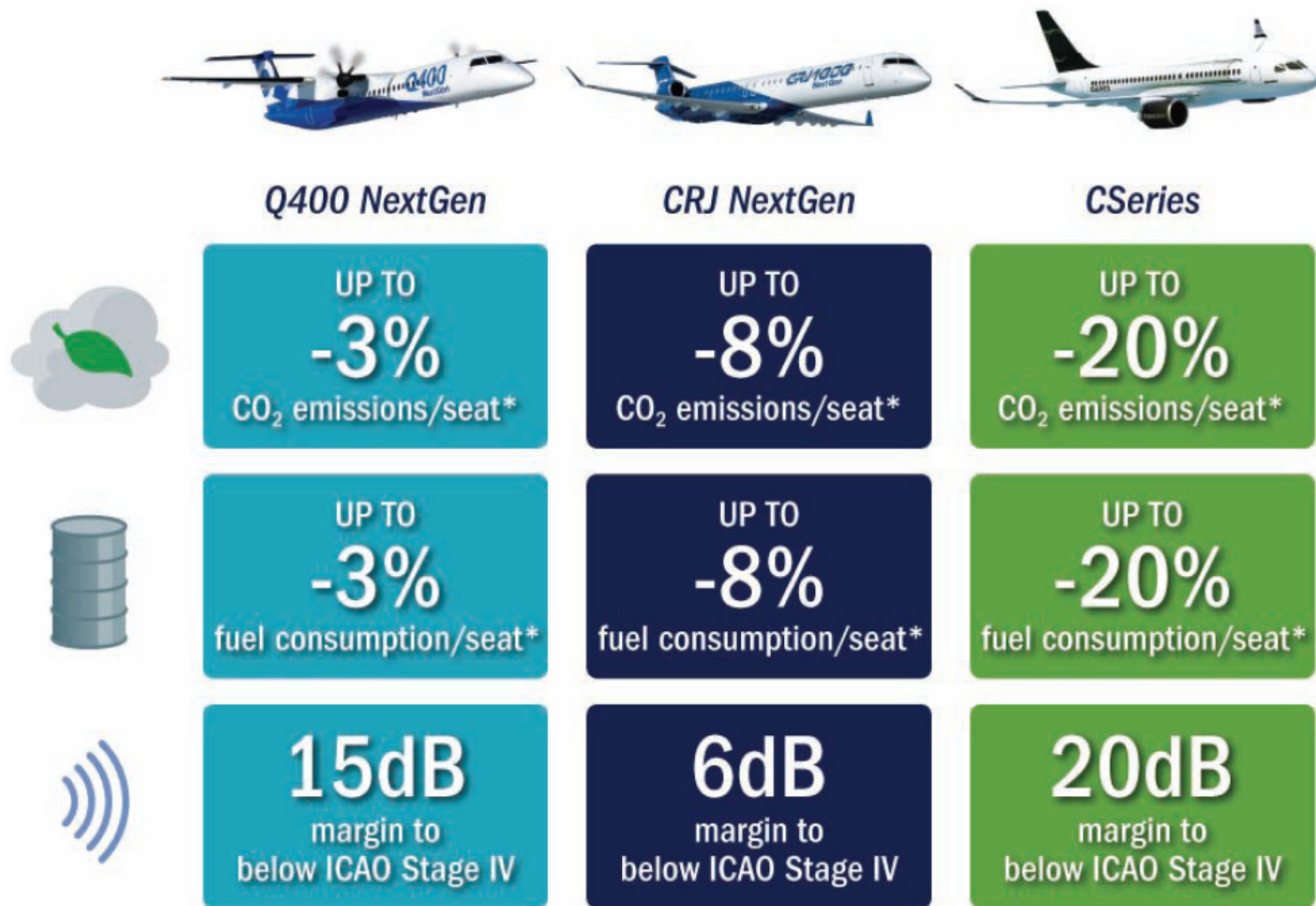
- Optimized design with 15% lower operating economics than in production competing aircraft
- Latest engine and advanced materials offering a 20% fuel burn advantage
- 4x quieter than current in production competing jets
- Unmatched environmental footprint in its class

Bombardier has a 41% market share in the 20- to 149-seat market

24-Month Market Order History June 1, 2008 through May 31, 2010



Bombardier has the most fuel efficient aircraft with the lowest noise and emissions in their category



*Compared to average in-production competitors over 500 nautical miles.

CRJ1000 NextGen aircraft completes optimized CRJ family



2007

Launch & Development

- Launch Customer Orders
- Structural/Systems Design
- Interior Design
- Prototype Build Start

2008

Development

- Prototype Completion
- 1st Flight September 3rd, 2008
- Flight Tests Begin

2009

Certification Program

- 1st Production Aircraft
- 1st Flight of Production Aircraft
- Level C Check Maintenance Interval Increased to 6,000 Hrs

2010

Certification & Entry Into Service 2nd Half of this Year

- Passenger comfort flight tests
- EASA / FAA flight test validation
- Hot weather & water ingestion tests
- Certification & EIS

Flight test program is progressing well with over 90% of the testing finished, more than 430 flight hours logged since February 2010*

*As of June 2010

Strong customer commitment for the CSeries aircraft program



Lufthansa



Lease Corporation Int. (LCI)

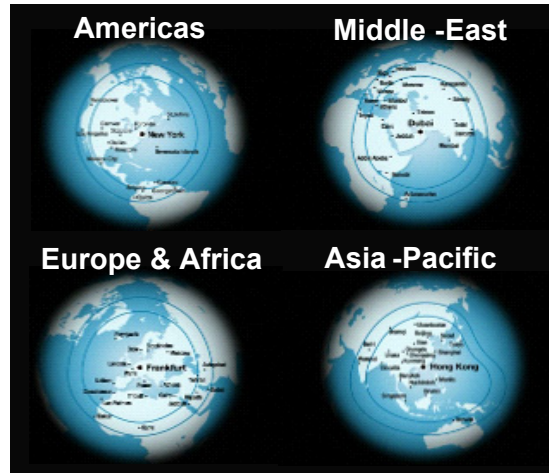


Republic Airways



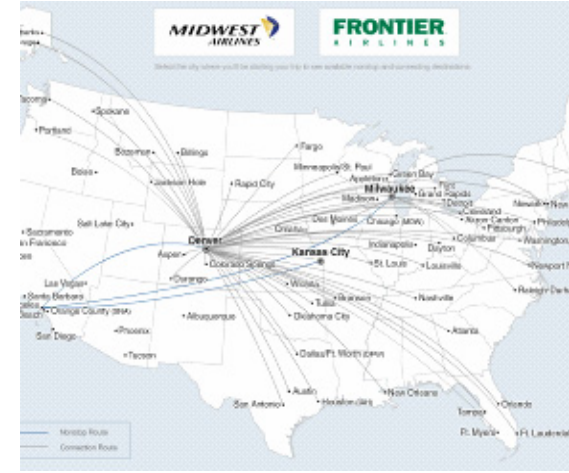
Short-Field Performance

30 CS100 aircraft
30 options



Worldwide Appeal

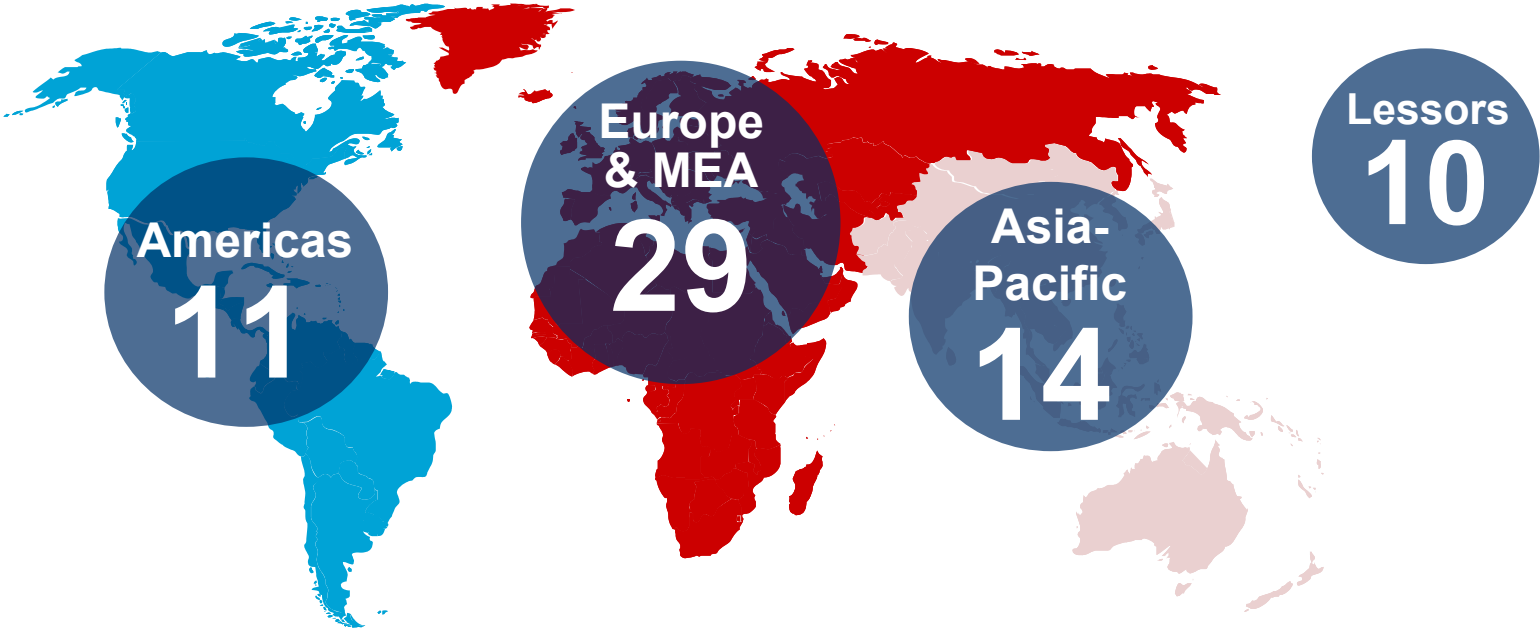
3 CS100 aircraft
17 CS300 aircraft
20 options



Network Builder

40 CS300 aircraft
40 options

Worldwide customer interest for CSeries aircraft program



More than 60 active campaigns and evaluations

CSeries Aircraft Program

A game changer in its class



- Family of Aircraft with Full Operational Commonality**
- Unmatched Reduction in Environmental Footprint**
- Total Life Cycle Cost Improvement**
- 15% Cash Operating Costs Advantage – 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

High residual value... a design reality



COMMON PLATFORM

- Family of Aircraft
- 95%+ Line Replaceable Unit (LRU) Commonality
- Common Type Rating

FLEXIBLE CABIN

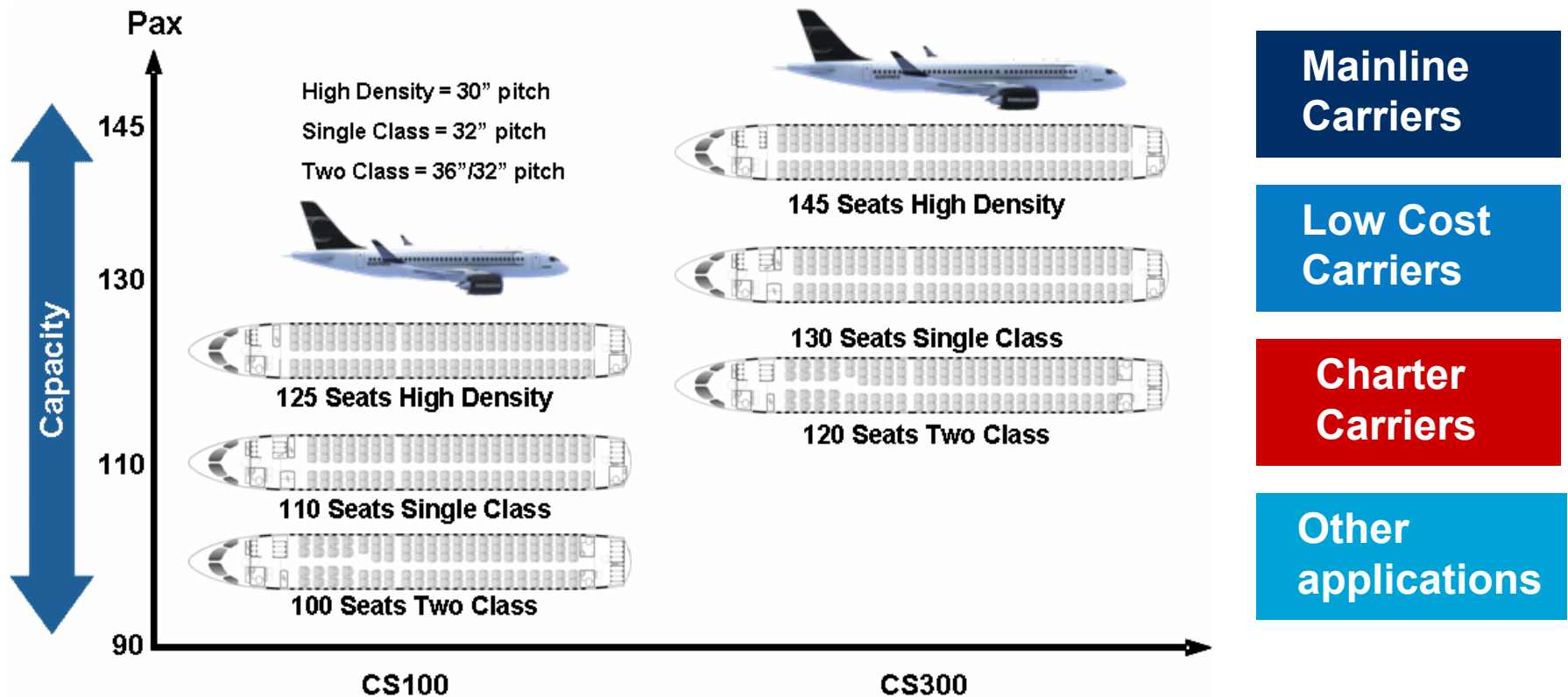
- Higher Baseline Specification
- Cabin Flex Zones

FLEXIBLE AIRPLANE

- Performance Flexibility
- Single Engine Supplier
- Fly-By-Wire Technology
- Cockpit Growth Capability

CSeries Aircraft Program

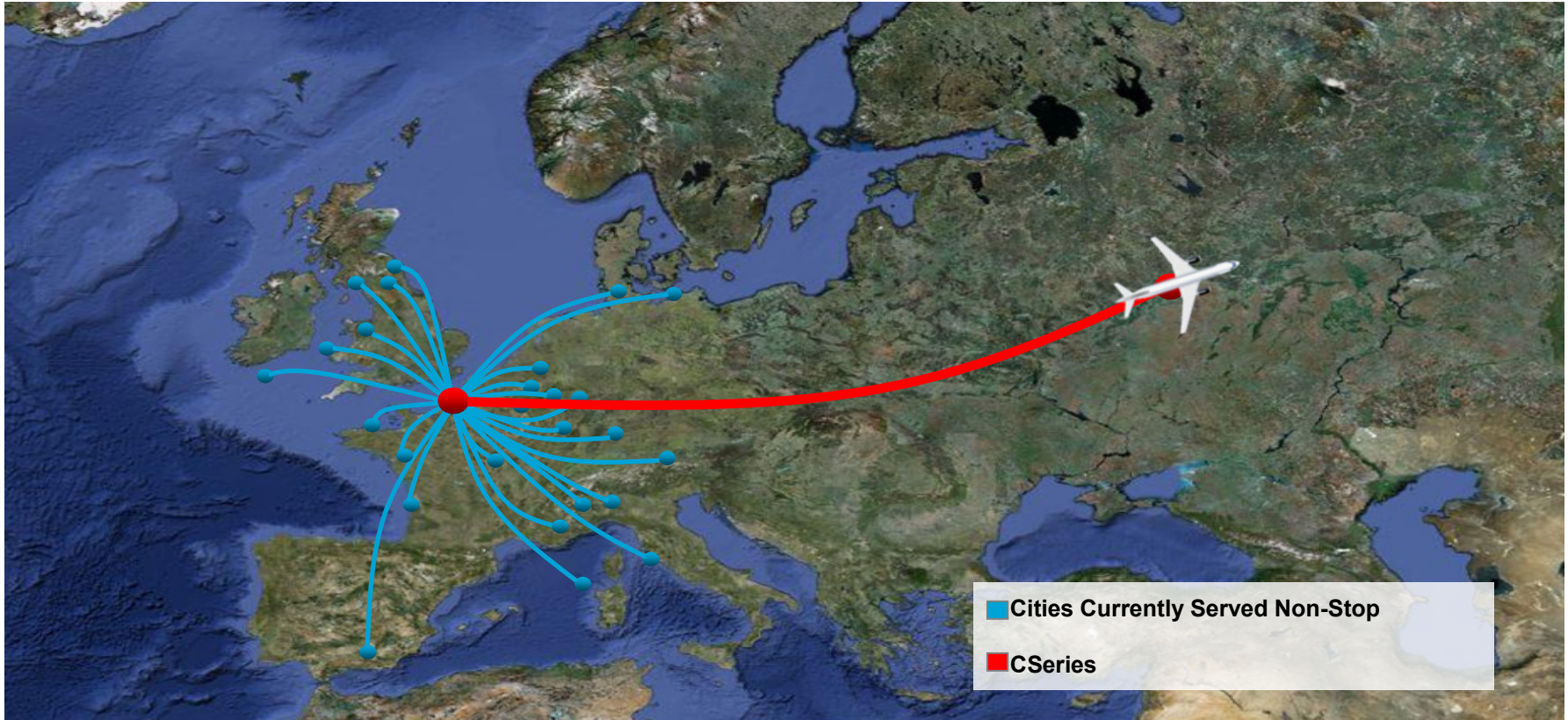
One design with multiple applications



CSeries aircraft offers flexible seating configurations with the comfort of a widebody aircraft

CSeries Aircraft Program

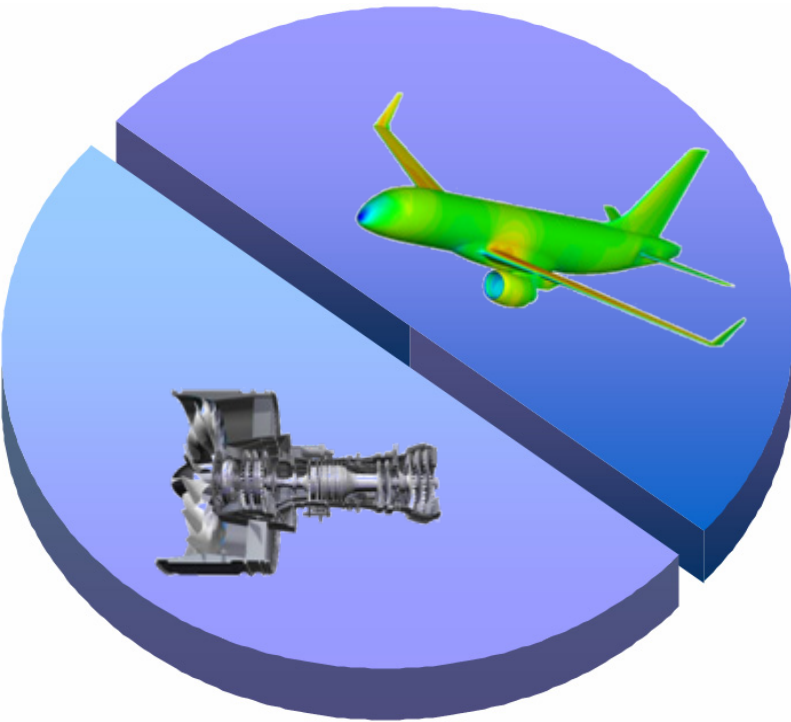
Flexibility from challenging airports: New routes, new market opportunities



**1,500 nautical mile range with 110 passengers from London City Airport
short runway - short take-off and landing (STOL)**

C Series Aircraft Program

Well balanced technology combination to achieve unmatched fuel efficiency



Optimal Aircraft Integration

Latest Generation of System Technology

State-Of-The-Art Aerodynamics

Lighter Structure due to
70% Advanced Materials

+

Game-Changing Engine

PurePower® PW1000G

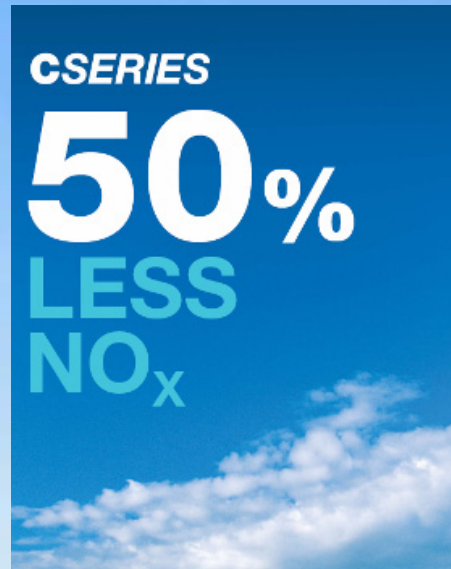
All leading to more than 20% fuel burn advantage compared to average in-production competitors

CSeries Aircraft Program

Unmatched reduction in environmental footprint

The future of the industry lies in the challenge of balancing profitability and reducing impact on the environment.

Designed with vision and conviction, the **C*SERIES* aircraft** combines low operating costs and an unmatched environmental scorecard.

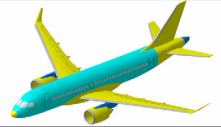


CSeries Aircraft Program

Executing according to plan

2008

Technologies Selection and Program Launched At Farnborough Airshow



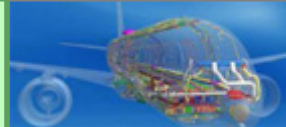
2009

Finalizing Conceptual Design Phase And Start Definition Of System Interfaces



2010

Joint Definition Phase, Technologies Demonstrators, Facilities



2011

Complete Product Definition Release
Build And Commission System Test Aircraft



2012

First Flight



2013

CS100 Aircraft Entry Into Service



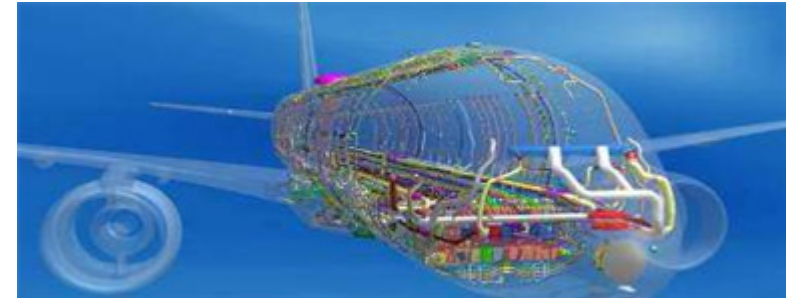
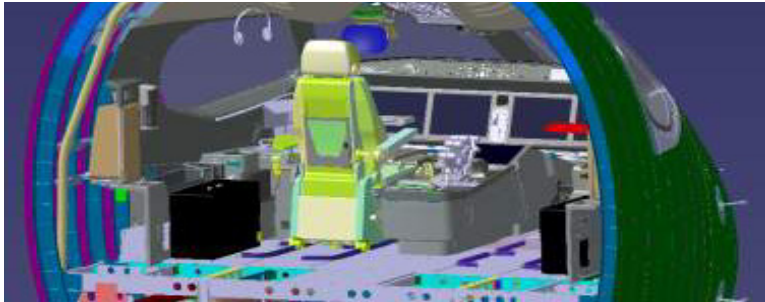
2014

CS300 Aircraft Entry Into Service



C Series Aircraft Program

Transitioned from Joint Definition Phase to Detail Design Phase



JDP: Joint Definition Phase

- Structure & Systems Architecture Interfaces Defined And Frozen
- Technology Demonstrators Completed
- Overall Aircraft Performance Confirmed
- Validated with Key Customers



DDP: Detail Design Phase

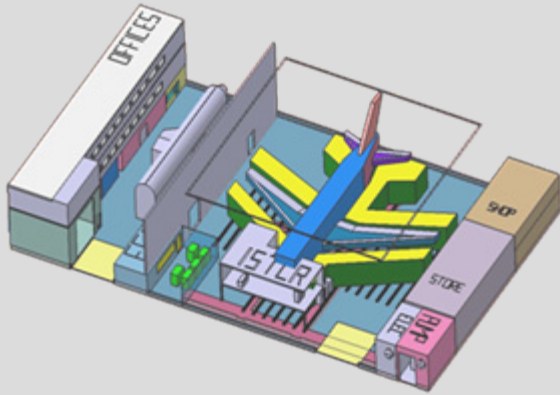
- Fully Engaged in Detail Design Phase Activities
- First Detail Datasets Released

Transition complete in July 2010

C Series Aircraft Program

More up-front testing starting as early as one year before first flight

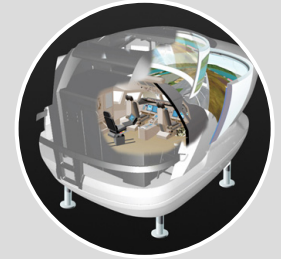
COMPLETE INTEGRATED AIRCRAFT SYSTEM TEST AREA



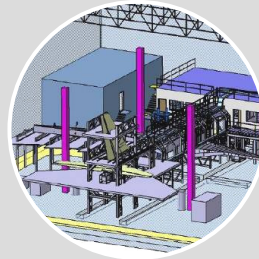
Re-configurable Engineering Flight Simulator



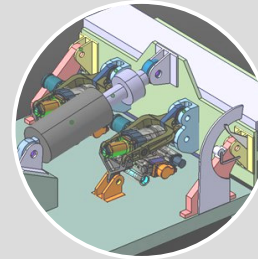
Cabin Systems / Environmental Control System Rig



Engineering Simulator



Integrated Systems Test and Certification Rig



FBW Prototype Flight Controls Integration Lab



Systems Integration Test Stand

C Series aircraft first complete test vehicle - enables earlier product maturity

CSeries Aircraft Program

Significant investment in upfront testing



**Center barrel tested for first life
(60,000 flight cycles)**



**Composite wing demonstrator
testing started in March 2010**



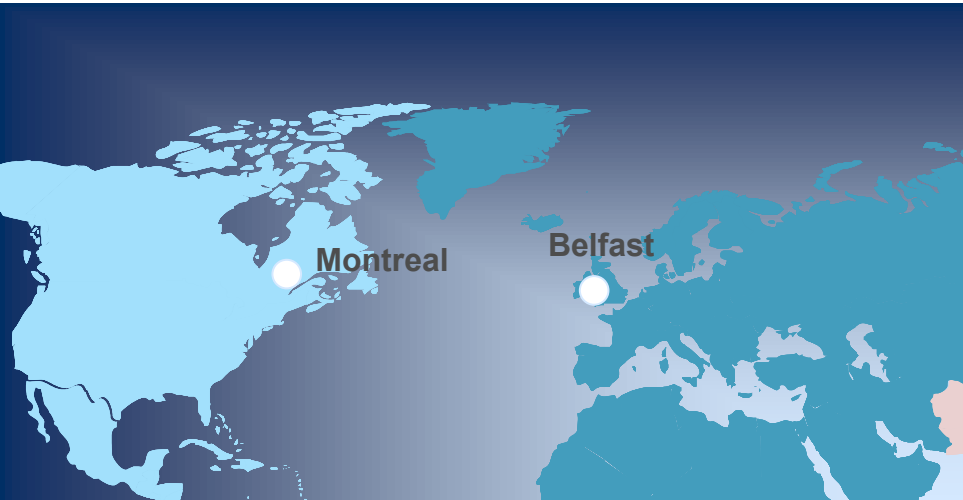
**Aircraft fuselage & aircraft pressure
bulkhead demonstrators**



**Engine plan is on track to support
2013 entry into service**

CSeries Aircraft Program

Over \$700M of investment on state-of-the-art manufacturing facilities



Saint-Laurent Site: New Cockpit and Aircraft-Fuselage Manufacturing Tools



**Mirabel Site (CIASTA and CSeries Assembly)
Additional 860,000 Square Feet**



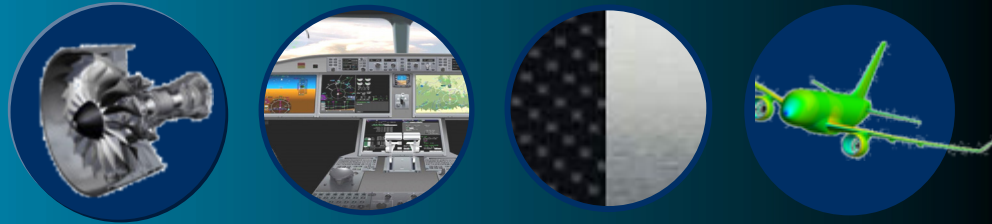
**Belfast Site : Composite Wing
Additional 600,000 Square Feet**

BOMBARDIER

CSeries Aircraft Program

The aircraft optimization “trumps” a re-engine response

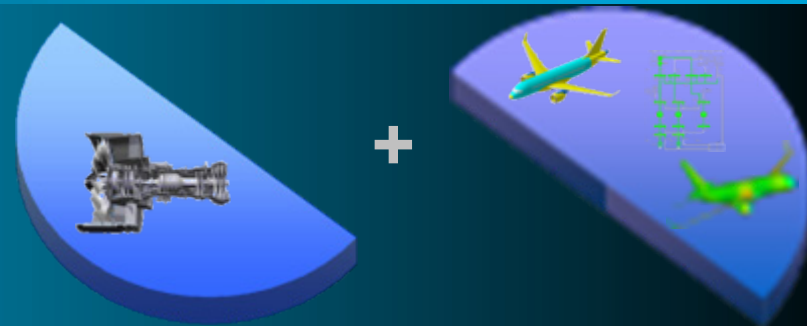
CSeries aircraft: 2020
technology in 2013



Engine / Airframe Harmonized
Design Optimization and
Integration



Engine is only a part of the
fuel burn benefit equation



BOMBARDIER

GREAT MINDS THINK AHEAD

NEW PARADIGM IN ENVIRONMENTAL FOOTPRINT
WIDEBODY COMFORT IN A SINGLE AISLE AIRCRAFT
AMAZING ECONOMICS
UNMATCHED FLEXIBILITY



BOMBARDIER

Against a challenging economic backdrop, we delivered good financial results in fiscal 2010...

Paris 2009

Farnborough 2010

Aerospace (G.Hachey)

- Delivered 9.0% EBIT in FY09
- Focus is on taking action in turbulent times

- Delivered 5.1% EBIT in FY10
- Determined to steer through the crisis to emerge stronger

Business Aircraft (S.Ridolfi)

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- Strengthening our market and product positions

- Sluggish market still impacting our business
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Customer Services & Support (J.Hoblyn)

- Market outlook
- Serving our customers and growing our business

- Market outlook improving
- Good progress on customer engagement
- New services driving growth

Customer Services portfolio



*Customer Support
Business Aircraft*



*Customer Support
Commercial Aircraft*



Training Services



*Maintenance
Services*



Component Services

smart
SERVICES

Smart Services

Main forecasting drivers for Maintenance, Repair & Overhaul (MRO) are fleet utilization & GDP

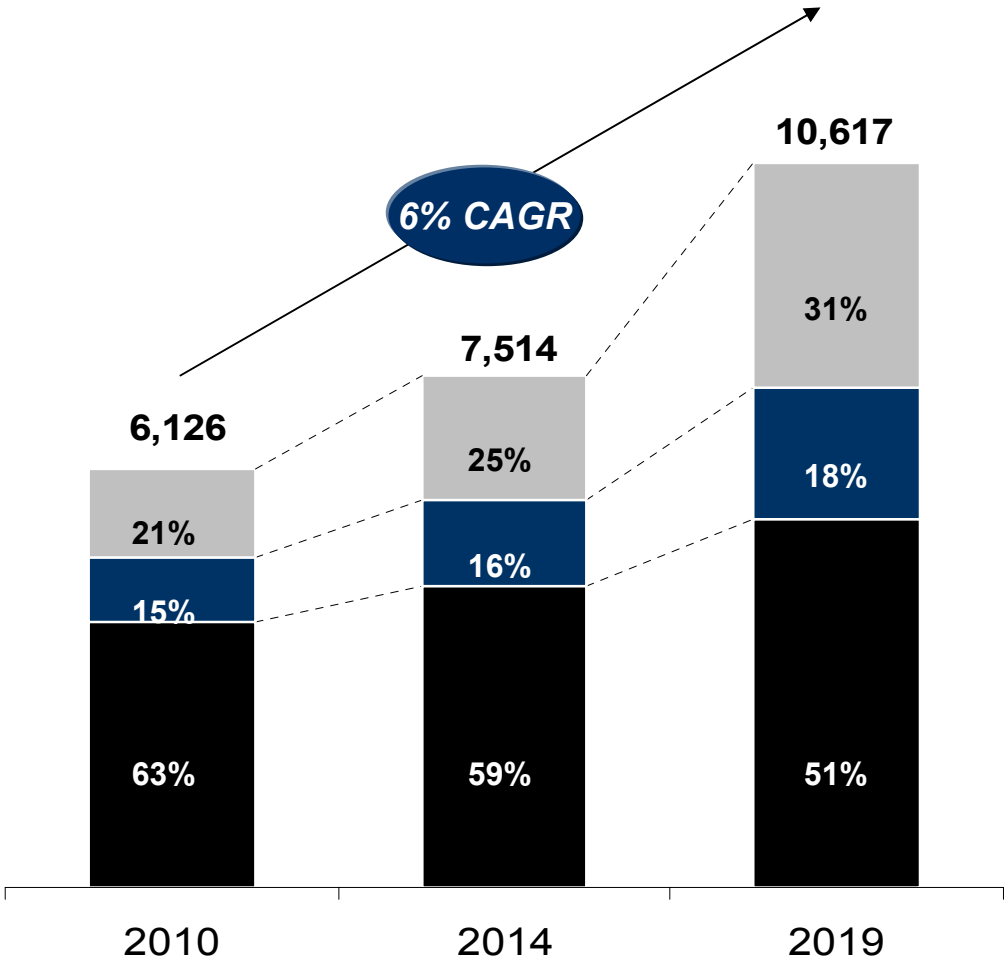


10-year Outlook on Maintenance, Parts and Training

Bombardier's worldwide aircraft fleet is expected to grow at 6% per year over the coming decade

FORECASTED BOMBARDIER FLEET SIZE GROWTH
10-Year Market Forecast (Units)

- Rest of the world
- Europe
- North America



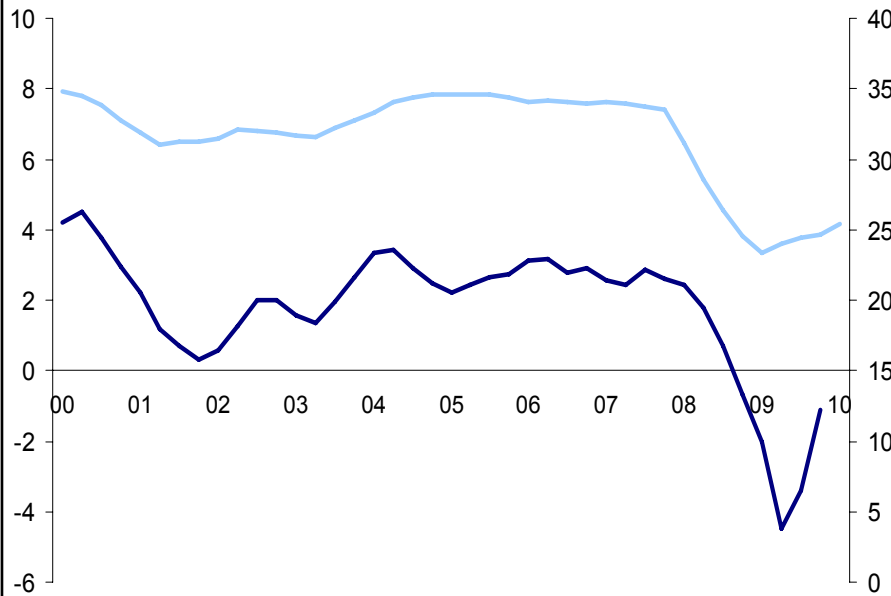
Sources: Bombardier Analysis and internal fleet database

Strong correlation between GDP and Bombardier fleet utilization

81% Correlation

Bombardier Business Aircraft

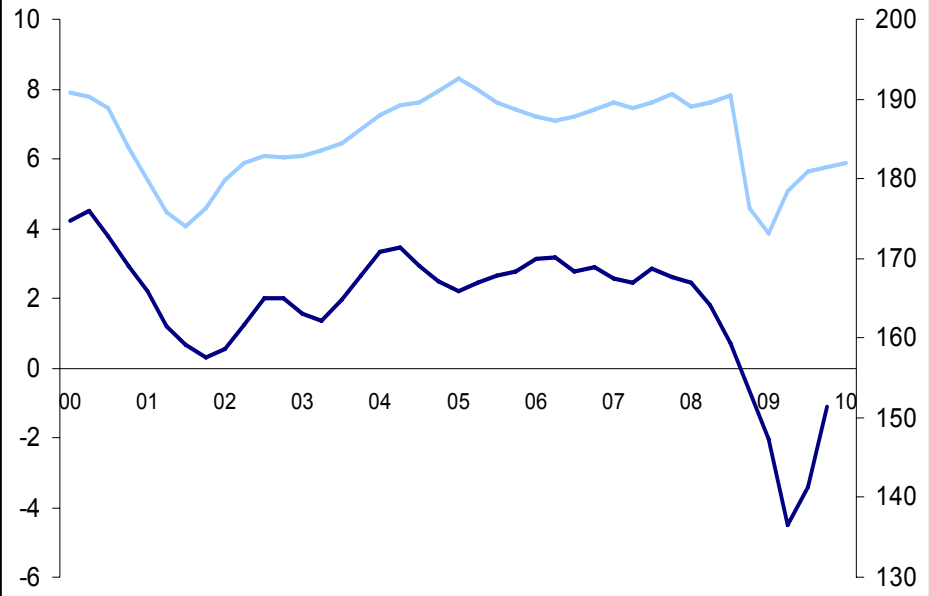
GDP % variation (left), Flight hours/Aircraft (right)
2000-2010



78% Correlation

Bombardier Commercial Aircraft

GDP % variation (left), Flight hours/Aircraft (right)
2000-2010



— OECD Countries GDP (Quarterly)
— Flight Hours/Aircraft

Sources: Bombardier Analysis & IHS Global Insight February 2010, non-chained weighted

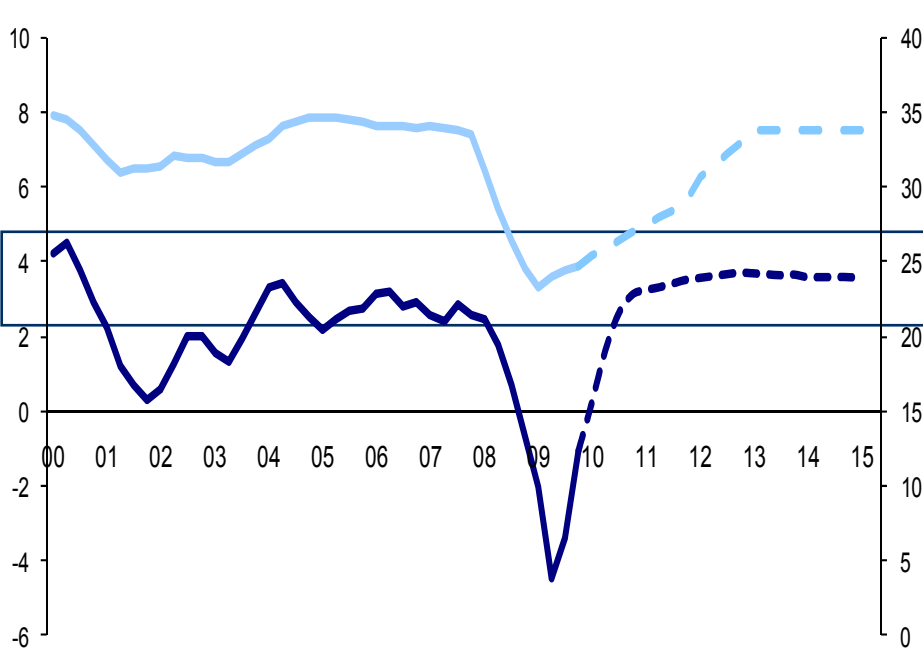
BOMBARDIER

Expected growth recovery to pre-crisis levels in 2012

Mid-2012 Recovery

Bombardier Business Aircraft

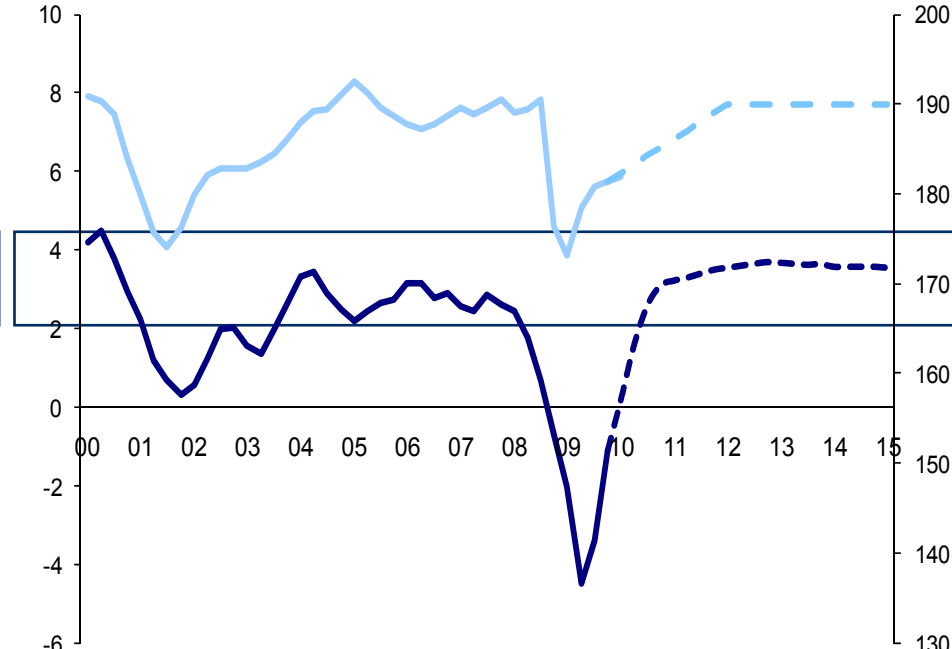
GDP % variation (left), Flight hours/aircraft/month (right)
2000-2015



Early 2012 Recovery

Bombardier Commercial Aircraft

GDP % variation (left), Flight hours/aircraft/month (right)
2000-2015



— OECD Countries GDP (Quarterly)
- - - - - OECD Countries GDP Projection (baseline)

— Flight Hours/Aircraft
- - - - - Projected Flight Hours/Aircraft

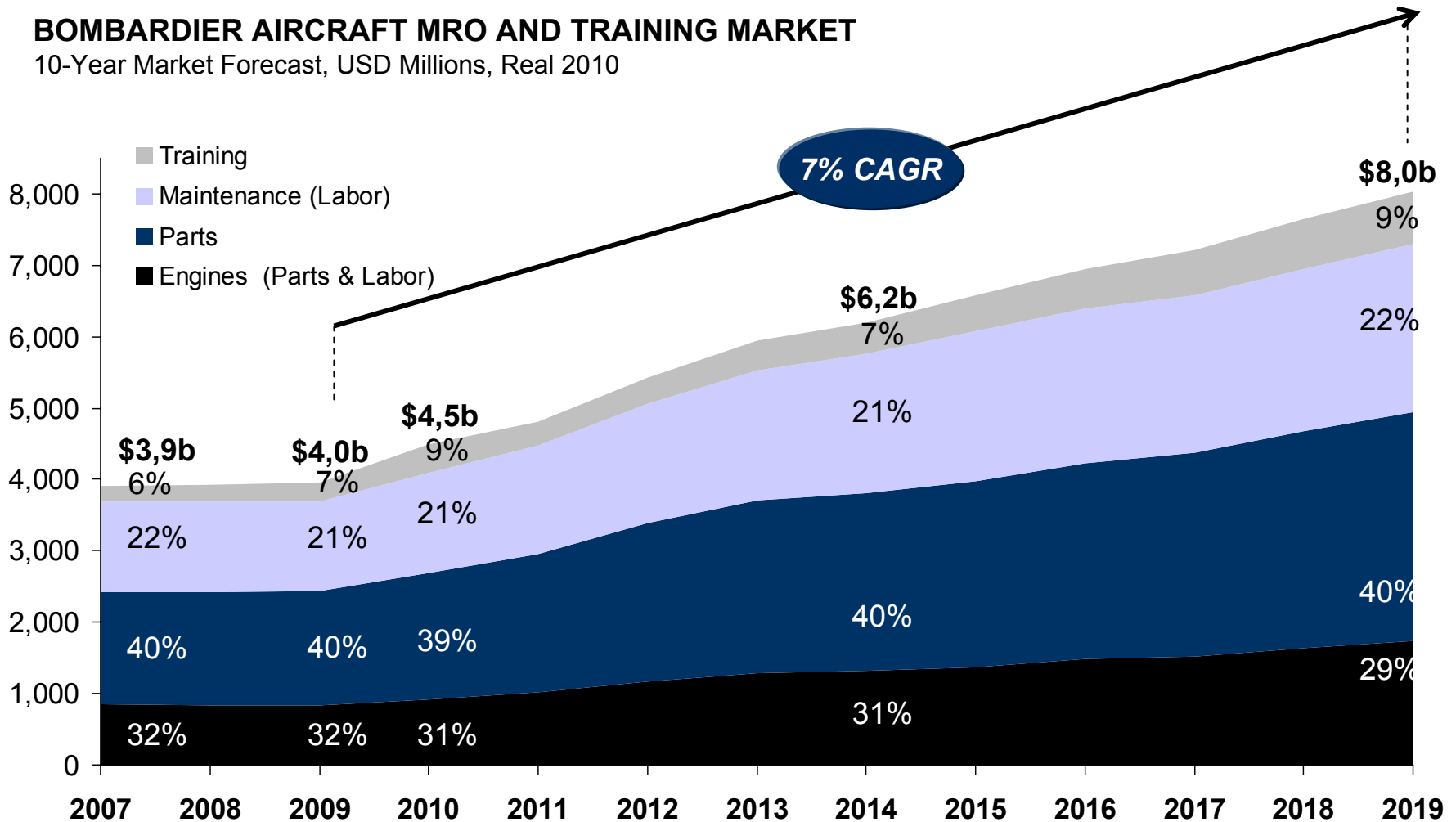
Sources: Bombardier Analysis & IHS Global Insight February 2010, non-chained weighted

BOMBARDIER

Bombardier aircraft aftermarket expected to grow 7% per year over the next 10 years

BOMBARDIER AIRCRAFT MRO AND TRAINING MARKET

10-Year Market Forecast, USD Millions, Real 2010



Source: Bombardier Analysis
Includes in & out of warranty aircraft and engine maintenance

Priorities and focus areas

OPERATORS

GOALS

PRIORITIES

Commercial



Business



Specialized



World-Class
Customer
Engagement

Profitable
Growth

1

Increase
customer
engagement

2

Build
international
service &
support
capabilities

3

Develop new
innovative
services

In FY10, we made solid progress on customer satisfaction drivers

1
Increase customer engagement

Aircraft Reliability & Quality

- ✓ Closed 76 top aircraft in-service reliability issues
- ✓ Reduced direct maintenance costs via maintenance program escalations & product changes

24-hr Worldwide Support

- ✓ Expanded International Support Network
- ✓ Added Regional Support Office in India

AOG Parts

- ✓ Improved parts availability to 95% in Frankfurt & Sydney
- ✓ Launched PartsExpress Europe for business aircraft customers

Maintenance Support & Training

- ✓ Inauguration of aircraft service center: Schiphol Airport in Amsterdam, Netherlands and Macon, Georgia, U.S.
- ✓ Added 2 simulators to meet projected demand
- ✓ Signed ATP agreement with Lufthansa Flight Training for CSeries aircraft program

Customer Care

- ✓ Strengthened customer account manager teams
- ✓ Deployed newly branded customer portal iflybombardier.com

“Best-in-Class” according to internal metrics

2009 Pro Pilot Survey ranking improved to 4th place

Notes: ATP (Authorized Training Provider)

BOMBARDIER

International network to serve customers around the globe and capture future growth

2

Build international service & support capabilities

Serving Customers Globally

- 4 customer response centers (Open 24/7)
- 5 regional support offices
- 9 Bombardier-owned and 48 authorized service facilities
- 2 spare parts distribution centers and 6 depots
- 5 training facilities
- 150+ Field service personnel



Developing innovative and comprehensive service solutions

3

Develop new innovative services

Customer Support

PartsExpress

Customer Response Centre

Iflybombardier.com

Component Services

Component Repair & Overhaul

Component Exchange/Rental

Used Parts

Maintenance Services

Mobile Repair Teams

Schiphol Service Centre

Macon Service Centre

Training Services

Simfinity™ Computer Based Training

CAE/Lufthansa Authorized Training Providers

Additional Simulators worldwide

Smart Services

Smart Parts™

SmartFix Plus

Smart Publications

We are making progress

- **Bombardier aircraft MRO market will recover over the next two years**
- **Customer service drives aircraft sales and Bombardier is making significant progress**
- **Bombardier is expanding its global presence in the aftermarket**
- **Bombardier is developing innovative and comprehensive service & support solutions to grow and improve service to its customers**

Against a challenging economic backdrop, we delivered good financial results in fiscal 2010

Paris 2009

Farnborough 2010

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Caution regarding non-GAAP earnings measures

This presentation is based on reported earnings in accordance with Canadian generally accepted accounting principles (GAAP). It is also based on EBITDA as well as on Free Cash Flow. These non-GAAP measures are directly derived from the Consolidated Financial Statements, but do not have a standardized meaning prescribed by GAAP; therefore, others using these terms may calculate them differently.

Trademark Information

Bombardier, Bombardier Global 5000, Challenger, Challenger 300, Challenger 605, Challenger 850, CRJ200, CRJ700, CRJ900, CRJ1000, CSeries, Global, Global Vision, Learjet 40, Learjet 45, Learjet 60, Learjet 85, NextGen, PartsExpress, Simfinity, SmartFix, Smart Parts, Q200, Q300, Q400, XR and XRS are registered and non-registered trademarks of Bombardier Inc. or its subsidiaries.

Turning Obstacles into Opportunity

Bombardier Aerospace

Farnborough Airshow Presentation



Aerospace Senior Management Team

Bombardier Aerospace

July 19, 2010

BOMBARDIER