



Fourth quarter and year-end results – Fiscal Year 2010 Presentation to investors, financial analysts and media

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April 1, 2010



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.

Agenda

- **Overview**
- Results
- Aerospace
- Transportation
- Conclusion

Overview – Good performance by both groups in F2010

- **Revenues at \$19.4 billion vs \$19.7 billion last year**
- **Net income of \$707 million (EPS of \$0.39) compared to a net income of \$1 billion last year (diluted EPS of \$0.56)**
- **Robust order intake at BT and picking up at BA**
- **Strong backlog at \$43.8 billion**
- **Solid cash position of \$3.4 billion**

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Financial results overview

(In millions of U.S. dollars)

	Q4 F2010	%	Q4 F2009	%	Full Year F2010	%	Full Year F2009	%
Revenues								
Aerospace	2,675		2,777		9,357		9,965	
Transportation	2,677		2,652		10,009		9,756	
Total Revenues	5,352		5,429		19,366		19,721	
EBITDA Aerospace	196	7.3	380	13.7	844	9.0	1,327	13.3
EBITDA Transportation	221	8.3	197	7.4	752	7.5	657	6.7
Total EBITDA	417	7.8	577	10.6	1,596	8.2	1,984	10.1
EBIT Aerospace	106	4.0	271	9.8	473	5.1	896	9.0
EBIT Transportation	182	6.8	167	6.3	625	6.2	533	5.5
Total EBIT	288	5.4	438	8.1	1,098	5.7	1,429	7.2

Financial results overview

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

	Q4 F2010	Q4 F2009	Full Year F2010	Full Year F2009
Revenues	5,352	5,429	19,366	19,721
EBIT	288	438	1,098	1,429
Financing expense, net	60	56	183	138
EBT	228	382	915	1,291
Income taxes	49	70	208	265
Net income	179	312	707	1,026
Diluted EPS (in dollars)	0.10	0.17	0.39	0.56

Free Cash Flow – Q4 F2010

(In millions of U.S. dollars)

	Aerospace	Transportation	Consolidated	Consolidated Q4 F2009
EBIT	106	182	288	438
Amortization	90	39	129	139
EBITDA	196	221	417	577
Net change in non-cash balances related to operations	243	192	435	(268)
Other non-cash items (net)	6	(2)	4	3
Interest and taxes*	-	-	(72)	(180)
Cash flows from operating activities	445	411	784	132
Net additions to PPE & intangible assets	(233)	(39)	(272)	(223)
Free Cash Flow	212	372	512	(91)

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* Income taxes and net financing expense are not allocated to segments

Free Cash Flow – Full Year F2010

(In millions of U.S. dollars)

	Aerospace	Transportation	Consolidated	Consolidated F2009
EBIT	473	625	1,098	1,429
Amortization	371	127	498	555
EBITDA	844	752	1,596	1,984
Net change in non-cash balances related to operations	(513)	(317)	(830)	(832)
Other non-cash items (net)	13	14	27	23
Interest and taxes*	-	-	(241)	(266)
Cash flows from operating activities	344	449	552	909
Net additions to PPE & intangible assets	(611)	(156)	(767)	(567)
Free Cash Flow	(267)	293	(215)	342

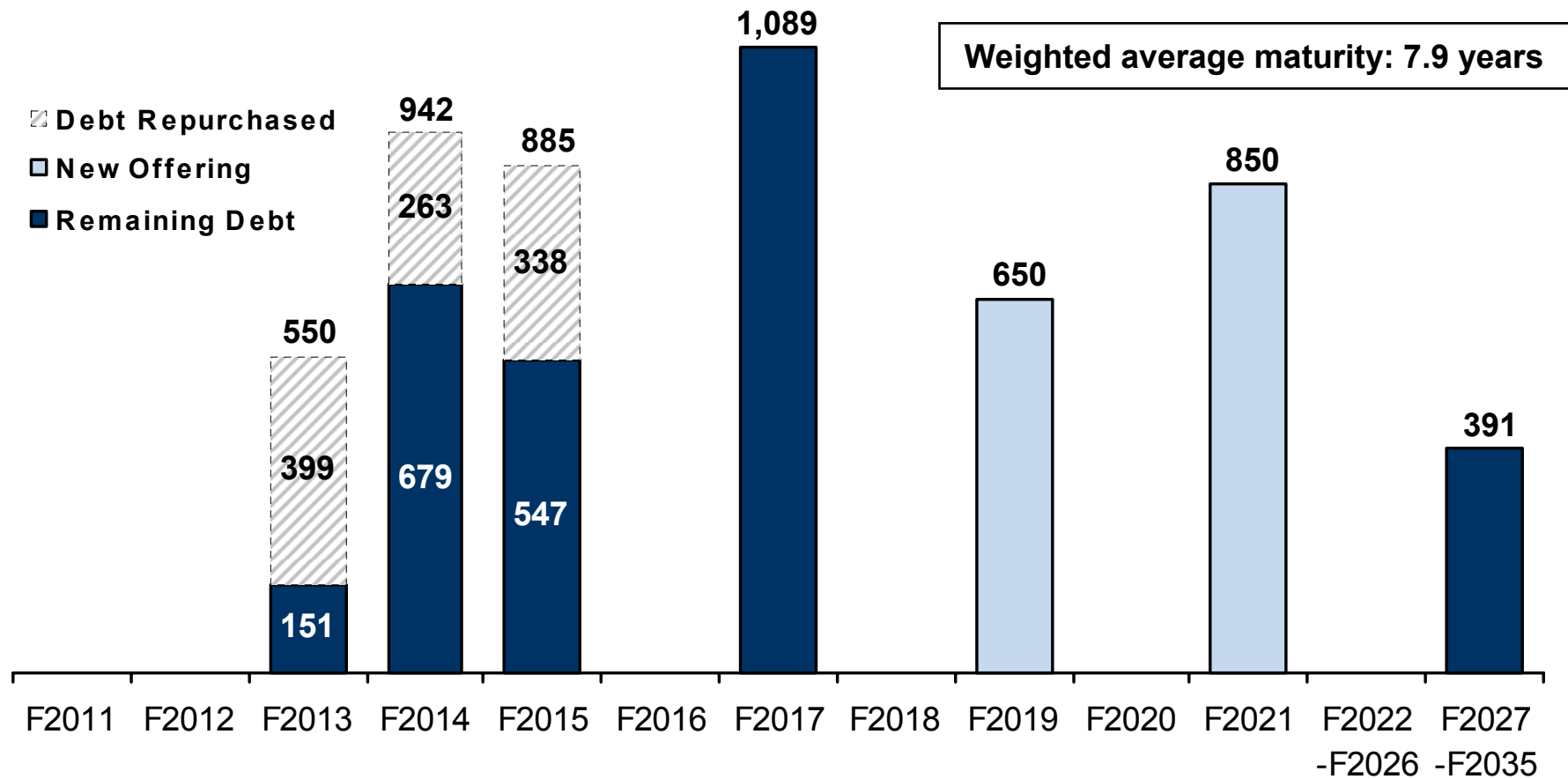
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* Income taxes and net financing expense are not allocated to segments

Pro Forma Capital Structure

Debt Maturity Profile

After Giving Effect to the Refinancing Plan*
(Notional amount - in millions of dollars)



* Assumes repurchase of \$399 M of the total outstanding 6.75% Notes due 2012, \$338 M of the total outstanding 6.30% Notes due 2014 and \$263 M of the Floating Rate Notes due 2013. Also assumes the issuance of \$650 M Notes due 2018 and \$850 M Notes due 2020.

IFRS

- **The change to IFRS will be effective on February 1, 2011**
 - First quarter of fiscal 2012 will be the first reporting period under IFRS
- **Major differences between the two accounting standards are highlighted in the MD&A**
- **The changes are more significant for Aerospace than Transportation**
 - Previous BA EBIT margin guidance provided under Canadian GAAP is no longer applicable - we expect to provide new BA EBIT margin guidance under IFRS in the F2011 annual report
 - However, given that the changes are less significant for Transportation, BT is in a position to provide an EBIT margin guidance

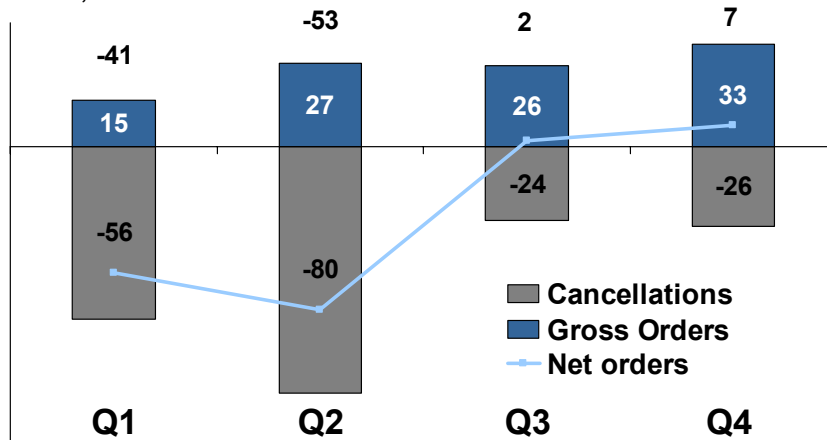
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Aerospace – Order intake was significantly impacted by the downturn

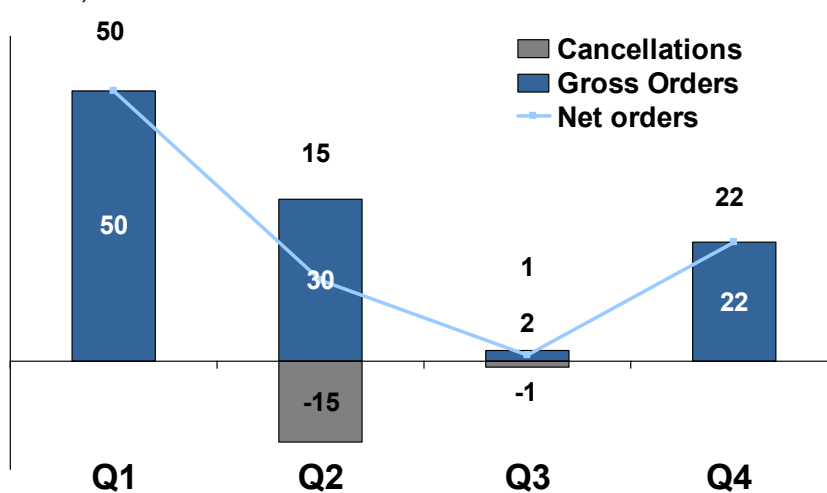
Business Aircraft Net Order Analysis

Units, Q1 F2010 - Q4 F2010



Commercial Aircraft Net Order Analysis

Units, Q1 F2010 - Q4 F2010

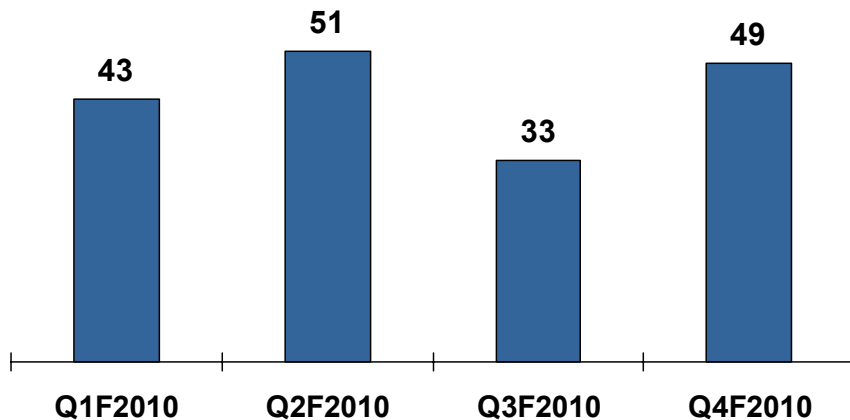


- Exceptional level of cancellations and low level of gross orders during the fiscal year
- Negative net orders of 85 for business aircraft in this fiscal year, however, net orders turned positive in the second half of the year
- Net orders of 88 commercial and 8 amphibious aircraft for the full year

Aerospace – We took action and delivered

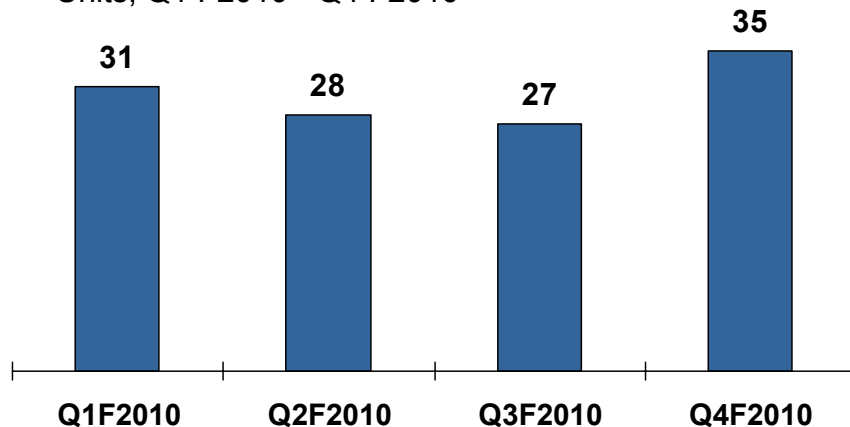
Business aircraft FY10 deliveries

Units, Q1 F2010 - Q4 F2010



Commercial aircraft FY10 deliveries

Units, Q1 F2010 - Q4 F2010



- Reduced production rates of business aircraft and regional jets
- Delivered 176 business aircraft, 25% less compared to last year – as per guidance
- Delivered 121 commercial aircraft, 10% more compared to last year – as per guidance
- Increased market share for both business and regional aircraft
- Long-term trends remain positive for both business and commercial aircraft

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 to 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

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

Agenda

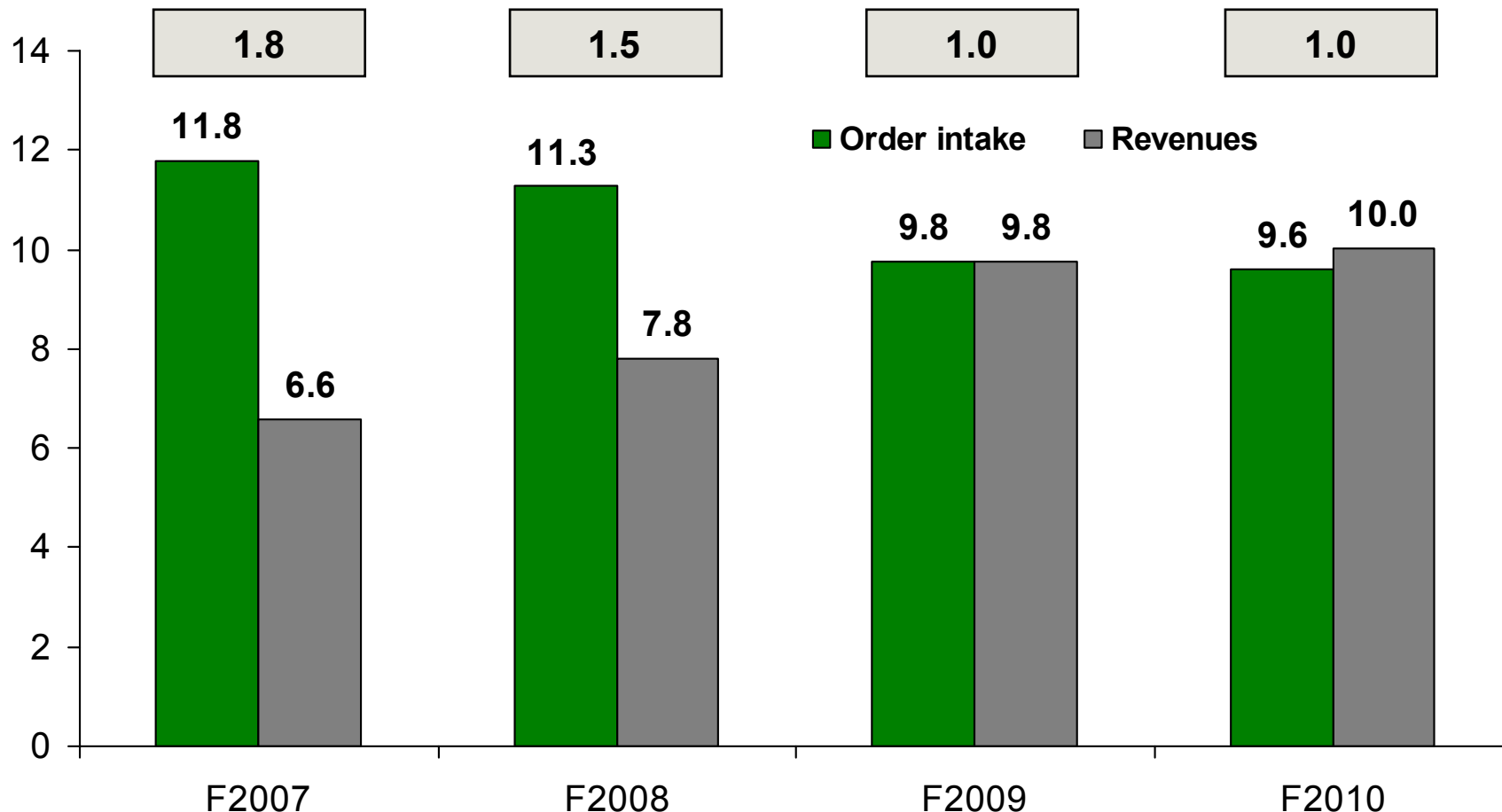
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Strong order intake at Transportation generated revenue growth over the last three years

Orders, revenues and book-to-bill

(Orders and revenues in billions of USD)

Book-to-bill

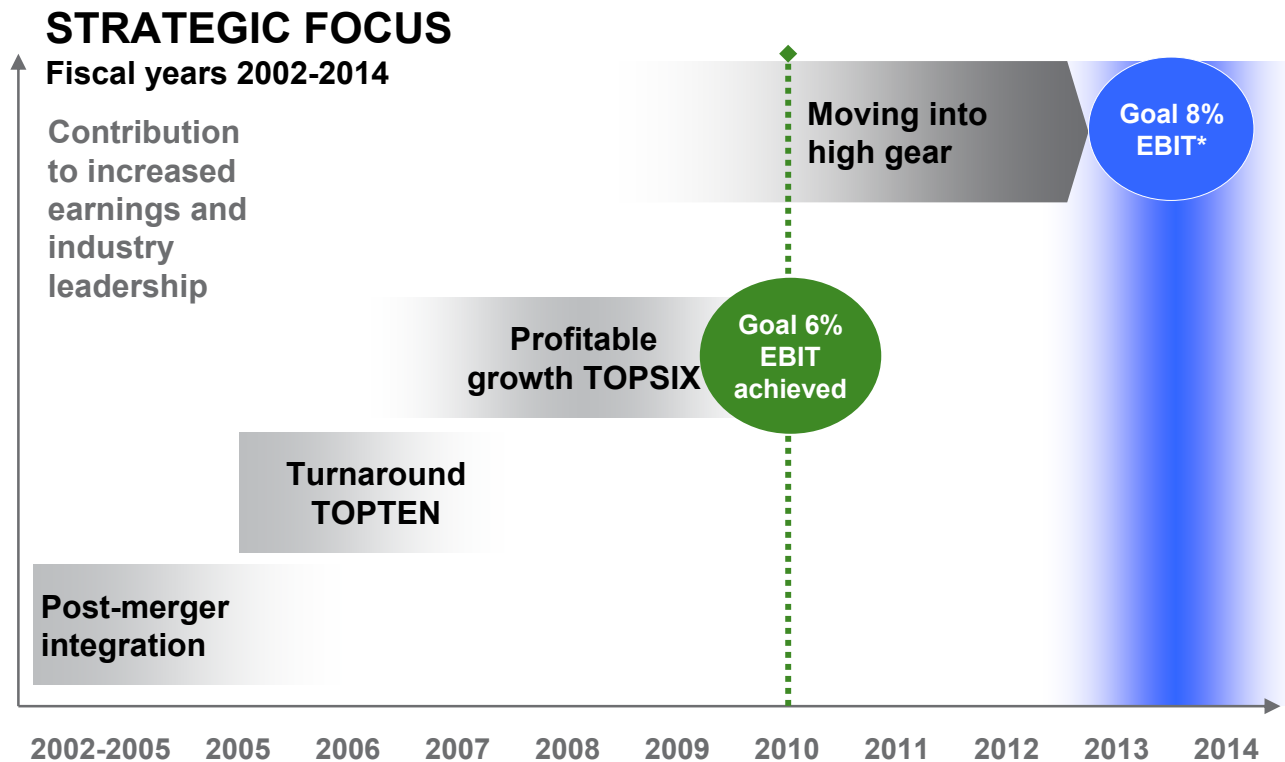


Excluding F/X, revenue CAGR of 14% for the past three years

Transportation – well-positioned in an attractive market

- Overall market continues to grow
- A large number of tenders are planned for the coming three years
- Long-term trends such as urbanization and environmental awareness favor rail
- **Bombardier Transportation is well-positioned:**
 - Leadership in most segments
 - Broad and innovative product portfolio
 - Geographically diversified business

Transportation Strategic Focus - Moving Into High Gear



We will reach our goal by:

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

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Conclusion – 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