

Bombardier Aerospace

Regional and Commercial Aircraft Overview



2008 JPMorgan Aviation and Transportation Conference

Presented by: Barry MacKinnon

Regional VP – Markets and Airline Analysis

Bombardier Regional Aircraft

March 18, 2008

New York



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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” or the negatives of these terms or 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 current information 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 F07 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 the financial condition of the airline industry, government policies and priorities and competition from other businesses), operational risks (such as regulatory risks and dependence on key personnel, risks associated with doing business with partners, risks involved with developing new products and services, warranty and casualty claim losses, legal risks from legal proceedings, risks relating to the Corporation’s dependence on certain key customers and key suppliers, risks resulting from fixed-term commitments, human resource risk, and environmental risk), financing risks (such as risks resulting from reliance on government support, risks relating to financing support provided on behalf of certain customers, risks relating to liquidity and access to capital markets, risks relating to the terms of certain restrictive debt covenants and market risks (including currency, interest rate and commodity pricing risk) – see the Risks and Uncertainties section in the F07 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.

All amounts are expressed in U.S. dollars unless otherwise stated.

Agenda

- 1 About Bombardier**
- 2 Airline Market Outlook**
- 3 Regional Aircraft Overview**
- 4 C Series Overview**
- 5 Conclusion**

Bombardier: Fields of Activity

Aerospace



FY07 revenues: \$8.2 billion
56% of total revenues
Backlog: \$13.2 billion*
Employees: 27,130*

Transportation



FY07 revenues: \$6.6 billion
44% of total revenues
Backlog: \$27.5 billion*
Employees: 29,100*

*As at January 31, 2007

Bombardier's fiscal year ends on Jan. 31

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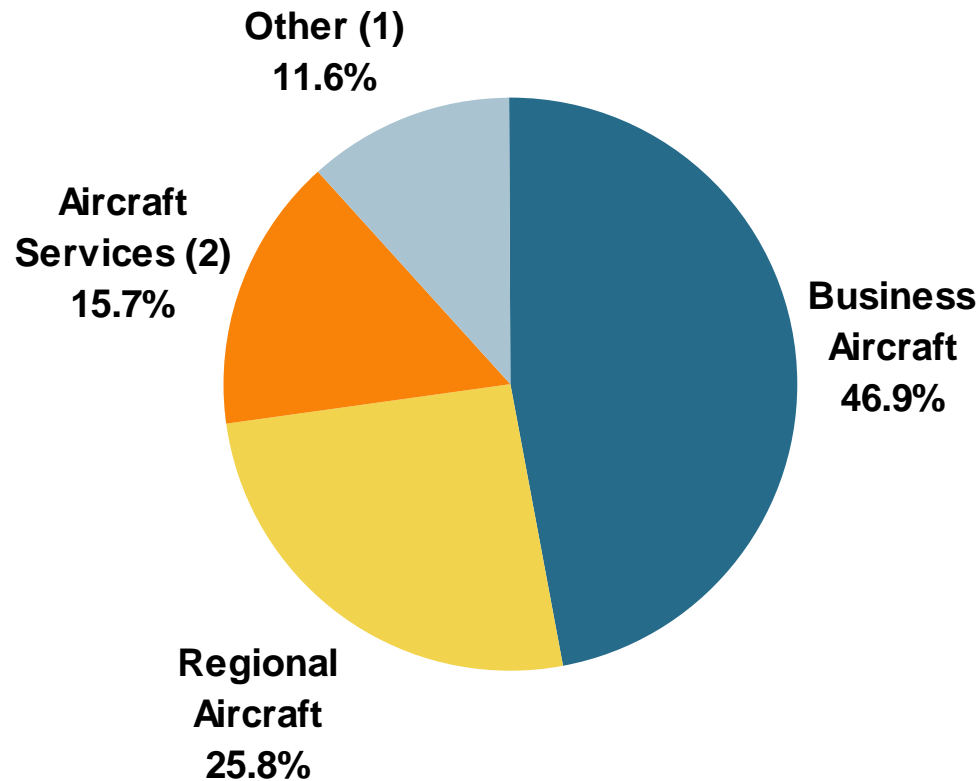
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Bombardier Aerospace

Balanced Portfolio of Products and Services

AEROSPACE REVENUE BREAKDOWN BY BUSINESS

(%) Aerospace revenue – FY07



Total Revenues FY07 = \$8.2B

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

(2) Services include Aircraft Services and Flexjet revenues

Source: Bombardier 2007 Annual Report

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Bombardier's Business Aircraft Portfolio Centred on Three Families

LEARJET FAMILY



Learjet 40 XR



Learjet 45 XR



Learjet 60 XR



Learjet 85

CHALLENGER FAMILY



Challenger 300



Challenger 605



Challenger 850/870/890

GLOBAL FAMILY



Bombardier Global 5000



Global Express XRS

Learjet, Learjet 40 XR, Learjet 45 XR, Learjet 60 XR, Challenger, Challenger 300, Challenger 605, Challenger 850, Global, Bombardier Global 5000, and Global Express XRS are trademarks of Bombardier Inc. or its subsidiaries.

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Bombardier Business Aircraft

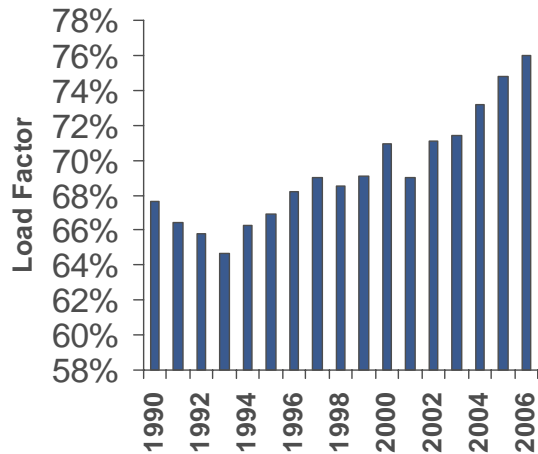
- **Overall market continues to be strong**
 - **452 new orders obtained during FY08 vs 274 in F07 – 70% from international (non-U.S.) markets**
 - **232 deliveries in FY08 vs. 212 in FY07**
- **Strong backlog; book-to-bill ratio of 1.95**
- **Well-positioned with a product line covering 97% of the market**
- **Market share leader (based on revenue) since 2004**

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- 2 **Airline Market Outlook**
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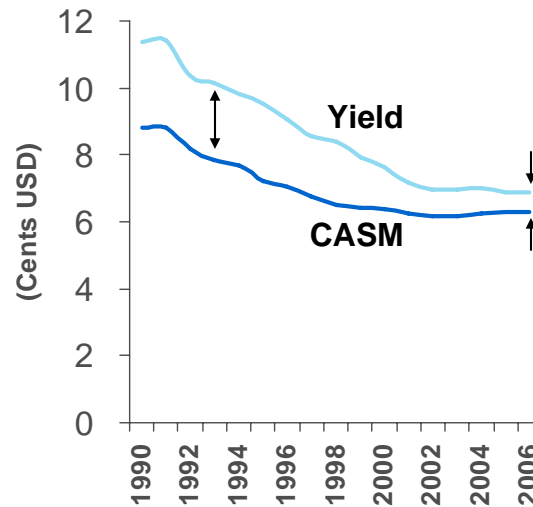
Regional Airlines Grew in 2007 by Adding Larger Capacity Aircraft

Worldwide Airline Load Factors



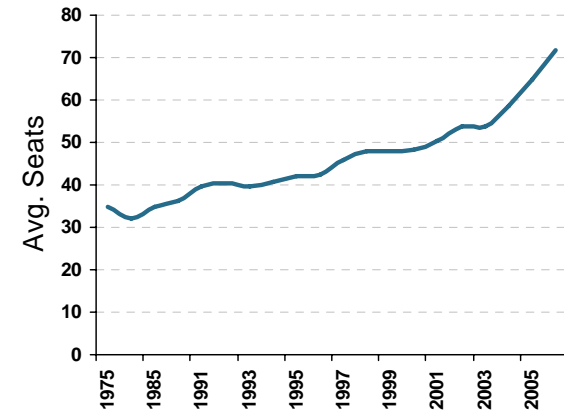
High load factors continued in 2007

Yield/Unit Cost



Airline industry margins have been squeezed

Average Delivered Seat Size (20-99 seats)



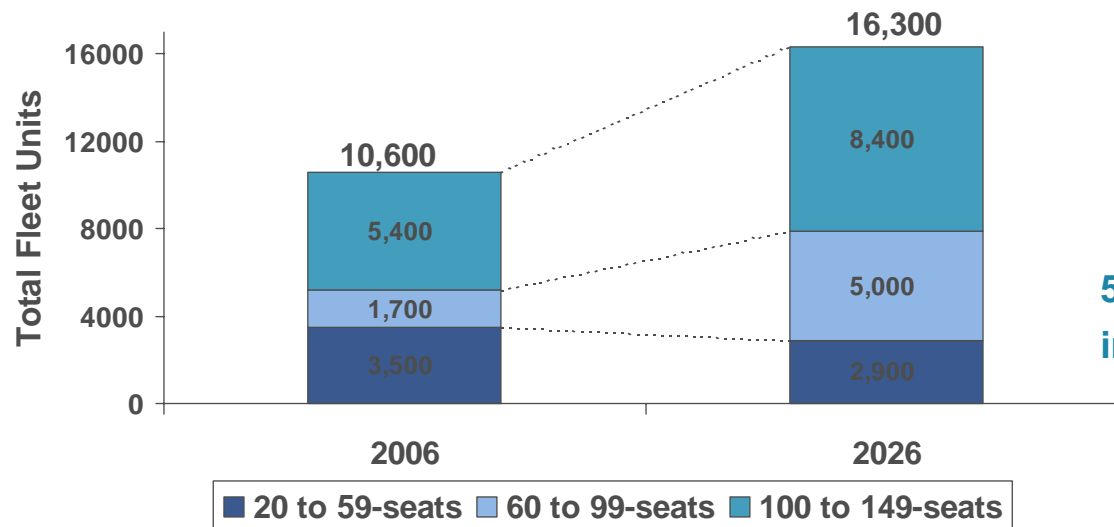
High fuel prices and low yields are driving capacity

Sources: Airline Monitor Jan/Feb 2007, Air Transport Association of America, BACK Aviation, OAG

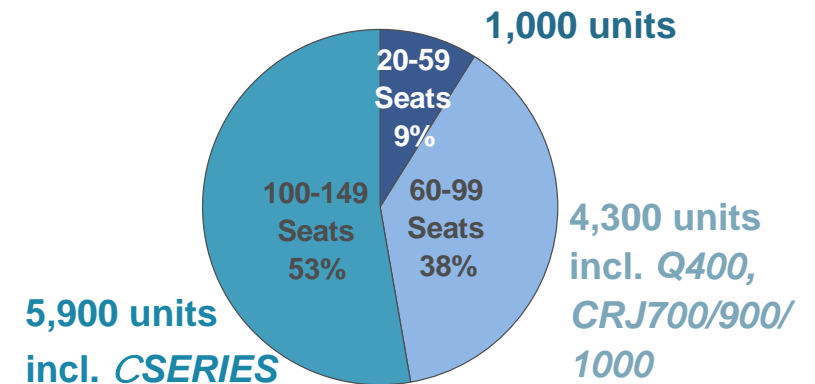
Bombardier's Commercial Aircraft Forecast Shows the Continued Trend to Larger Aircraft

Bombardier Worldwide Aircraft Delivery Forecast 2007-2026 11,200 unit Deliveries (20-149 seats)

20 Year Worldwide Fleet Forecast



20-149 Seat Deliveries by Type (Total 11,200 Units)



Source: Bombardier Commercial Aircraft Forecast - 2007

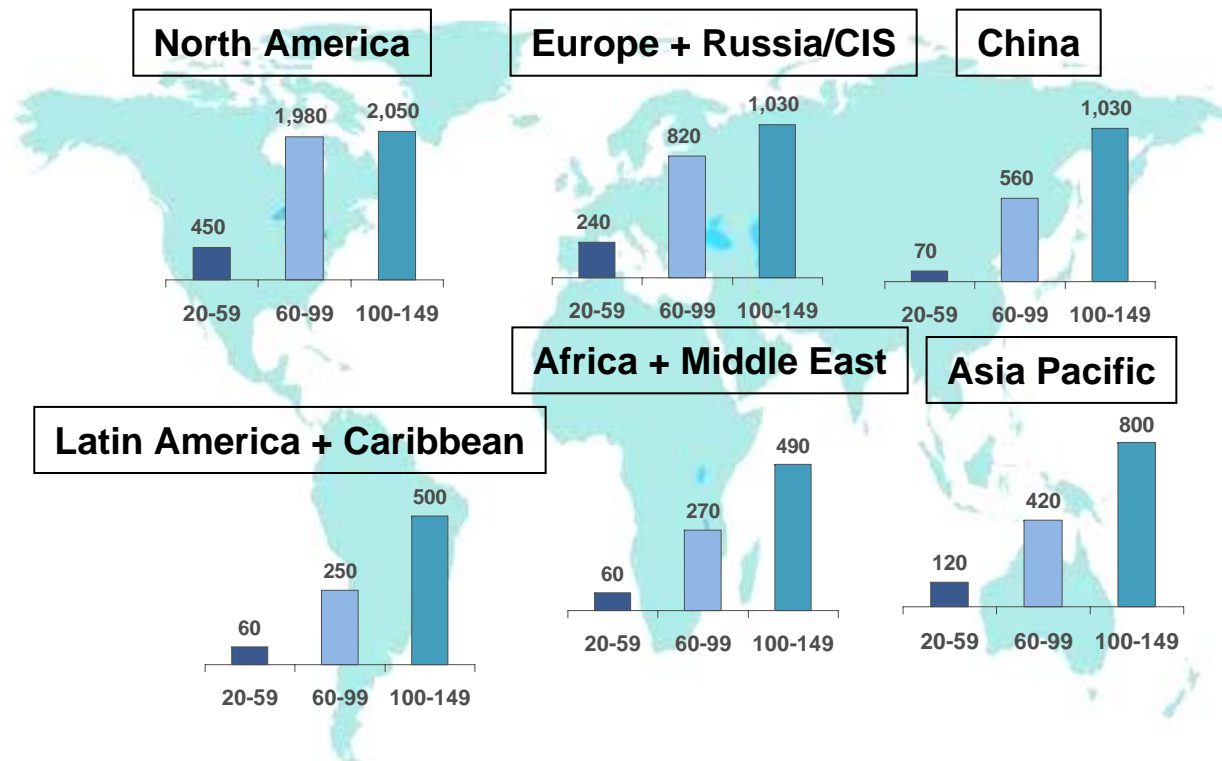
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20-149 Seat Aircraft Deliveries Forecast to Have Greater Geographic Diversity

Worldwide Distribution of 20 Year Aircraft Deliveries (20-149 Seat Aircraft)

Total Forecast Deliveries: 11,200



Source: Bombardier Commercial Aircraft Market Forecast – 2007

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Bombardier Regional Aircraft

The Strongest Regional Jet and Turboprop Brands



Q100/200



Q300



Q400



CRJ200



CRJ700



CRJ900/705



CRJ1000

CRJ, CRJ200, CRJ700, CRJ705, CRJ900, CRJ1000, Q100/200, Q300 and Q400 are trademarks of Bombardier Inc. or its subsidiaries.

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Bombardier: The Market Leader in Regional Aircraft



CRJ Series

1,626 Firm Orders

1,471 Delivered

155 Backlog

62 Customers



Q Series

951 Firm Orders

844 Delivered

107 Backlog

111 Customers

CRJ Series and Q Series are trademarks of Bombardier Inc. or its subsidiaries.

Program Status as of January 31, 2008. Includes Corporate variants.

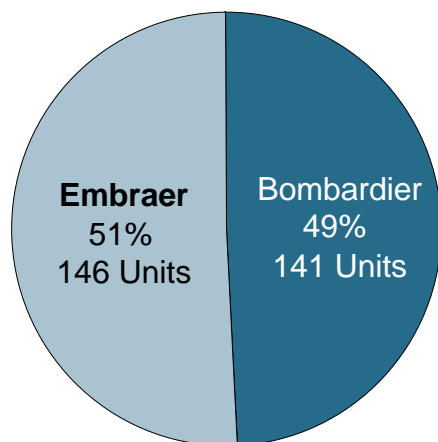
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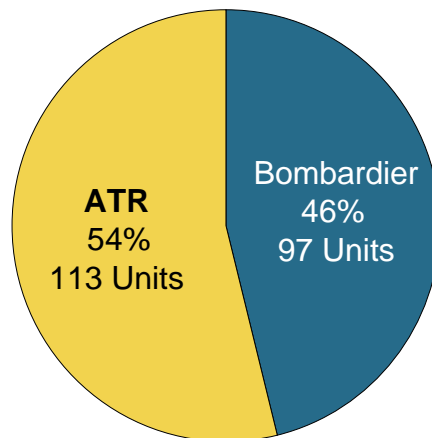
Strong Order Market Share Performance in CY2007

Net Orders – as of December 31, 2007

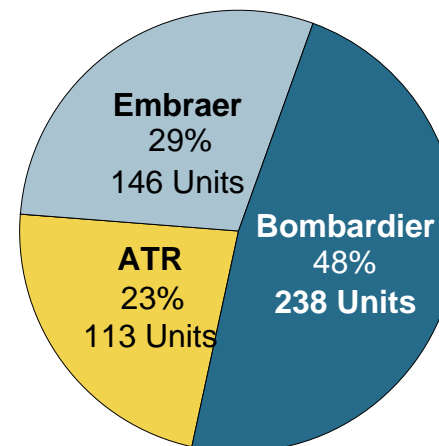
**Regional Jet Market Share
CY2007**



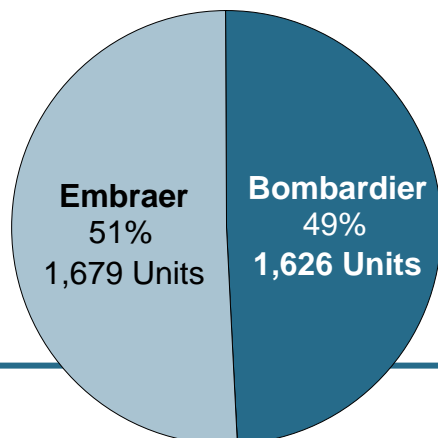
**Turboprop Market Share
CY2007**



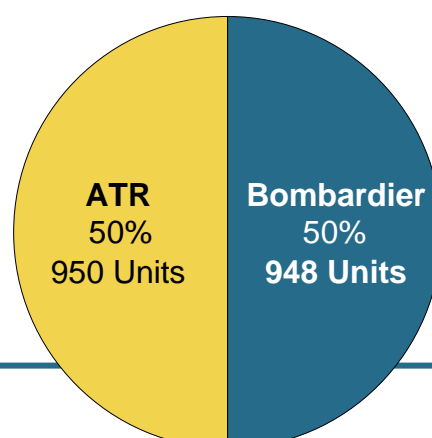
**Regional Market Share
CY2007**



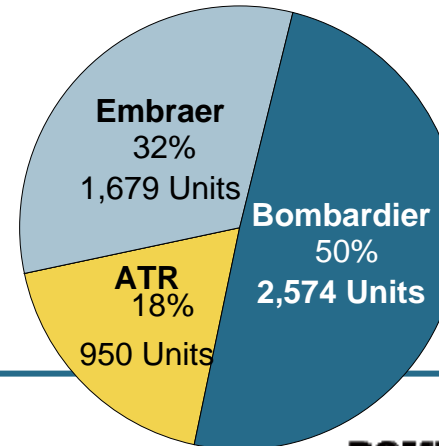
**Regional Jet Market Share
TOTAL**



**Turboprop Market Share
TOTAL**



**Regional Market Share
TOTAL**

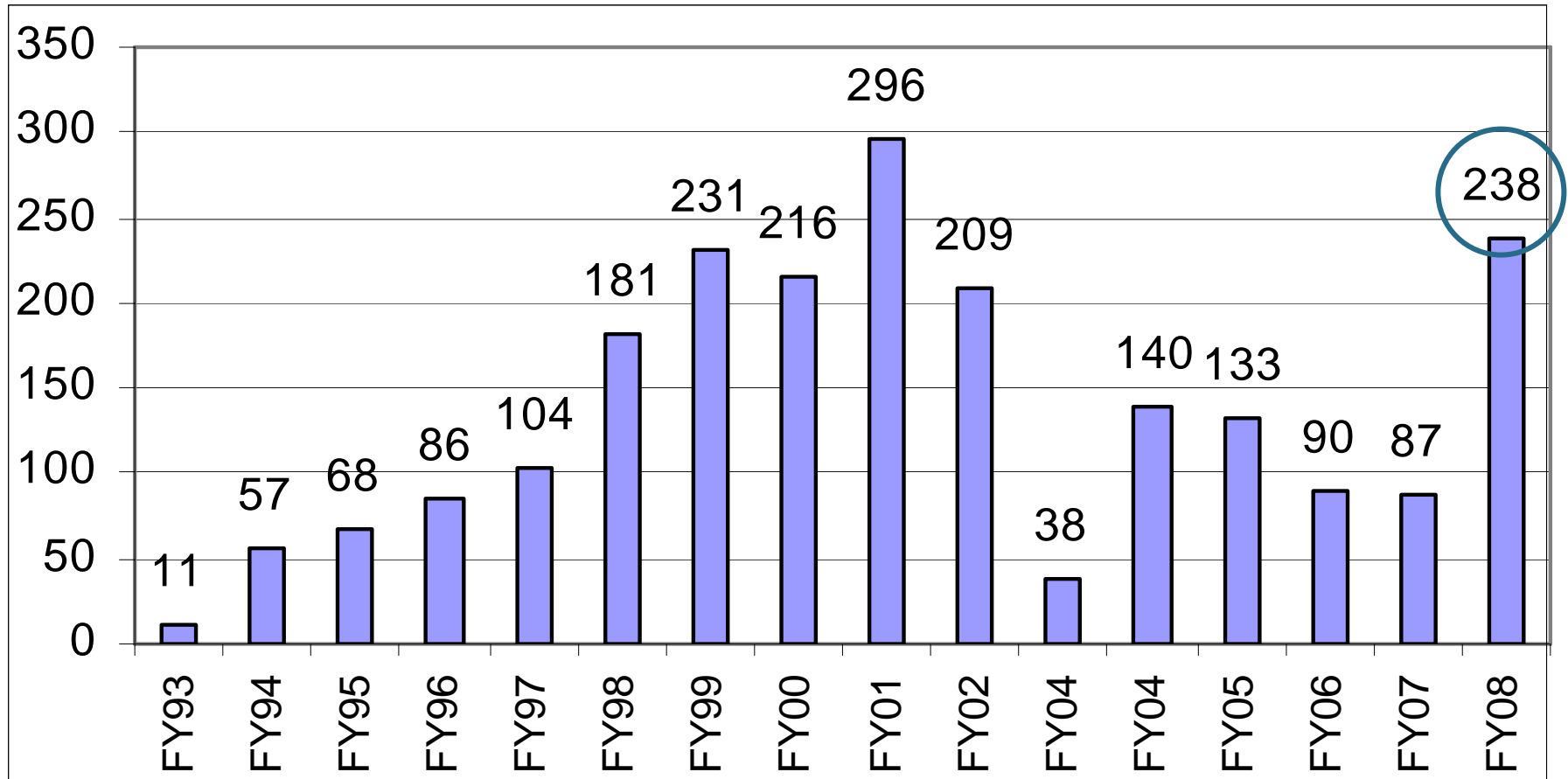


Sources: Company reports. Calendar Year end does not correspond to Bombardier's fiscal year end

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Strong Order Intake by Bombardier Regional Aircraft During FY2007/08



**238 Firm Orders in FY2007/08 Valued at \$7.5 Billion
(Based on List Prices)**

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Our Customer Base Expanded Considerably in FY2007/08

10 New Bombardier Customers

- **Alma** 2 CRJ900 (Mexico)
- **Pluna** 7 CRJ900 (Uruguay)
- **Undisclosed** 1 Q400
- **Icelandic Coast Guard** 1 Q300 (Iceland)
- **Croatia Airlines** 4 Q400 (Croatia)
- **Undisclosed** 10 Q400 (Europe)
- **Sevenair** 1 CRJ900 (Tunisia)
- **Libyan Airlines** 3 CRJ900 (Libya)
- **Tatarstan Airlines** 6 CRJ900 (Russia)
- **Air Philippines** 3 Q300 (Philippines)

11 Existing Customers New to Type

- **Delta** 44 CRJ900 (USA)
including (assigned to)
 - **Comair** 14 CRJ900
 - **Pinnacle** 16 CRJ900
 - **Mesa** 14 CRJ900
- **Pinnacle (Colgan Air)** 15 Q400 (USA)
- **Brit Air** 8 CRJ1000 (France)
- **MyAir** 15 CRJ1000 (Italy)
- **Adria** 1 CRJ1000 (Slovenia)
- **Arik Air** 4 Q400 (Nigeria)
- **Tassili** 4 Q200 (Algeria)
- **Undisclosed** 2 Q400
- **Undisclosed** 1 Q400
- **Undisclosed** 15 CRJ1000

CRJ Series - The Most Successful Regional Jet Family

- ✓ *Fastest*
- ✓ *Quietest*
- ✓ *Lowest-Cost*

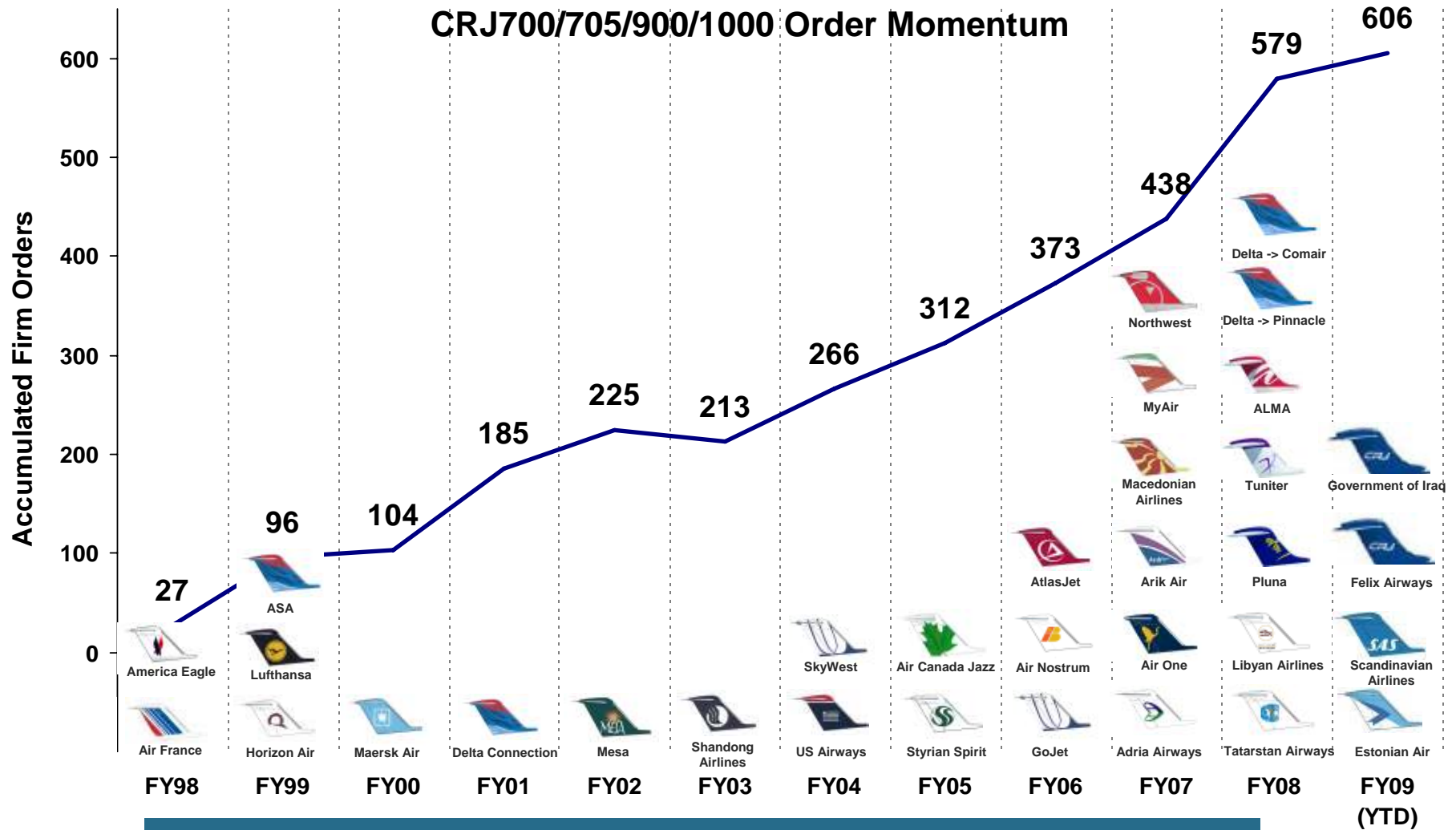


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CRJ700/705/900/1000 Continue to Build Momentum

(as of March 14, 2008)



141 Firm Orders and 7 New Operators in FY2007/08
27 Firm Orders and 4 New Operators So Far in F09!

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CRJ NextGen Launched in 2007

Making the Leading RJ Family Even Better



✓ **Improved Economics**

4% Lower Fuel Burn

9% Lower Airframe DMCs

Weight Reduction Programs

8-15% Better Trip Costs than Closest Competitor

✓ **More Environmentally Friendly**

Reduced CO₂

Lower Exterior Noise

Improved Fuel Efficiency

✓ **Enhanced Passenger Experience**

New Interior,

Larger Bins,

Larger Windows

LED Lighting

The CRJ NextGen Interior - Bigger. Brighter. Better.

“Cool” LED Lighting

Larger Overhead Bins
Up to 27% more roller bag stowage
40% increase in bin weight capacity

Larger Windows
24% increase in viewing area

More Passenger Amenities
(optional seatback AVOD IFE)

Concept seats shown

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199 CRJ NextGen Aircraft Ordered Since Launch (as of March 14, 2008)

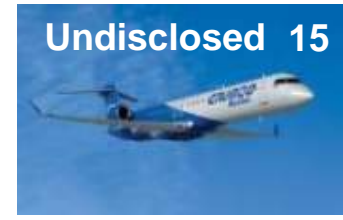
CRJ700 NextGen



CRJ900 NextGen



CRJ1000 NextGen



NextGen	Orders
CRJ700	40
CRJ900	120
CRJ1000	39
Total	199

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CRJ1000 NextGen - A Strong Launch Customer Base with 62 Orders and Options

MyAir

15 firm orders



Air France by Brit Air

8 firm orders + 8 options



Undisclosed

15 firm orders + 15 conditional orders



Adria Airways

1 firm order

39 firm orders + 23 conditional orders and options

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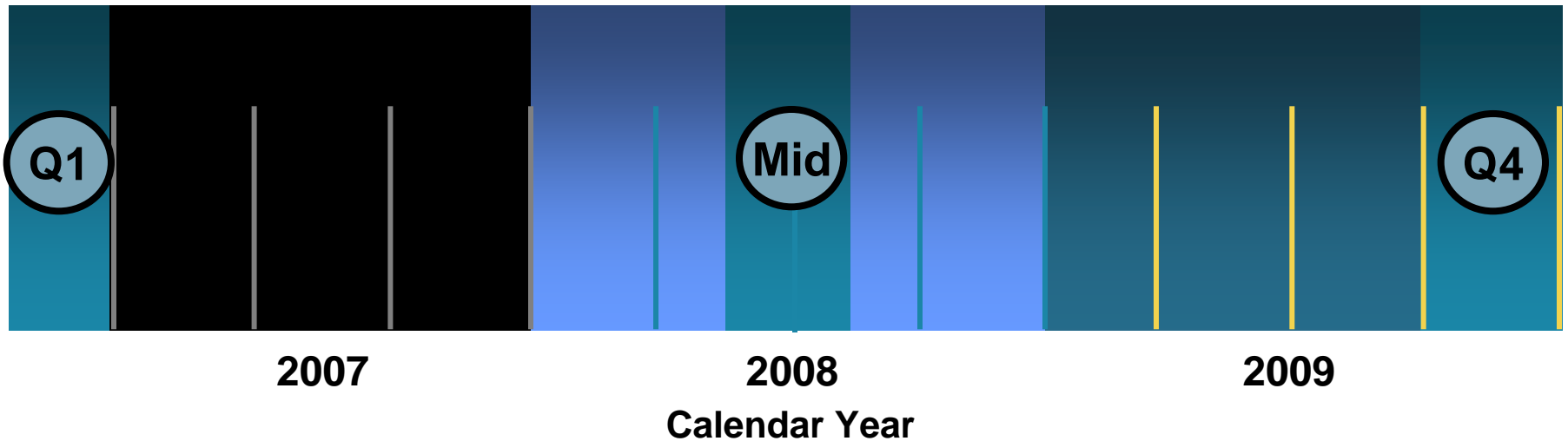
CRJ1000 NextGen Entry Into Service: 4th Quarter CY2009



Launch

1st Flight

Entry into Service



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Q400 is Leading the Resurgence in Large Turboprops

- Fastest
- Quietest
- Lowest-Cost

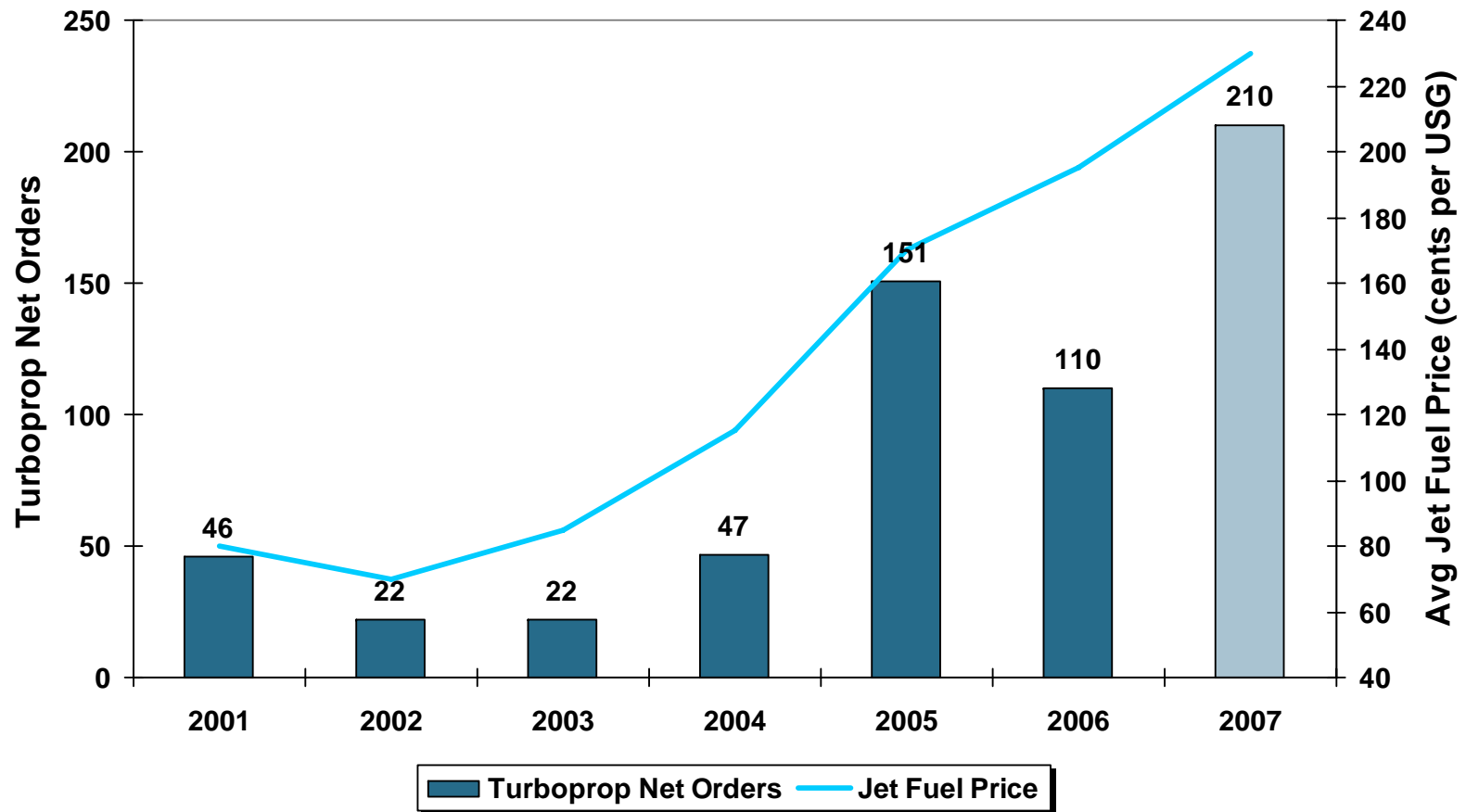


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In the Turboprop Market: Price of Fuel Continues to Influence Turboprop Order Activity

Turboprop Net Orders and Fuel Price



Source: Back Aviation (Airbus, ATR, Boeing, Bombardier, Embraer), ATA. 2007 Orders as of December 31, 2007 are based on Manufacturer press releases.

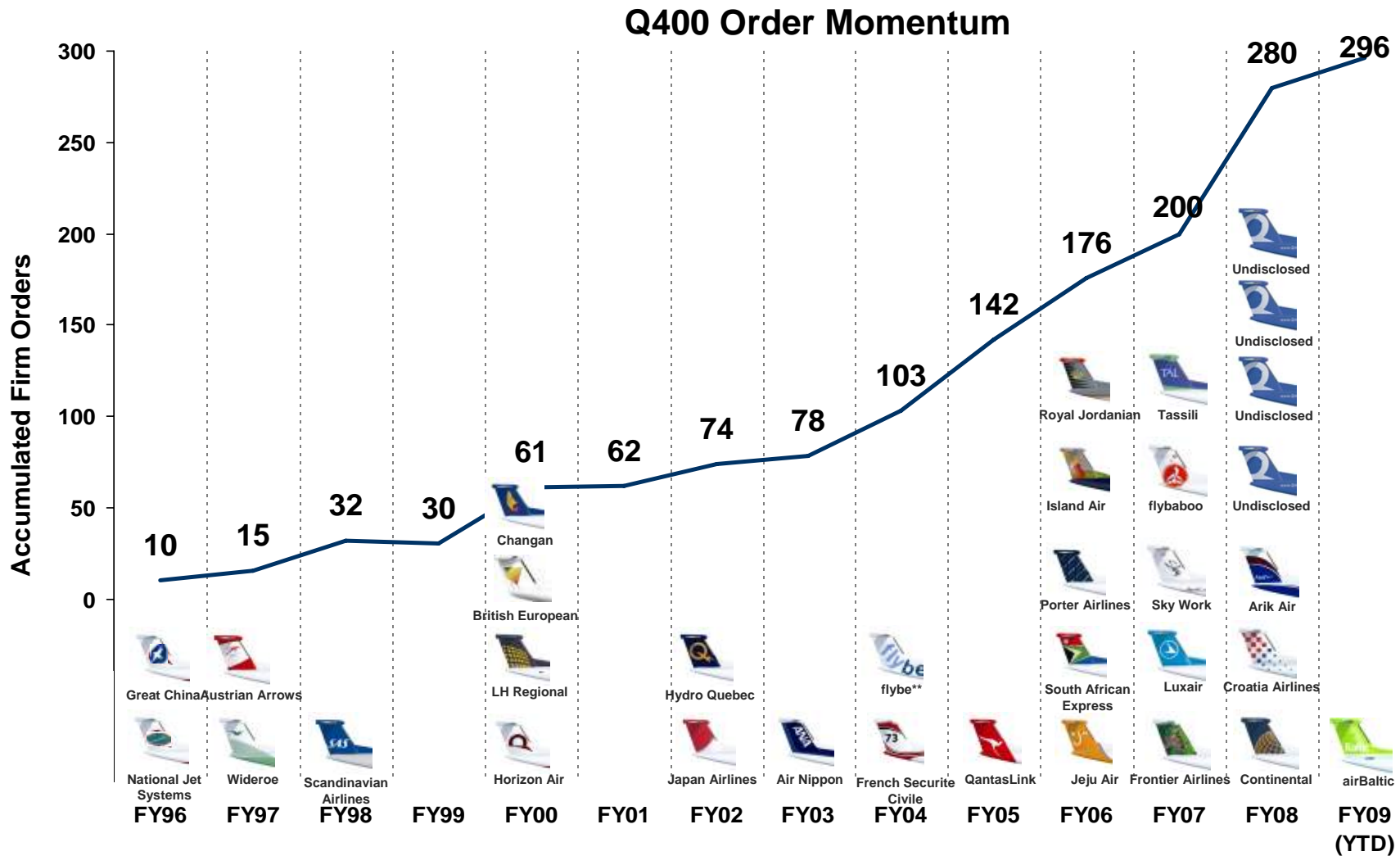
(<http://www.airlines.org/economics/energy/Annual+Crude+Oil+and+Jet+Fuel+Prices.htm>), Jet Fuel price to Sept. 2007

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Q400 Continues to Build Momentum

(as of March 14, 2008)



80 Firm Orders and 7 New Operators in FY2007/08

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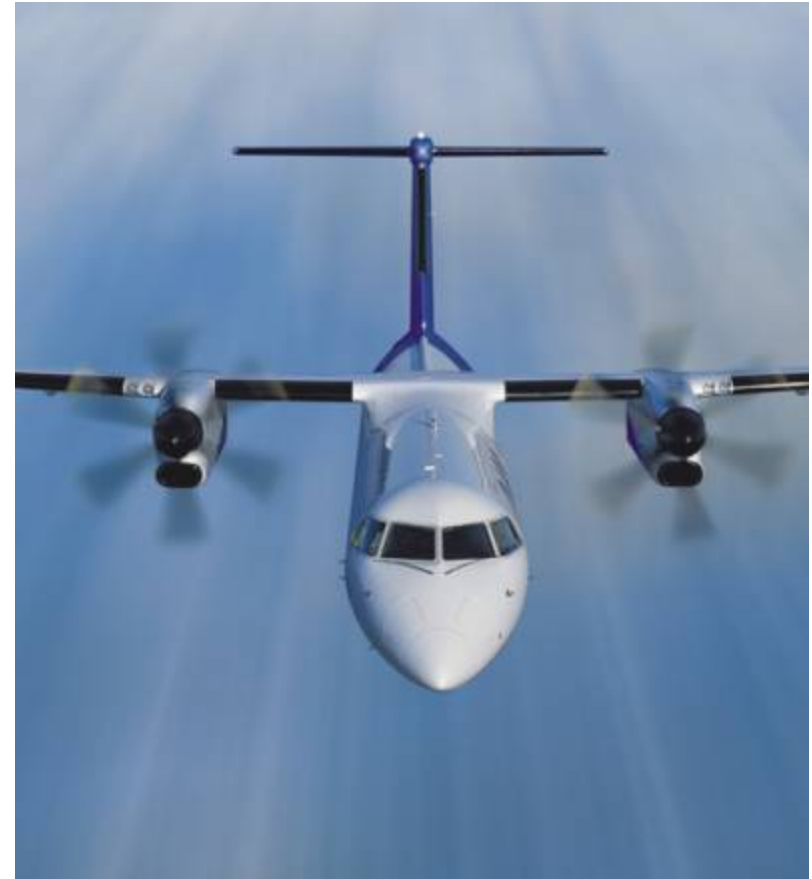
The Q400: Unlike Any Other Regional Aircraft

Q400 Jet Features

- High Speed Climb and Cruise Performance
- High Technology Product and Features
- Quiet and Comfortable Cabin

Q400 Turboprop Features

- Performance to Access More Airfields
- Fuel Efficient, Environmentally Friendly
- Best Economics of any Regional Aircraft
 - 30% lower fuel burn than 70-seat RJ



Q400 NextGen Launched





Q400 *NextGen*

- ▶ *New Interior Appeal*
- ▶ *Improved Maintenance Program*
- ▶ *Fuel Savings*

Q400 NextGen Enhanced Interior



Concept rendering

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Q Series Future Vision

The 90-seat Q400X

Q400X

- *90 passengers @ 31" pitch*
- *Maximum Commonality with Q400*



- PRODUCT DEVELOPMENT STUDY -

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Bombardier Customer Services

3 Priorities. One Mission.



Assure you benefit from aircraft you can count on to deliver optimal performance, time after time.



Improve response times, increase parts availability and provide leading worldwide maintenance service.



Listen to you more and assure frequent communication, so that if any issues arise they can be resolved quickly and efficiently.

Delivering an Amazing Customer Experience

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- 4 **C Series Overview**
- 5 Conclusion

C SERIES • A Game Changer In Its Class



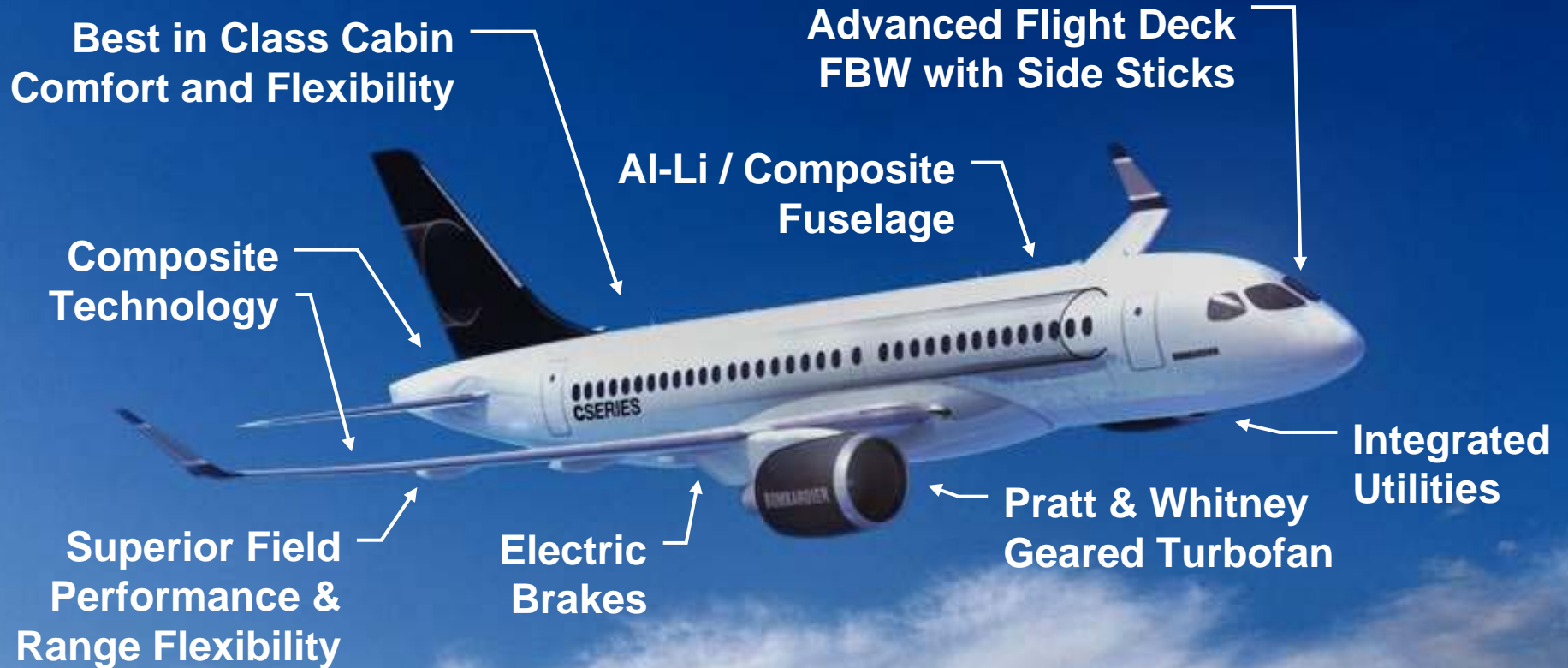
- Family of Aircraft with Full Commonality**
- Environmentally Focused – 20 EPNdB Margin to Stage IV**
- Total Life Cycle Cost Improvement**
- Up to 15% Better Cash Operating Costs and 20% Fuel Burn Advantage**
- Widebody Comfort In A Single Aisle Aircraft**
- Mature 99% Reliability at Entry Into Service**
- Operational Flexibility – Short Field and Longer Range Performance**

- PRODUCT DEVELOPMENT STUDY -

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C SERIES • Technologies and Design Evolutions Focused on Delivering Operational Benefits

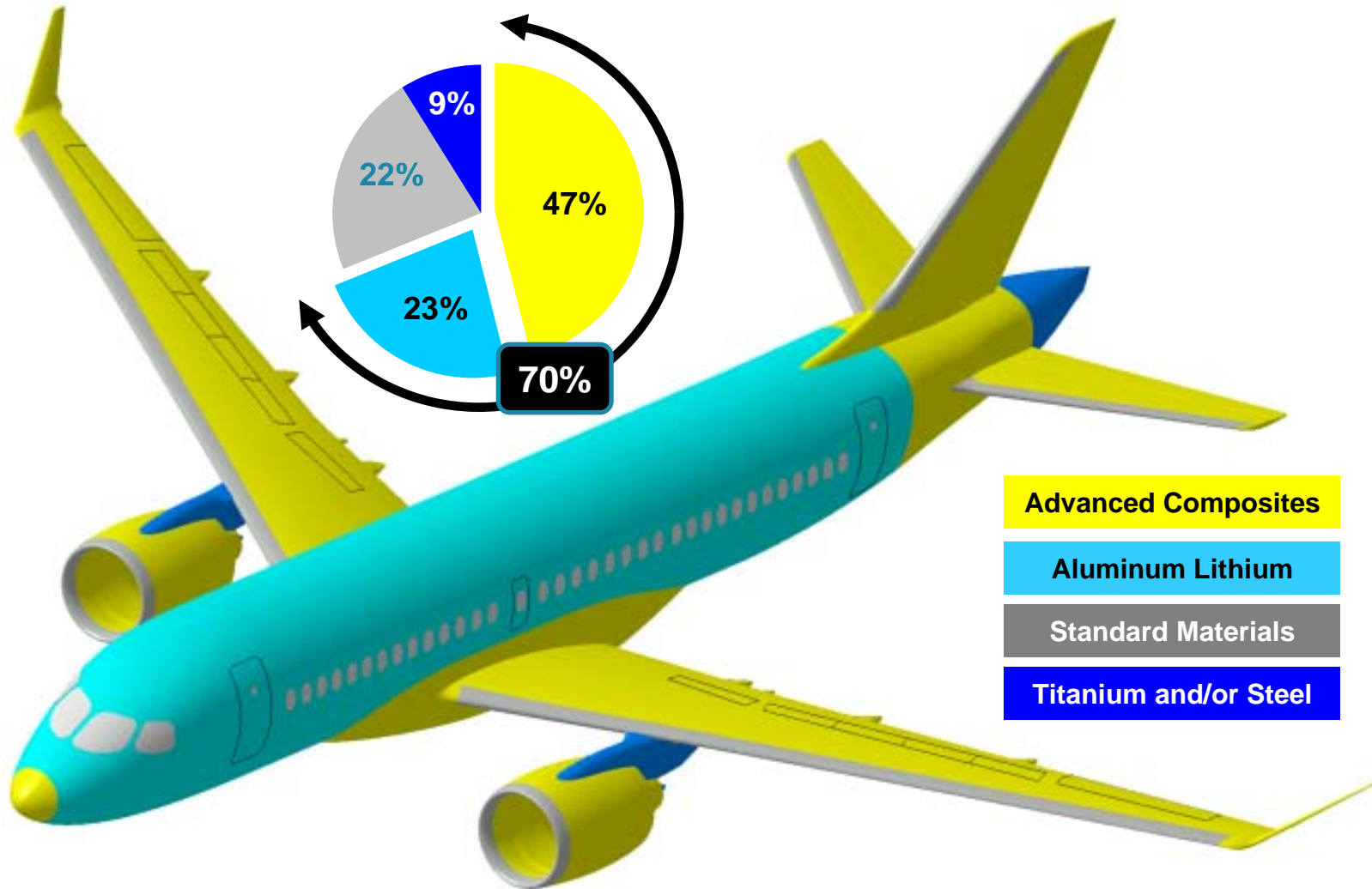


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70% Advanced Structural Materials Not In Airline Service Today



- PRODUCT DEVELOPMENT STUDY -

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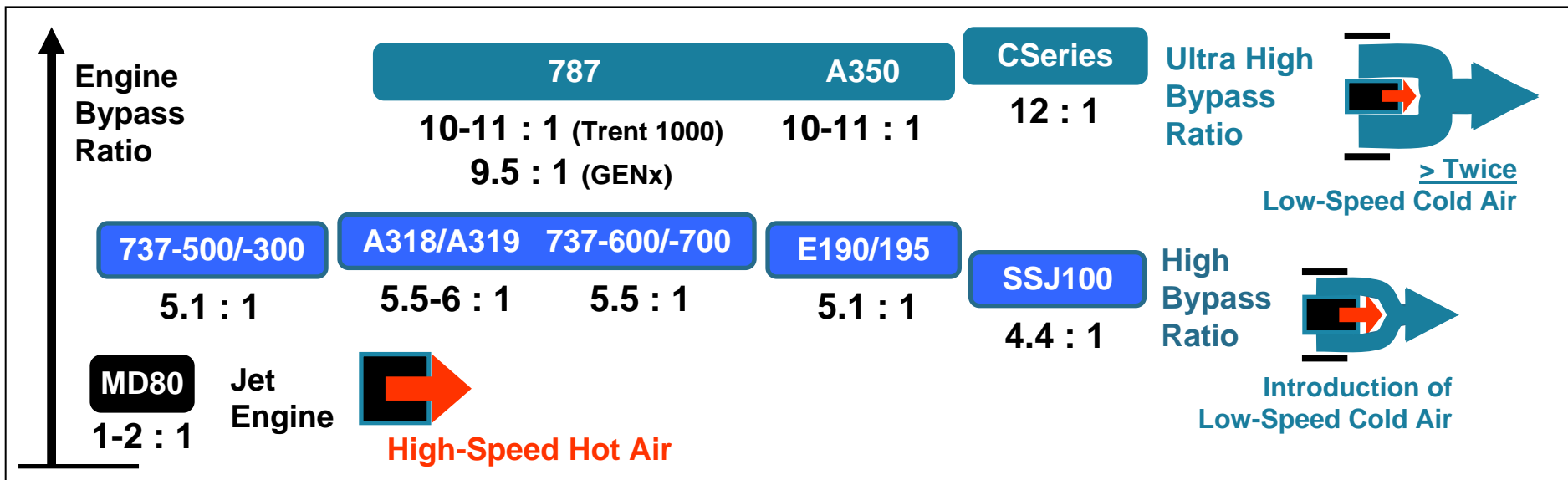
C SERIES and the Pratt & Whitney Geared Turbofan ... Leading the Way In Fuel Burn Reduction

Ultra High Bypass Ratio Coupled with Newest & Proven Technology Yielding:

- Up to 20% Fuel Burn Advantage*
- Lower Noise: Stage IV -20 EPNdB
- Lower Emissions



Pratt & Whitney Geared Turbofan™



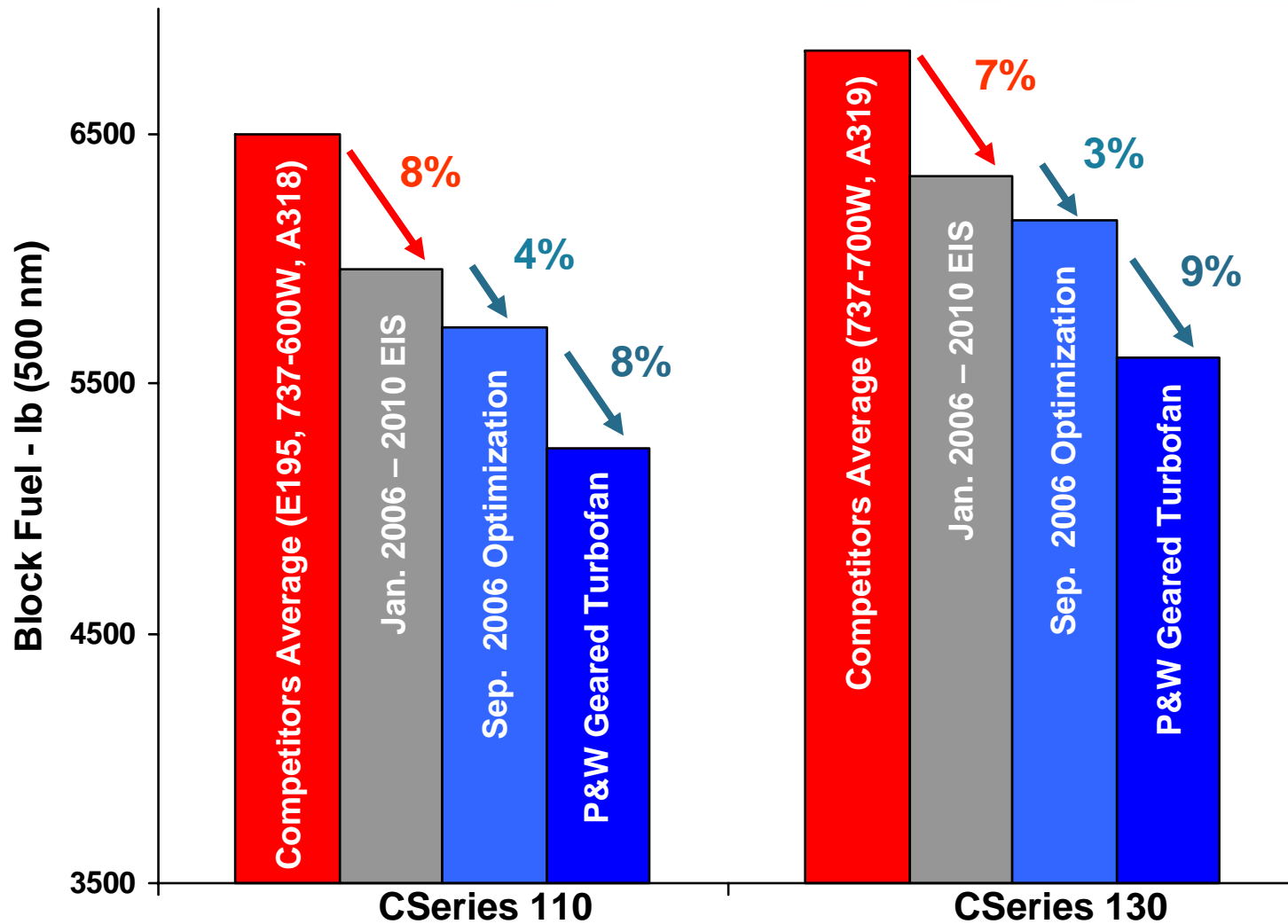
* vs. Current In-Production Aircraft

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Technology and Design Optimization Have Progressively Reduced Fuel Burn to Meet Market Requirements

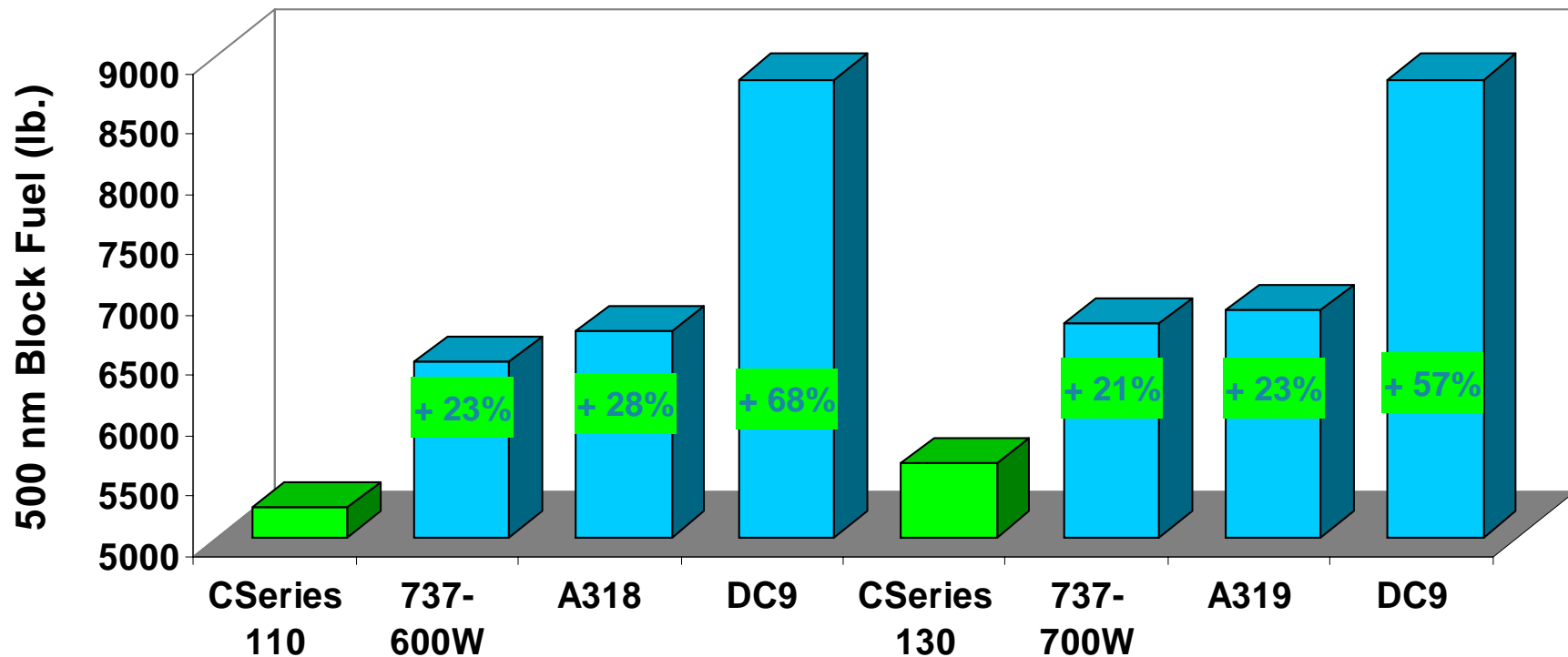


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C SERIES and Pratt & Whitney Geared Turbofan Solution Offers Up To 68% Fuel Burn Advantage



Better Fuel Economy over New Generation and Significant Fuel Burn Advantage over Replacement Potential Aircraft

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CSERIES Offers Airlines The Ability to Connect Secondary City Pairs Directly

CSeries 110 - 110 Pax
 CSeries 130 - 130 Pax
 2,700 nm (5,000 km)



Performance Assumptions:

- 102 kg per Pax, 100 nm Alternate, 45 min Hold @ 15,000 ft, 5% Flight Fuel Reserve, 14 min. Taxi, 85% Annual Winds

Assumptions: 2% Margin on OWE (for customization); - PRODUCT DEVELOPMENT STUDY -

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Widebody Feel in a Single-aisle Aircraft



The Greenest Single-Aisle **Aircraft in the Sky**

The future of the industry lies in the challenge of being profitably green. Designed with vision and conviction, the environmental benefits of the C Series combine the best business practices with the best corporate citizenship.

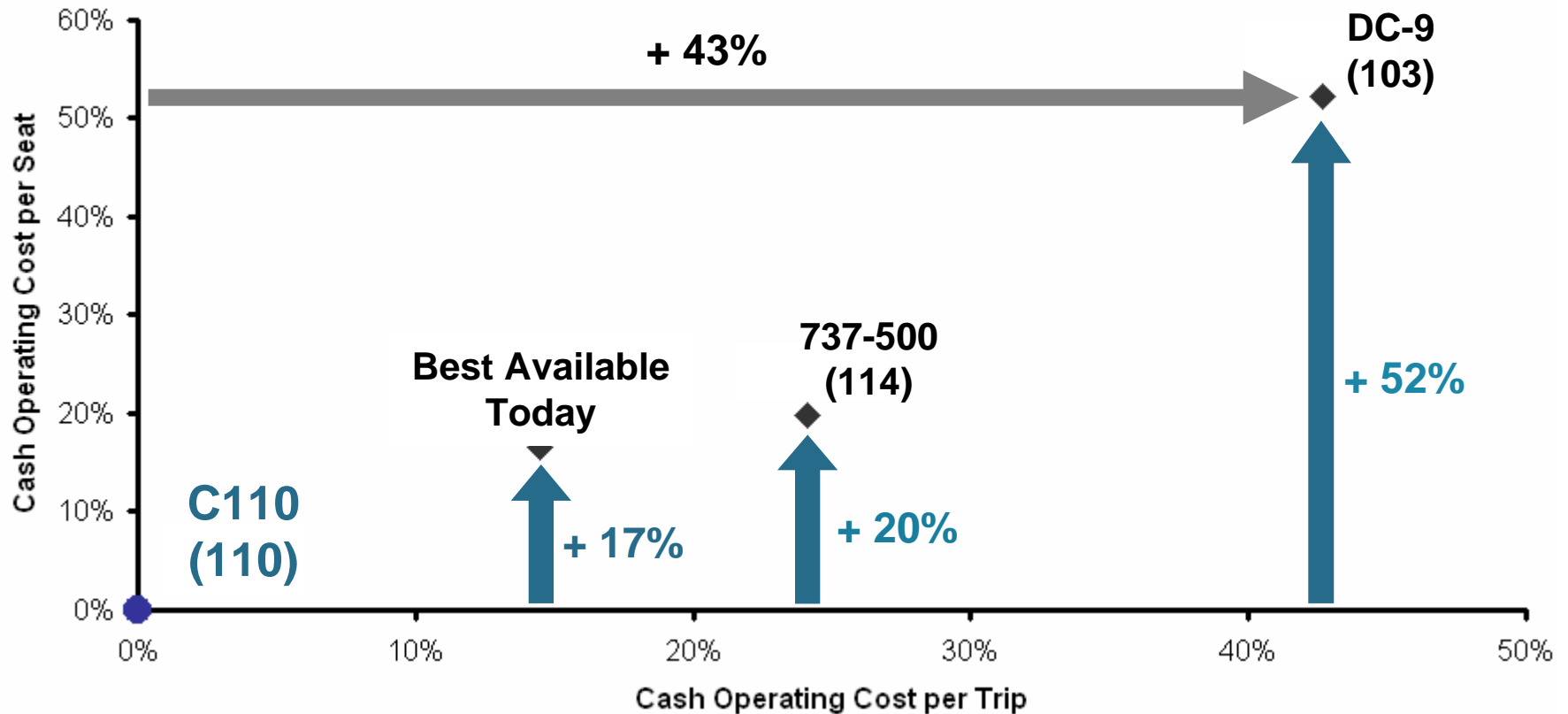
C Series Emissions:

- Up to 23% Lower CO₂
- Up to 62% Lower NO_x
- Up to 5 times Quieter

C SERIES Cash Operating Costs Advantage*

% Relative to C110

COC Comparison – 750 nm Mission North American Environment



Assumptions: Fuel: \$2.30USD/USG, Landing Fees: \$2.94 per 1000 lb MLW, Flight Crew 100 Seater: \$355.39, Flight Crew 130 Seater: \$424.95, Cabin Crew: \$39.41, MTOW for 1,500nm, 1 F/A per 50 Pax, Single-Class @ 32" Pitch * up to

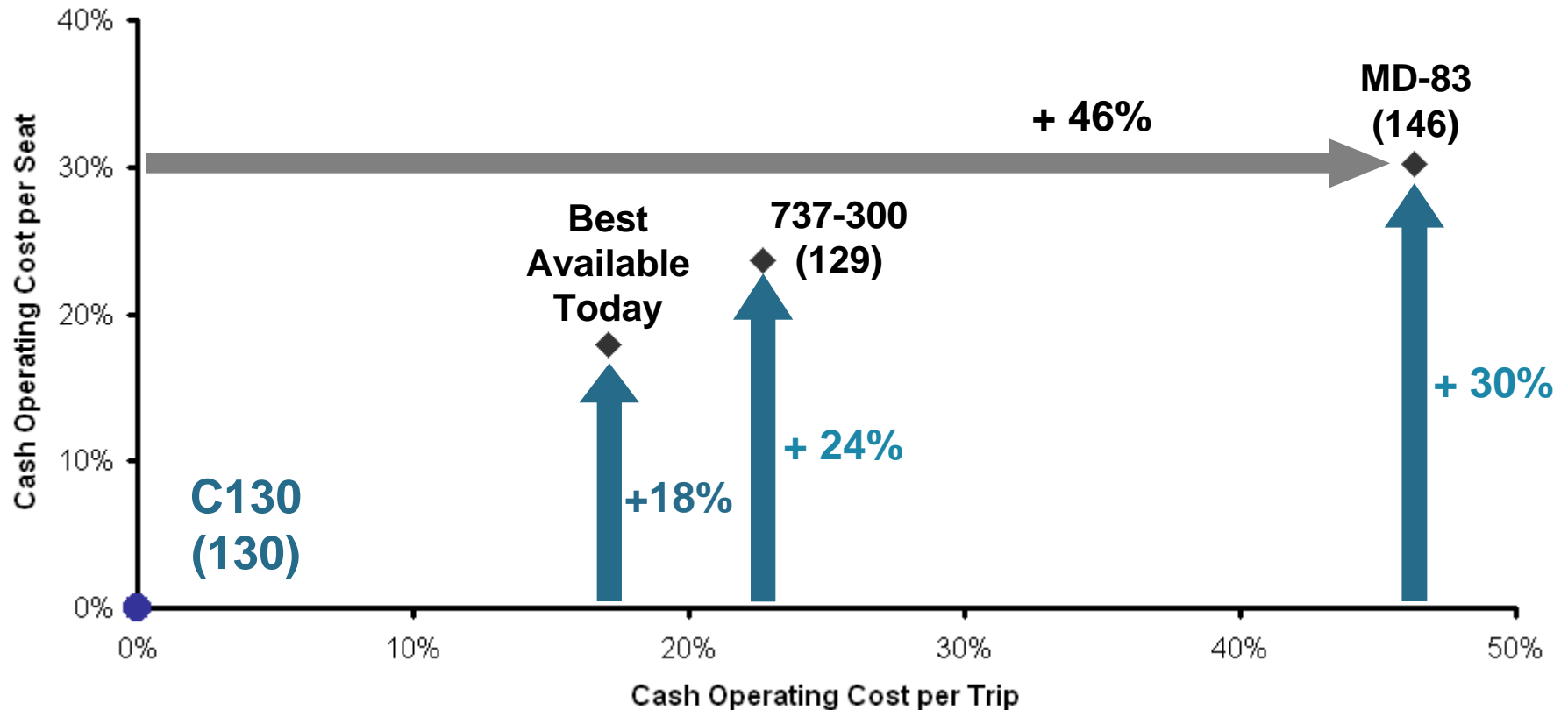
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C SERIES Cash Operating Costs Advantage*

% Relative to C130

COC Comparison – 750 nm Mission North American Environment



Assumptions: Fuel: \$2.30USD/USG, Landing Fees: \$2.94 per 1000 lb MLW, Flight Crew 100 Seater: \$355.39, Flight Crew 130 Seater: \$424.95, Cabin Crew: \$39.41, MTOW for 1,500nm, 1 F/A per 50 Pax, Single-Class @ 32" Pitch * up to

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BOMBARDIER

Look Forward to the C Series

It's a game-changer in its class, giving you a cleaner, quieter, more comfortable, more reliable, more profitable network

- **Optimized family of aircraft**
- **Beyond state-of-the-art technology and design**
- **Up to 15% less Cash Operating Costs**
- **The most environmentally friendly**
 - Less CO₂, less NO_x, less noise
- **Widebody feel in a single-aisle aircraft**



Agenda

- 1 About Bombardier
- 2 Airline Market Outlook
- 3 Regional Aircraft Overview
- 4 C Series Overview
- 5 **Conclusion**

Conclusion

- **Strong order performance and backlog growth at both Bombardier Business Aircraft and Regional Aircraft:**
 - **Continued strong Business Aircraft market**
 - **Strong rebound at Regional Aircraft**
 - **Market Leadership in each segment**
- **Customer base expanding rapidly for our products**
- **Product innovation with CRJ NextGen and Q400 NextGen**
- **C Series is a game changer in the 100-149 seat segment:**
 - **Authority To Offer granted**

Bombardier Aerospace

Continuous Innovation in Commercial Aircraft

Thank You!

Questions?



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