

# *C*SERIES Aircraft: The Game Changer



Gary Scott, President  
Bombardier Commercial Aircraft

# Forward-Looking Statements

The following presentations include 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 these presentations, please refer to the respective Management’s Discussion and Analysis (“MD&A”) sections of the Corporation’s aerospace segment and the Corporation’s transportation segment in the Corporation’s most recent annual report.

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), operational risks (such as risks associated with doing business with partners, risks involved in developing new products and services, product performance warranty, casualty claim losses, risks from regulatory and legal proceedings, environmental risks, risks relating to the Corporation’s dependence on certain key customers and key suppliers, human resource risks and risks resulting from fixed-term commitments), 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 foreign currency fluctuations, changing interest rate and commodity pricing risk). For more details, see the Risks and Uncertainties section of the MD&A of the Corporation’s most recent annual report. 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 in the following presentations reflect the Corporation’s expectations as at the date of the 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.



## 2009: The Worst Year Ever ?

- Airline passenger traffic and capacity has declined in 2009 when compared to 2007 and 2008
- Aircraft orders dropped by more than 50% in 2009 compared to 2008
- Airline profitability weakened



# Better Years Ahead



- Airline passenger traffic and capacity statistics showing signs of a recovery
- Latest GDP forecast continues to predict positive growth by Q1 2010
- Leading economic indicators all improving



# Long Term: The Winning Conditions



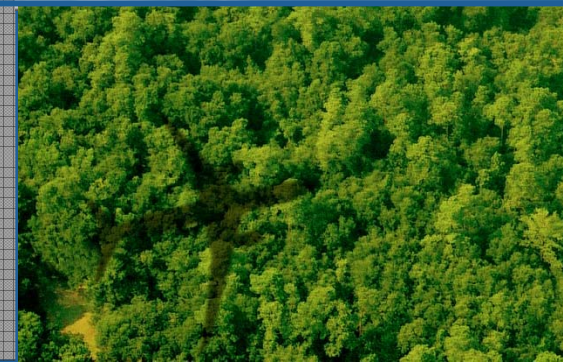
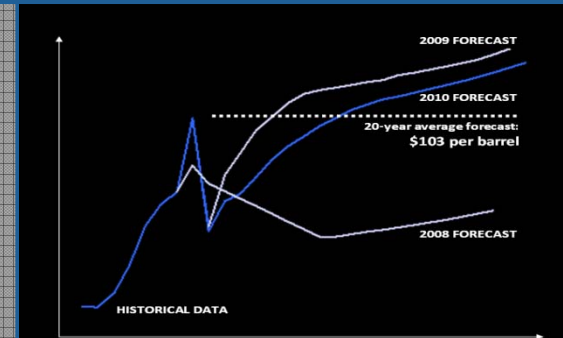
Higher oil prices will drive the need for low fuel burn



Optimized technology aircraft will be required to replace capacity from retired fleets



Increased focus on environmental sustainability will require “greener” aircraft



# Long Term: The Winning Conditions



*“We are proud to be the launch customer for the CSeries family of aircraft which meets our requirements for sustainable fleet development including significant reductions in fuel burn and noise, as well as offering flexibility for the future.”*

**Nico Buchholz, LUFTHANSA,  
Senior Vice President Corporate Fleet**



*“We feel the transaction made a lot of sense in terms of timing, technology and opportunity in the cycle. It is a step forward in technology.”*

**Tasos Michael, LCI,  
Chief Investment Officer**



*“The CSeries aircraft’s leading-edge technologies bring unmatched economics, operational flexibility, reduced environmental impact and passenger comfort.”*

**Bryan Bedford, Republic Airways Holdings Inc,  
Chairman, President and Chief Executive Officer**

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# 1<sup>st</sup> North American Customer: Republic Airways Holdings

## 40 Firm Orders and 40 Options for CS300 Aircraft

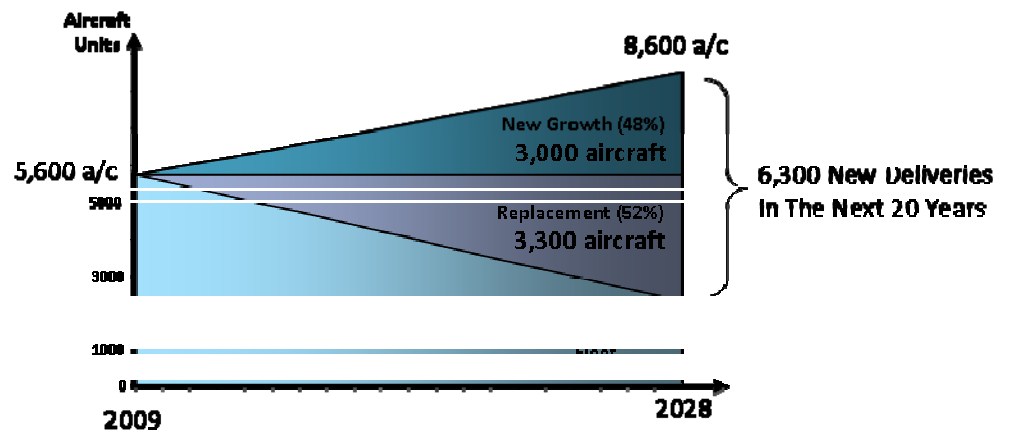


# 6,300 New Aircraft Deliveries



## 100- to 149-Seat Market Segment

Fleet 2008	Deliveries	Retirement	Fleet 2028
5,600	6,300	3,300	8,600



This segment of the overall industry is expected to generate \$362 billion in total revenues.

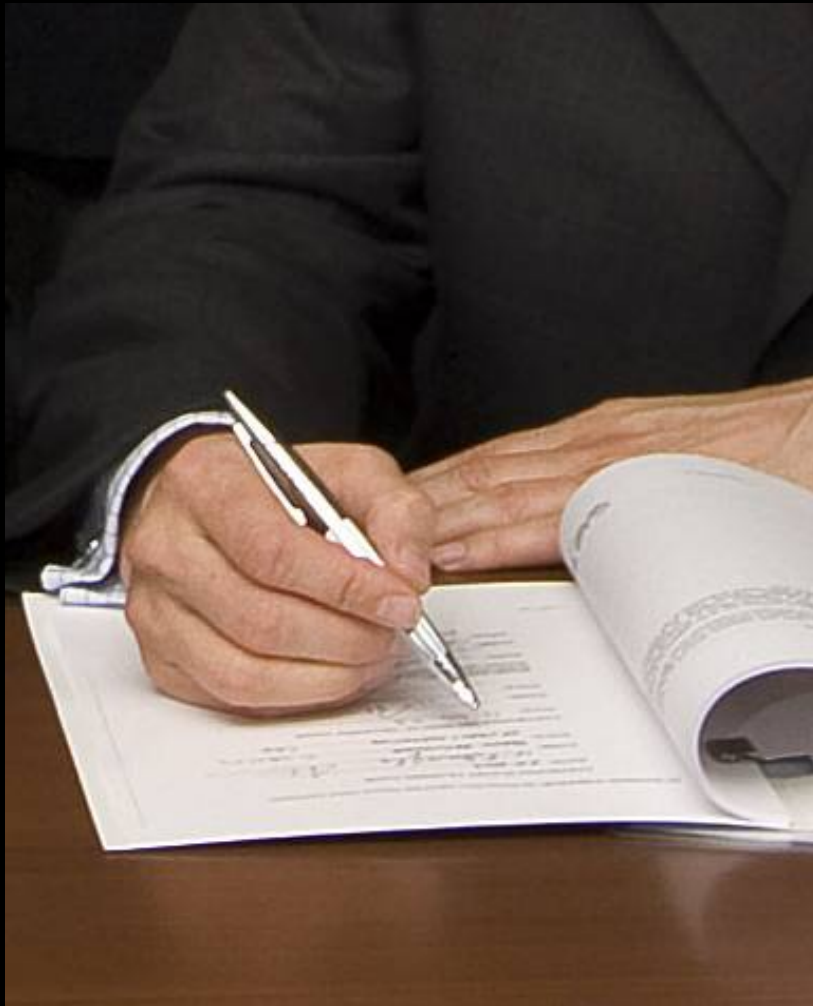
Source: Bombardier Commercial Aircraft Market Forecast, 2009-2028

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# What Makes Bombardier Commercial Aircraft Programs Strategy Different... Our value proposition !



## VALUE PROPOSITION

Low Operating Cost  
Fuel Efficiency  
Environmental Benefits  
Passenger Experience  
Operational Flexibility

# Bombardier's Commercial Aircraft Portfolio Is Optimized For Current And Long-Term Market Trends

## Turboprops Optimized Short-Haul Solution

1,034 total orders for all Q-Series\* aircraft  
959 delivered

Q400\* NextGen\*



## Regional Jets Optimized Regional Network Solution

1,695 total orders for all CRJ Series\* aircraft  
1,587 delivered

CRJ700\* NextGen

CRJ900\* NextGen

CRJ1000\* NextGen



## Single-Aisle Mainline Jets Optimized for 100- to 149-Seat Market

90 total orders for CSeries\* aircraft

CS100\*

CS300\*



\* Bombardier, Q-Series, Q400, CRJ Series, CRJ700, CRJ900, CRJ1000, CRJ, NextGen, C-Series, CS100 and CS300 are registered Trademarks or Trademarks of Bombardier Inc. or its subsidiaries.

Total orders from 31-Jan-10 programs status available on [www.bombardier.com](http://www.bombardier.com)  
CSeries orders adjusted to included Republic orders announced on Feb.25<sup>th</sup>, 2010

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# C-Series Aircraft Value Proposition Summary



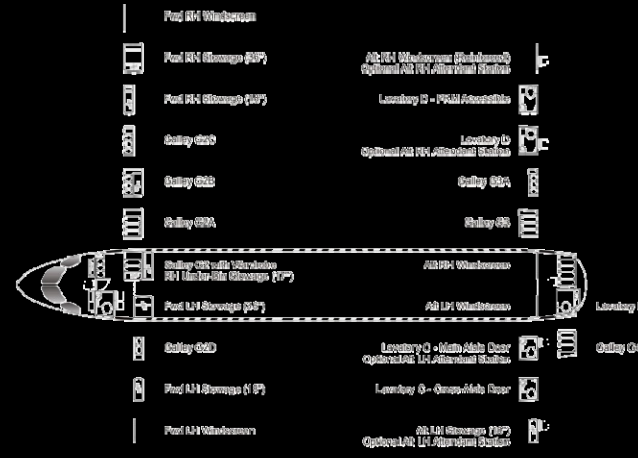
- ☑ Family of Aircraft with Full Operational Commonality
- ☑ Unmatched Reduction in Environmental Footprint
- ☑ Total Life Cycle Cost Improvement
- ☑ 15% Cash Operating Costs Advantage – 20% Fuel Burn Advantage
- ☑ Widebody Comfort In A Single Aisle Aircraft
- ☑ Mature 99% Reliability at Entry Into Service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

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# C Series Aircraft : High Residual Value By Design

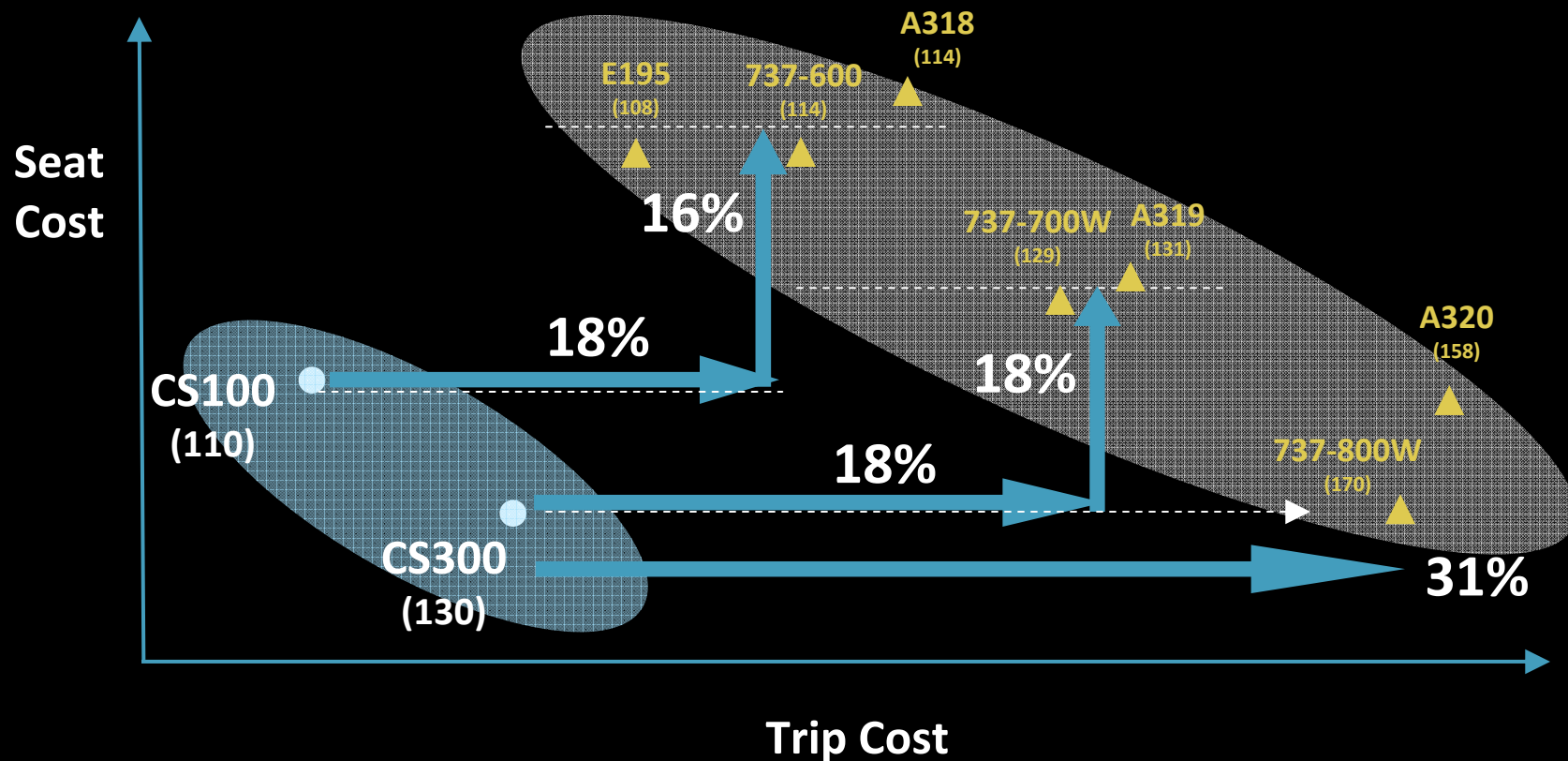


- Family of Aircraft
- Same Type Rating
- 95%+ LRU Commonality
- Higher Baseline Spec
- Cabin Flex Zones
- Performance Flexibility
- Single Engine Supplier
- Fly-By-Wire Technology



# A New Point Of View

## 15% Cash Operating Cost Advantage



500 nm Mission in European Environment with Noise & Emissions Charges. Fuel at 80 US\$/bbl (2.40 US\$/USG).

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# Wide-Body Comfort In Single-Aisle Aircraft



Upsized seat



Upsized windows



Upsized storage



Upsized aisle



# Large Pivot Overhead Bins Optimized For Loading



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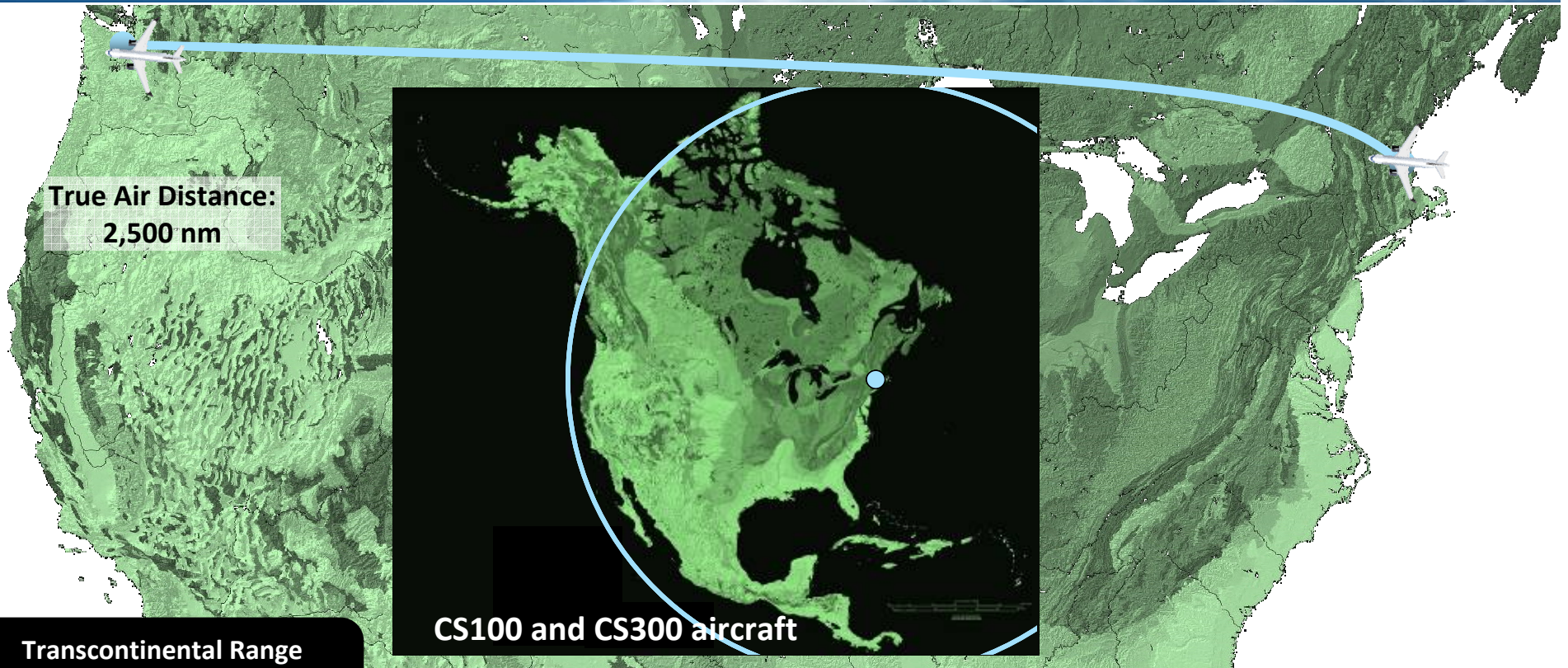
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# CSeries Aircraft Flexibility

## Transcontinental Range (BOSTON → SEATTLE)



Transcontinental Range  
CSERIES aircraft

A319



B737



E195



MD80



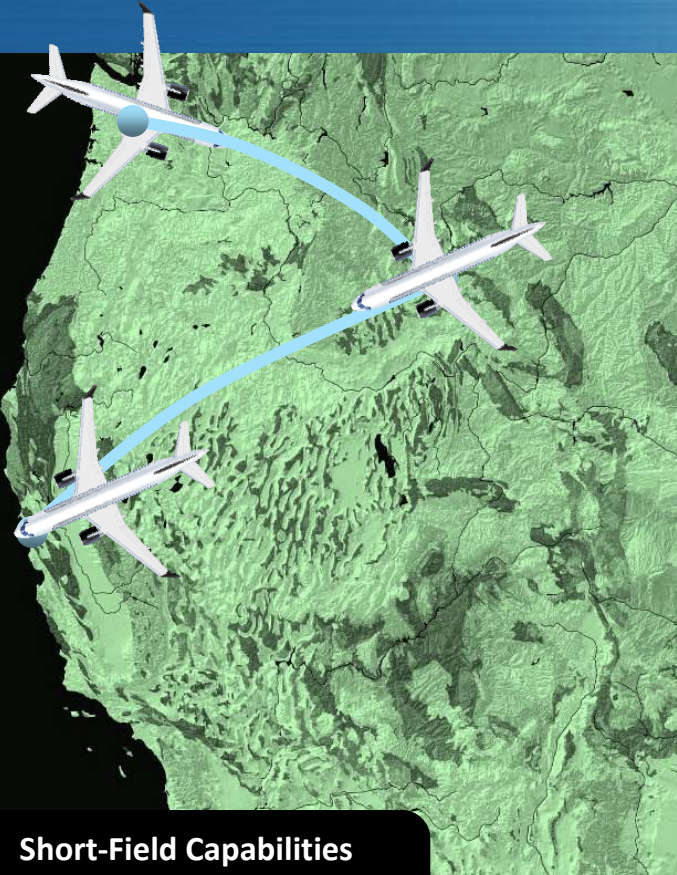
A320



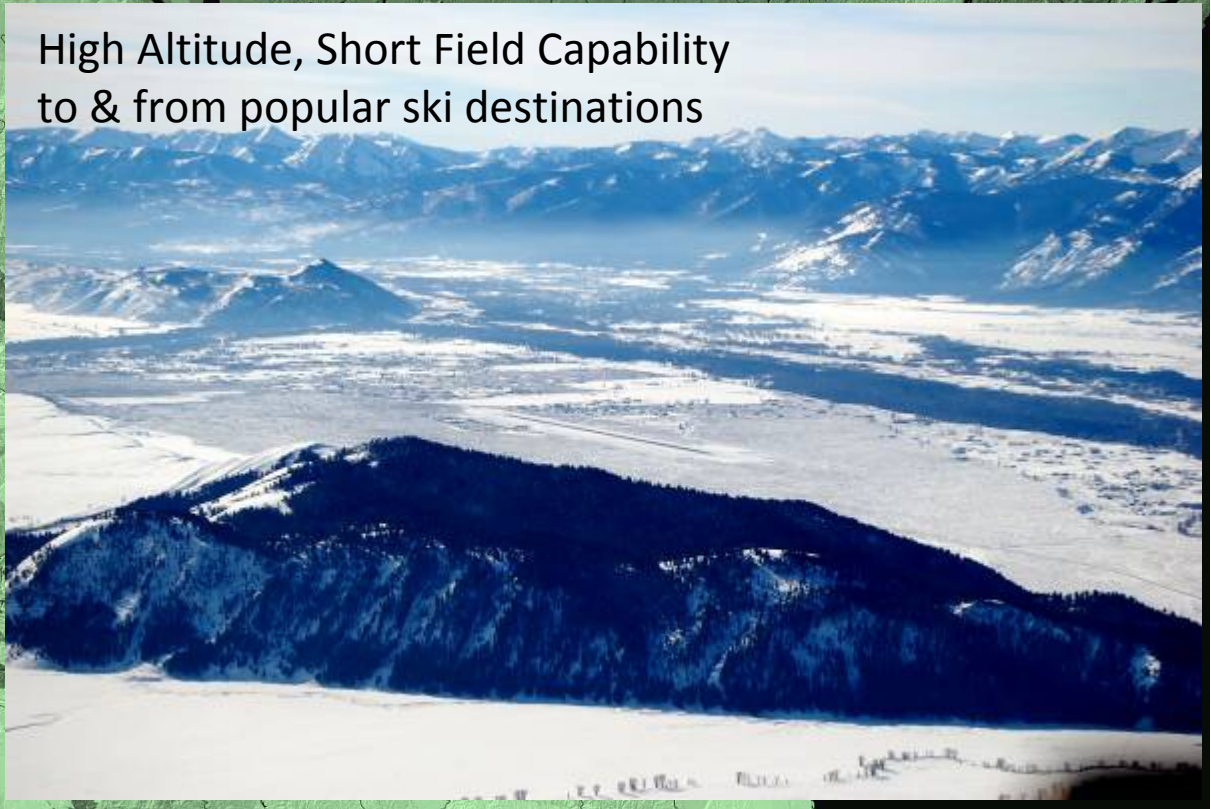
Airline assumptions / Illustration not to scale



# CSeries Aircraft Short-Field Capability SEATTLE → JACKSON HOLE → SAN FRANCISCO



High Altitude, Short Field Capability  
to & from popular ski destinations



## Short-Field Capabilities

### C*SERIES* aircraft

A319



B737



E195



MD80



A320



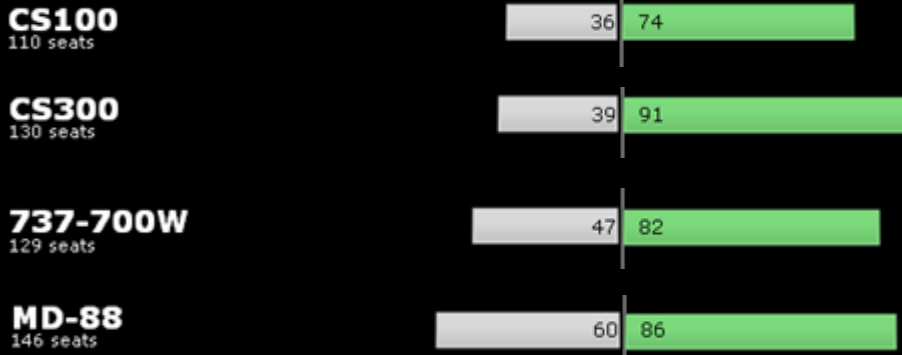
Airline assumptions / Illustration not to scale



# C Series Aircraft High Profitability ORLANDO → RICHMOND

**99\$ Fare (MCO-RIC)**

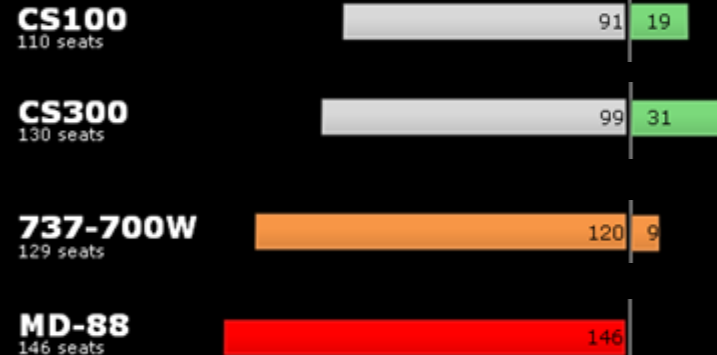
*Break-Even Seats*   *Gross Profitable Seats*



**Lower Break-Even Point**

**39\$ Fare (MCO-RIC)**

*Break-Even Seats*   *Gross Profitable Seats*



**Profitable Even At Very Low Fare**

Highest Profit Potential

**C SERIES aircraft**



**B717**



**B737-500**



**B737-700**



**MD88**



**B737-800**



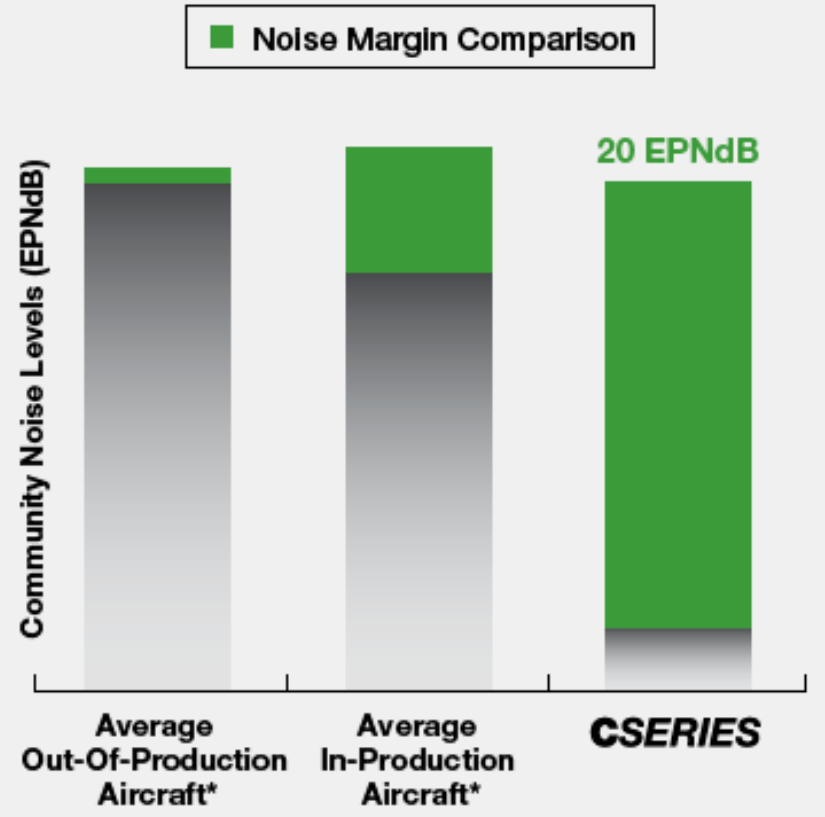
Airline assumptions / Illustration not to scale

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# C Series Aircraft Ideal For Noise Sensitive Airports

## ORANGE COUNTY → ATLANTA



Noise Restricted Environment

C SERIES aircraft

A319

B737

E195

MD80

A320



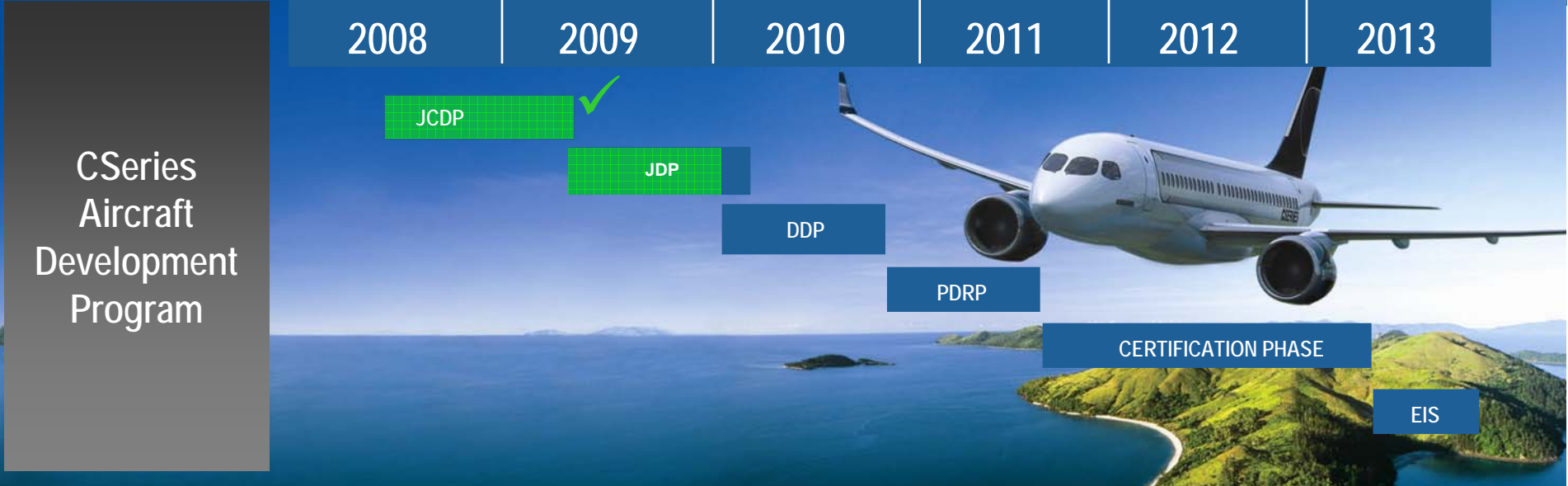
75 dB(A) Contours, A-Weighted Sound Level, ISA+10C  
 E195-AR: TOW 115,280 lb; MTOT: 20,000 lbf / CS100-ER: TOW 127,800 lb; MTOT 23,300 lbf

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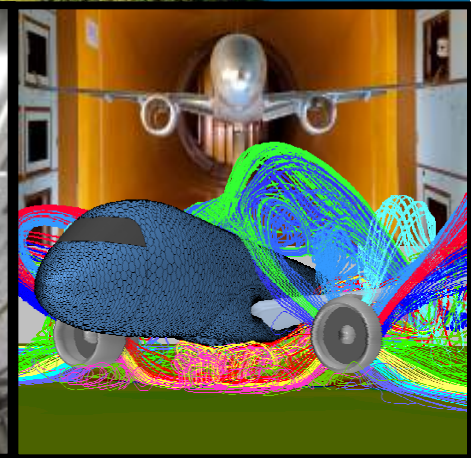
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# CSeries Key Program Milestones Achieved



CSeries  
Aircraft  
Development  
Program



JCDP: Joint Conceptual Definition Phase  
 JDP: Joint Definition Phase  
 DDP: Detail Design Phase

PDRP: Product Definition Release Phase  
 EIS: Entry Into Service  
 CFRP: Carbon Fiber Reinforced Polymer

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# CSeries Aircraft Low Fuel Burn Not A Simple Engine Plug-And-Play

- CSeries aircraft benefit from latest technology advancement
- CSeries aircraft is the result of an harmonized airframe/engine design optimization
- Engine is only a part of the fuel burn benefit equation



## Re-Engine Scenario

$$\begin{aligned} &= \\ &\text{Engine Integration Challenges} \\ &+ \\ &\text{Older Materials and Technologies} \\ &+ \\ &\text{Limited Benefits} \end{aligned}$$

# C-Series Aircraft Operating Cost Advantage



Monthly Cost Savings  
**\$147,745**

Annual Cost Savings  
**\$1,772,937**

15-Year Net Present  
**\$13,485,100**

Period

15

NPV Rate

10%

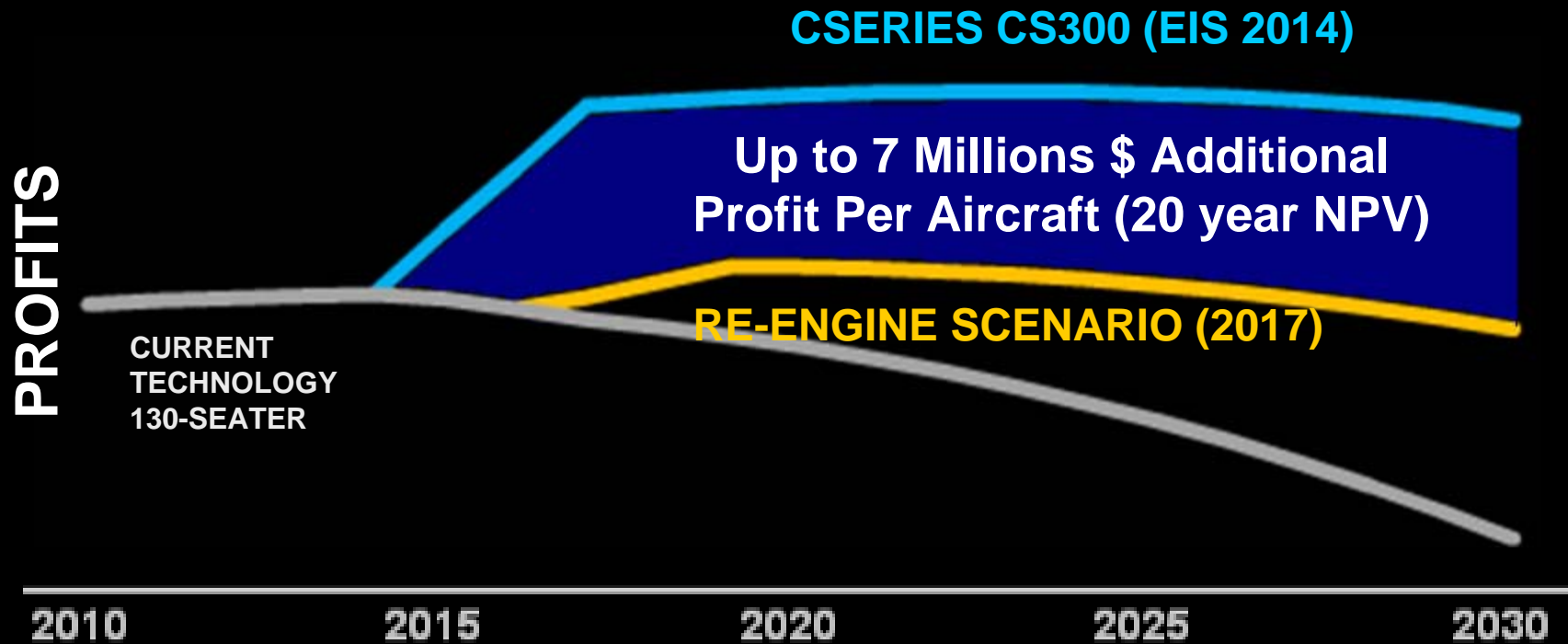
Assumptions : 500 NM mission in European Environment, Based on industry average crew costs and weight related charges (landing, terminal, navigation), Fuel Price : 80 USD/bbl

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# C-Series Aircraft Timing Advantage Over Competitors



Scenario: 10% COC Improvement in 2017, Bombardier Model

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# Worldwide Customer Interest for CSeries Aircraft

## 3 Signed Customers and 60+ Active Campaigns



**LH Group / Swiss**

30 CS100 aircraft + 30 options



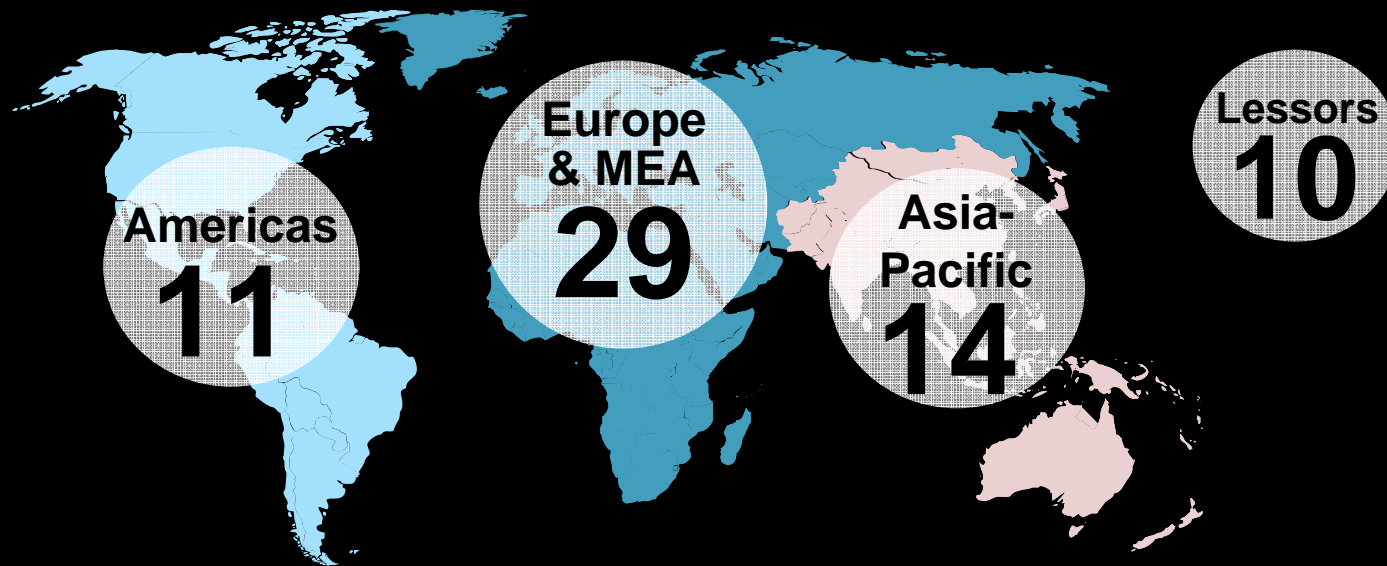
**Lease Corp. Intl. (LCI)**

3 CS100 + 17 CS300 aircraft + 20 options



**Republic Airways**

40 CS300 aircraft + 40 options





# Maximizing Utilization Of Your Asset



**Reduced Labor**  
 15,000 to 50,000\* Labor Hours  
 Saved Over 20 years



**Reduced Downtime**  
 100 to 200\* Additional Flying  
 Days Over 20 years



## Downtime Days Per Year

< 5 days    5-15 days    >15 days

YEAR:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
<b>CSERIES :</b>																				
<b>COMPETITOR:</b>																				

\* CSeries compared to 737-600 and E195

# Maintaining Your Asset Thru Aircraft Health Monitoring



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# Sustainable Development And The Environment

## Responsibility

Sustainability  
Environment Protection

### Technological Progress

Innovation in  
aircraft & engine  
technologies

### Improved Infrastructure

Improved use  
of airspace

### Operational Measures

More efficient  
aircraft sizes

### Economic measures

Global  
emissions  
trading

Four pillars for climate protection\*

\*Inspired by "Responsibility, Environmental care at Lufthansa" (LH Brochure – Dated September 2009) and IATA

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# Sustainable Development And The Environment



Technological Progress

**Game Changing Technologies**

Improved Infrastructure

**State-Of-The-Art Navigation**

Operational Measures

**Optimized Aircraft Solutions**

Economic measures

**Reduced Footprint = Economic Advantages**

Bombardier Helps Its Customers Meet Their Environmental And Sustainability Responsibilities

\*Inspired by "Responsibility, Environmental care at Lufthansa" (LH Brochure – Dated September 2009) and IATA

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# A Bright Future...



- **Market outlook is favorable**
- **Strong opportunities for 100- to 149-seat market segment**
- **Unmatched value proposition**
- **Continuously improving our customer experience**
- **Designing our products with the environment in mind**



## Many Solutions, One Source.



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<b>Contact:</b>	<b>sam.cherry@aero.bombardier.com</b>

**Program Planning Development & Customers Requirements  
BOMBARDIER COMMERCIAL AIRCRAFT**

# *C*SERIES Aircraft: The Game Changer



Gary Scott, President  
Bombardier Commercial Aircraft