



Bombardier Aerospace Market and Product Update

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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 sections of the Corporation’s aerospace segment and the Corporation’s transportation segment in the MD&A of the Corporation’s annual report for fiscal year 2008.

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

Overview

- Bombardier Update
- Commercial Aircraft Market
- Product Strategy
- Q&As

Bombardier: fields of activity



Aerospace

F08 revenues: \$9.7 billion
55% of total revenues
Employees: 28,100*



Transportation

F08 revenues: \$7.8 billion
45% of total revenues
Employees: 31,485*

*As at January 31, 2008

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Consolidated financial results – fiscal year 2008

(In millions of U.S. dollars
except for EPS amounts)

	Fiscal year 2007-08	Fiscal year 2006-07 ⁽¹⁾
Revenues	17,506	14,882
EBIT from continuing operations before special items	902	577
Interest expense, net	301	218
EBT from continuing operations before special items	601	359
Special items	162	24
Income tax expense	122	92
Income from continuing operations	317	243
Income from discontinued Operations, net of tax	--	25
Net income	317	268
EPS from continuing operations before special items	0.26	0.14
EPS - Net income	0.16	0.14

⁽¹⁾ Certain comparative figures have been reclassified to conform with the current fiscal year's presentation.

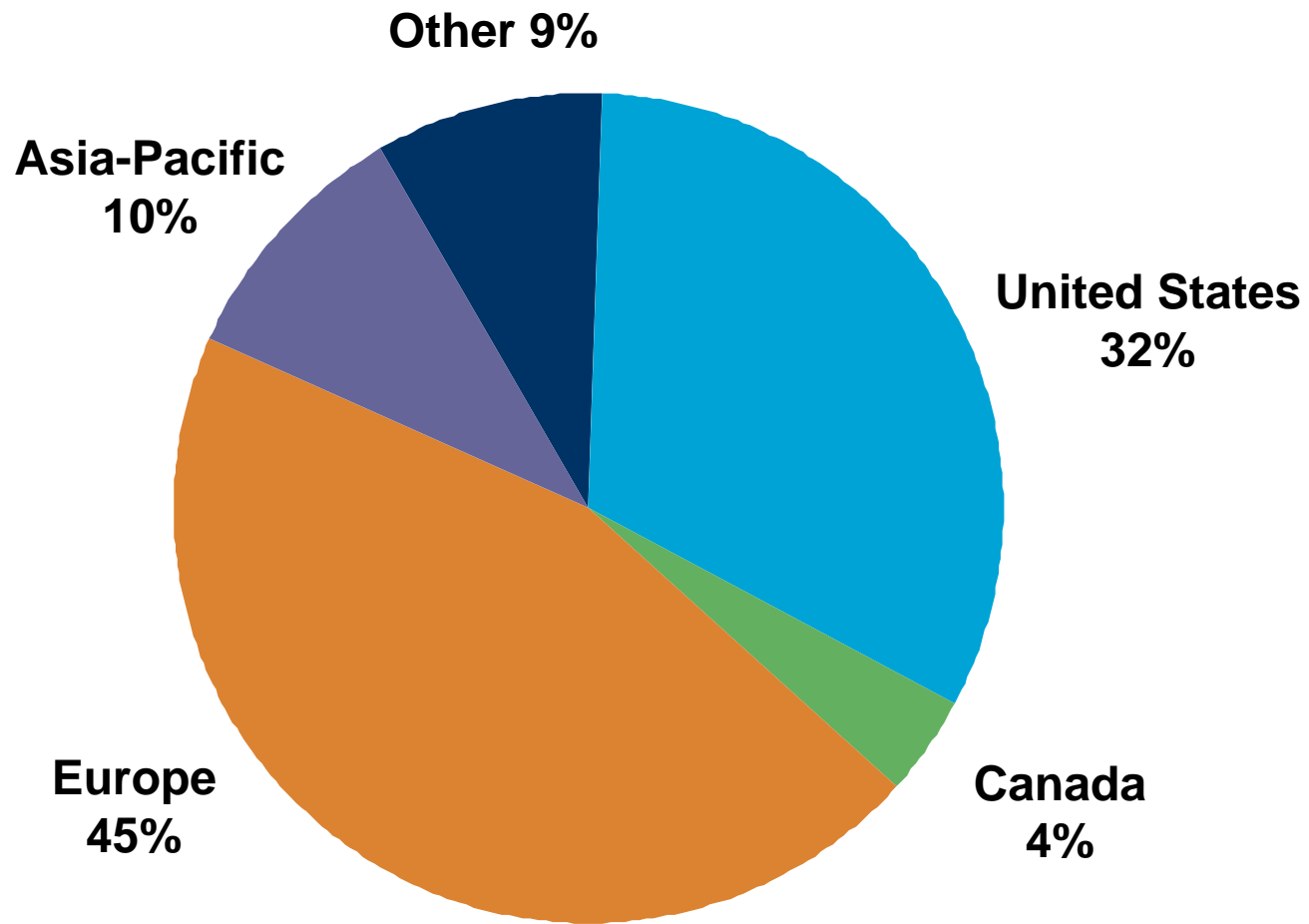
Consolidated financial results – year-to-date fiscal year 2009

For the nine-month periods ended October 31

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

	YTD Q3 F2008-09	YTD Q3 F2007-08
Revenues	14,292	12,236
EBIT before special item	994	597
Financing expense, net	82	209
EBT before special item	912	388
Special Item	-	162
EBT	912	226
Income taxes	195	127
Net income	717	99
EPS – Basic and diluted	0.40	0.04

A diversified company: Breakdown of revenues by geographic location



As at January 31, 2008

BOMBARDIER

Strong backlog in both businesses

Bombardier Aerospace	\$26.0 billion
Bombardier Transportation	\$25.9 billion
<hr/>	
Bombardier Inc.	\$51.9 billion

A full spectrum of railway solutions

Rail Vehicles



- Light Rail Vehicles
- Metros
- Commuter Trains
- Regional Trains
- Intercity Trains
- High speed Trains
- Locomotives

Transportation Systems



- Monorail Systems
- APM Systems
- GLT Systems
- Light Rail Systems
- ART Systems
- Metro Systems
- Intercity Systems

Services



- Fleet Management
- Operations & Maintenance
- Material Solutions
- Vehicle Refurbishment
- Component Reengineering

Rail Control Solutions



- Integrated Control Systems
- Automatic Train Protection and Operation: wayside and onboard
- Interlocking systems
- Wayside Equipment
- Services

Transit Security Solutions



- Train-based broadband network
- Sensor Systems
- Security Systems Recording
- Security System viewing and event management

Propulsion & Controls



- Traction Converters
- Auxiliary Converters
- Traction Drives
- Control and Communication

Bogies



- Portfolio to match entire range of rail vehicles

Bombardier Aerospace has a complete portfolio of products and services

Business Aircraft



Narrow-body business jets

Learjet Family:

- *Learjet 40 XR*
- *Learjet 45 XR*
- *Learjet 60 XR*
- *Learjet 85⁽¹⁾*

Wide-body business jets

Challenger Family:

- *Challenger 300*
- *Challenger 605*
- *Challenger 800 Series*

Global Family:

- *Global 5000*
- *Global Express XRS*

Commercial Aircraft



Regional jets

- *CRJ700/705 NextGen*
- *CRJ900 NextGen*
- *CRJ1000 NextGen⁽¹⁾*

Turboprops

- *Q400/Q400 NextGen⁽¹⁾*

Single-aisle mainline jets

- *CSeries⁽¹⁾*

Amphibious Aircraft and Specialized Aircraft Solutions



Amphibious turboprops

- *Bombardier 415*
- *Bombardier 415 MP*

Specialized aircraft solutions

Aircraft Services



Aftermarket solutions

- *Parts logistics*
- *Aircraft maintenance*
- *Training solutions*

Flexjet and Skyjet

- *Fractional ownership*
- *Jet card programs*
- *On-demand charter*
- *Flexjet One*

⁽¹⁾ *Learjet 85, CRJ1000 NextGen, Q400 NextGen and CSeries aircraft are currently under development.*

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Lufthansa Group confirms firm order 30 *C SERIES* + 30 options



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Bombardier Commercial Aircraft Successful Optimized Aircraft Programs



Q Series

1018 Firm Orders

898 Delivered

100+ Operators



CRJ Series

1,673 Firm Orders

1,527 Delivered

60+ Operators



CSERIES

30 Firm Orders*

30 Options*

as of January 31, 2009
* Announced March 11, 2009

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Bombardier Commercial Aircraft Operated by leading airlines worldwide



United



Continental

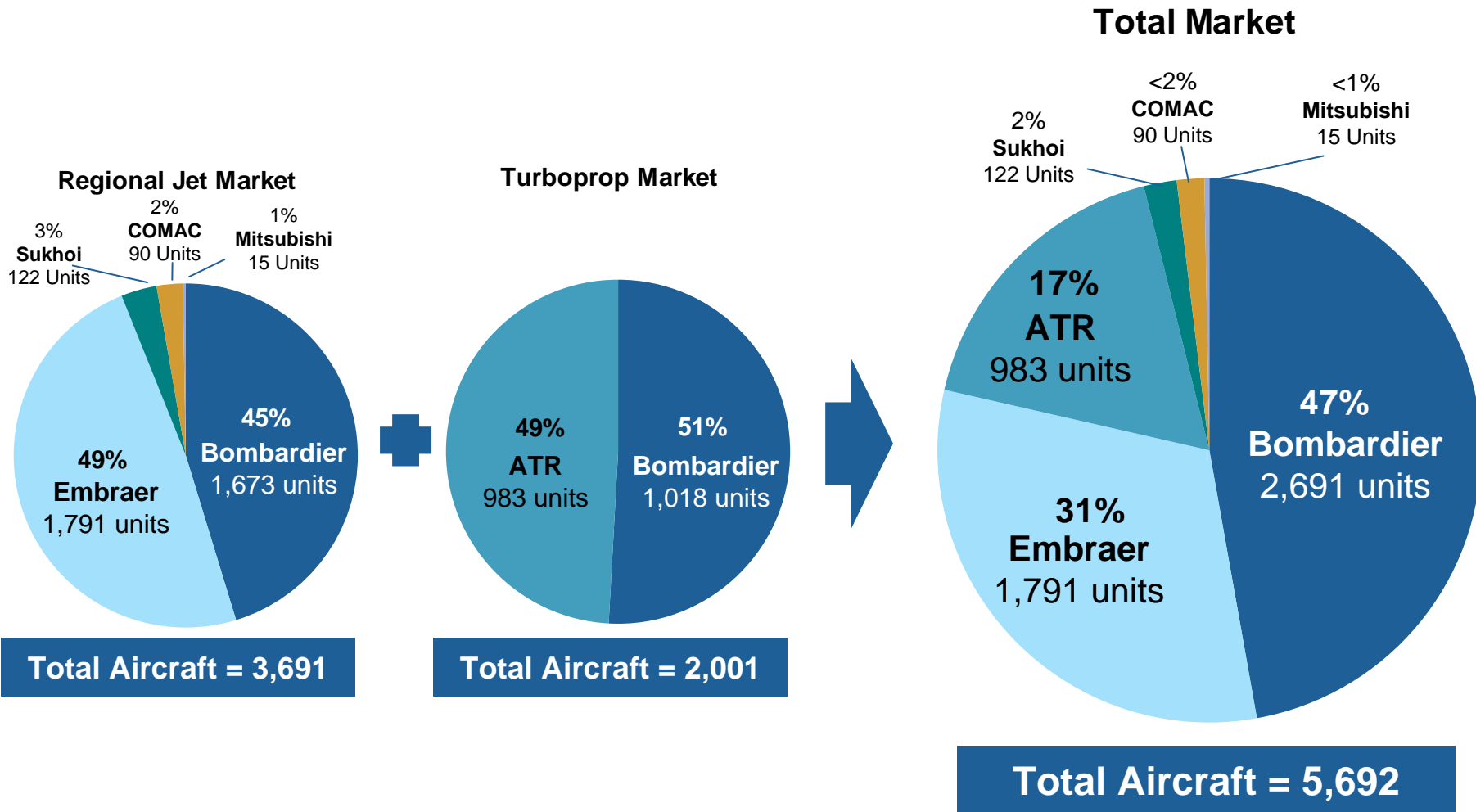


Air Canada



American

Cumulative *net order* market share performance 20 - 110 seat market



as of January 31, 2009

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Order totals are net of cancellations and conversions between programs and does not include corporate shuttle aircraft.
Source of competitor data are company web sites and company year end reports.

2009 will be challenging for the commercial aircraft market

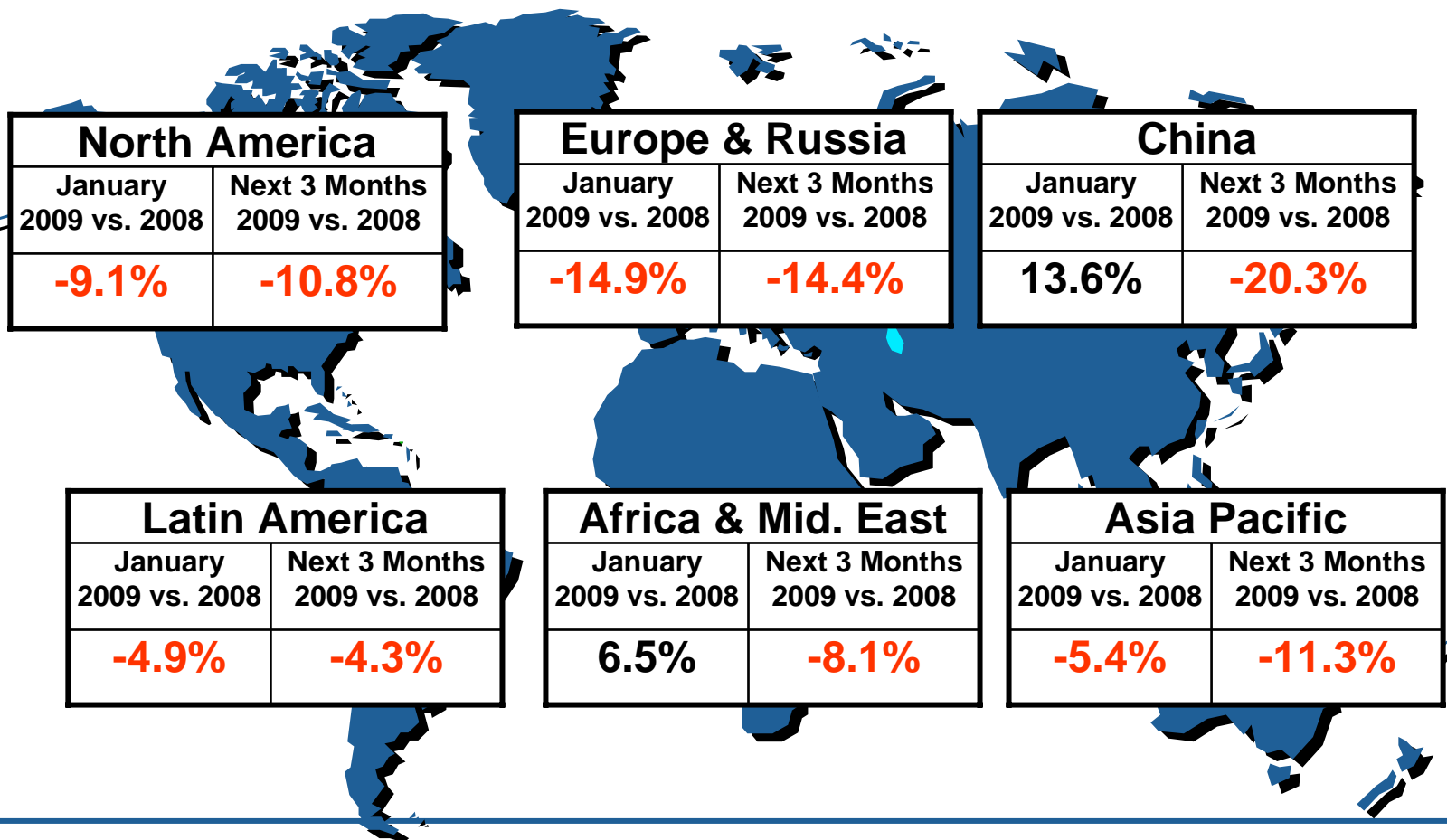
Market drivers	Trend	Justification
U.S. Economic Environment		The US is in recession and will continue to be weak in 2009 and 2010. Financial crisis is negatively affecting airline traffic and thus aircraft order activity
Global Economic Environment		Recession is not limited to the United States, the global economy is facing a downturn further affecting aircraft order activity
Industry Backlog		Total commercial aircraft backlog of over 8,400 units (versus 4,335 in Dec 2001) Bombardier Commercial Aircraft has a > 2 year backlog
Aircraft Financing		Weak commercial lending market will impact the ability of airlines and leasing companies to finance aircraft.
Oil Pricing		Price of oil has dropped from a peak of \$145 US per barrel to \$~45 US per barrel; however, price is volatile
Regional Market Competition		Three new entrants have announced a total of 69 orders in 2008 (As of Oct. 31, 2008)

 Indicates a favourable trend in the market categories in which Bombardier competes.

 Indicates a unfavourable trend in the market categories in which Bombardier competes.

Double digit airline capacity reductions

Scheduled Seat Growth by Region Total Scheduled Seats (Millions) 20 to 149-seat aircraft



With Volatility Comes Short Term Adjustment






Near term focus on cost reduction

- Necessary to counter fuel price and economic volatility

Capacity optimization efforts in progress

- Double digit capacity cuts have been implemented in Fall and Winter 2008-09 schedules to offset slowing passenger growth
- Retirement of older and less fuel efficient aircraft fleets to accelerate
- Unprofitable routes to be shed or downsized

Long term (20-year) outlook is optimistic

Market drivers	Trend	Justification
U.S. Economic Environment		Global Insight forecasts the US economy will return to a GDP growth rate of 3% by 2011.
Global Economic Environment		Long-term GDP forecast remains essentially unchanged with GDP CAGR growth >3%. European growth will be lower at 2% CAGR, while emerging markets (Africa, Latin America, Middle East) will grow at 4.3%
Oil Prices		Oil prices predicted to average \$60-70 per barrel; volatility remains
Regional Market Competition		Three new entrants in the 20-99 seat market
Single-aisle Market Competition		Airbus & Boeing have both publicly announced delays to their new single-aisle aircraft program plans and Embraer is actively studying the 120+-seat market
Scope Clause		We expect scope clauses to trend upward towards 100 seats during the forecast period

 Indicates a favourable trend in the market categories in which BA competes.

 Indicates a neutral trend in the market categories in which BA competes.

 Indicates a unfavourable trend in the market categories in which BA competes.

Long Term, Positive Market Trends Will Prevail



- New modern technology aircraft will be required to replace capacity from retired fleets
- Higher oil prices will drive the need for increased aircraft efficiency
- Increased focus on environmental sustainability will require “greener” aircraft

Airline business models will evolve in relentless pursuit of lower operating costs

- Continued growth of Low Fare Carriers
- Major airline consolidations
- Specialization in operations (regional and mainline)
- Optimization in schedule planning with turboprops playing an increasing role in short-haul markets
- Increasing average seat capacity in regional market to achieve lower cost per seat
- New technology available for the single-aisle market

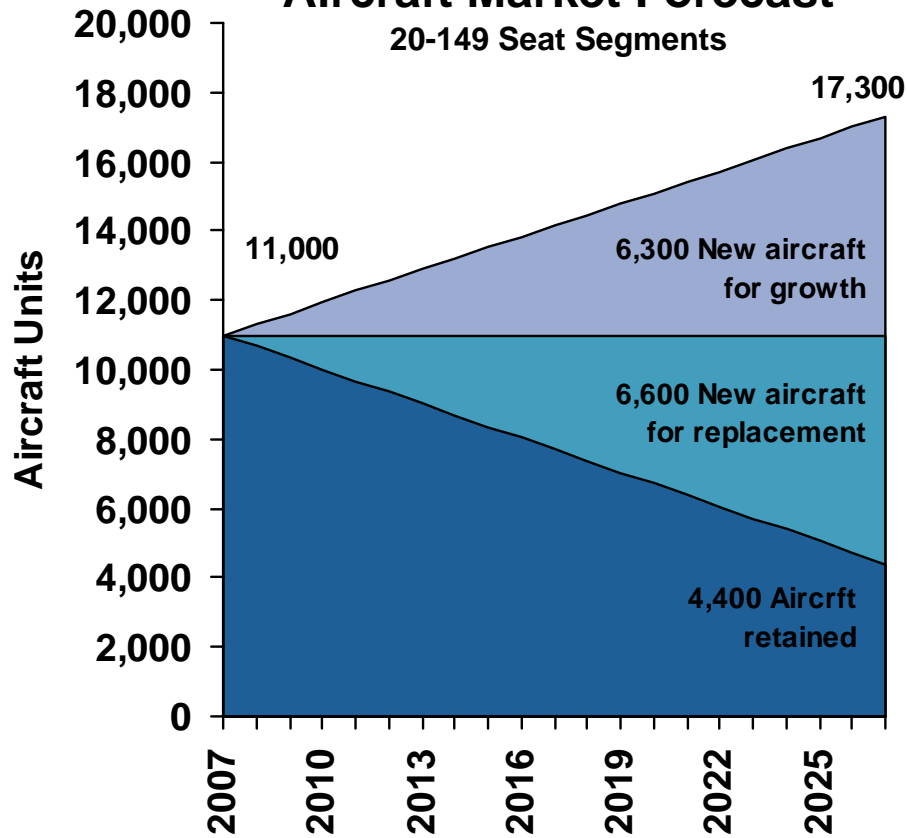
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Bombardier's Commercial Aircraft Market Forecast reflects robust demand for the 60-149 seat segment

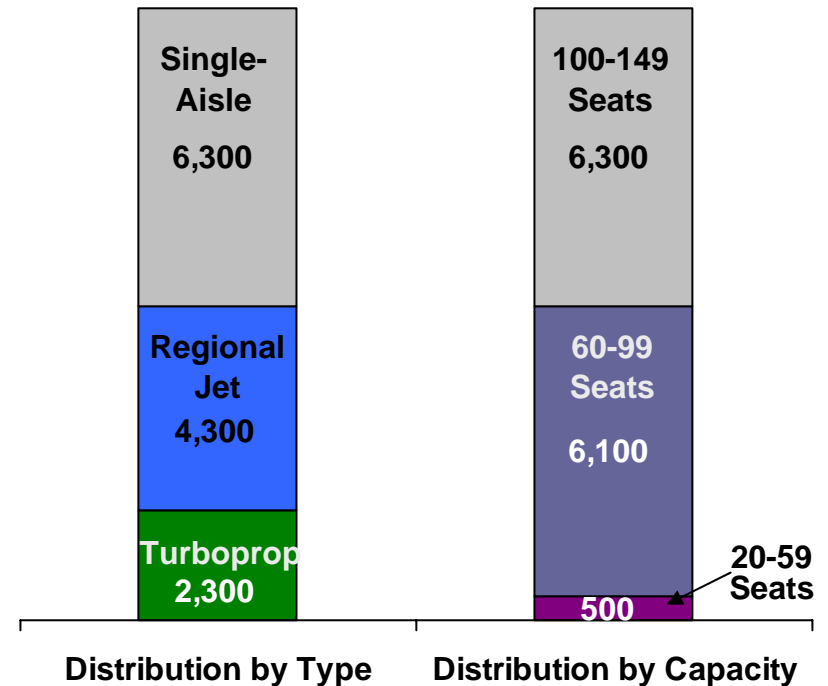
Bombardier Commercial Aircraft Market Forecast

20-149 Seat Segments



Delivery Demand by Aircraft Type and Seating Capacity

Total = 12,900 Units



Product Development: Focused On Delivering Optimized Aircraft Solutions Aligned With Market Trends

Turboprops



Q400 NextGen

Regional jets



CRJ700 NextGen



CRJ900 NextGen



CRJ1000 NextGen

Single-aisle mainline jets



CSeries CS100



CSeries CS300

Q400 NextGen: Further Enhancements to the Best Economics of any Regional Aircraft

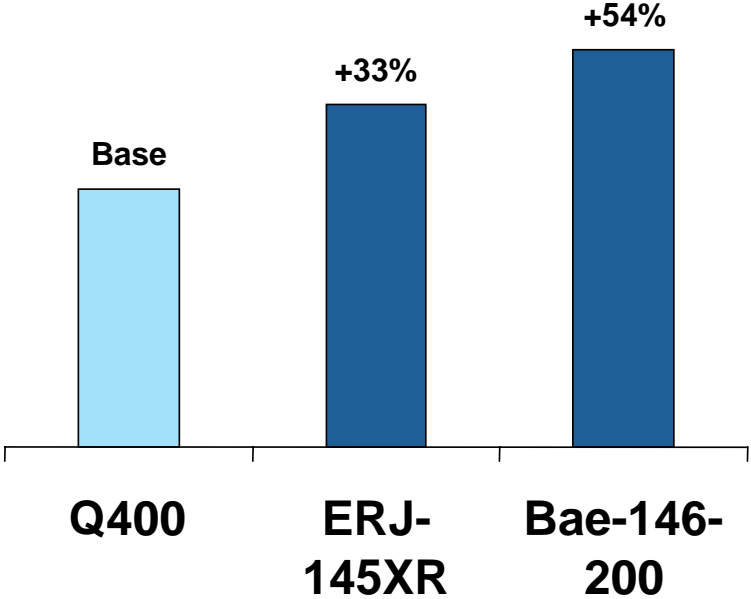


- ✓ Best Short-haul Regional Airline Economics
- ✓ Reduced Environmental Impact - Lowest Emissions In Its Class
- ✓ Jet-like Speed Allows For Airline Schedule Optimization
- ✓ NextGen Interiors - Enhanced Comfort From Redesigned Cabin
- ✓ Family Commonality With Dash 8 Models

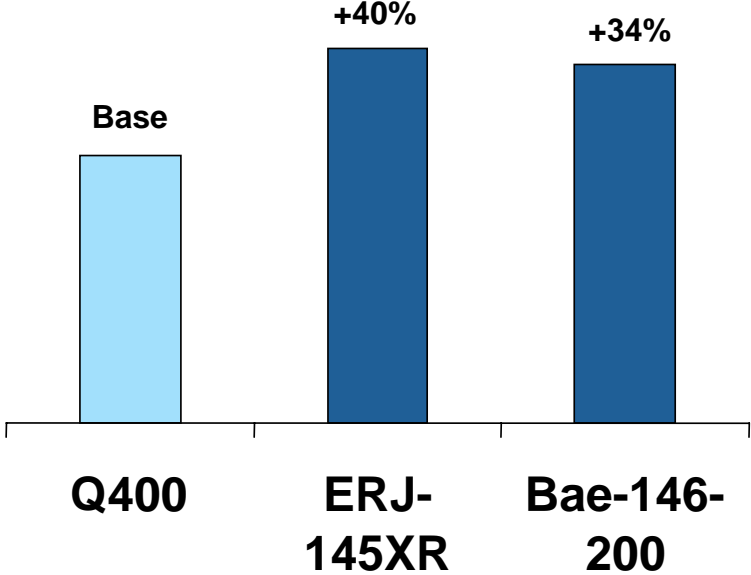
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Latest Turboprop Technology Offers Optimization Of Fuel Economy On Short-Haul Routes

Block Fuel Per Seat at 200nm



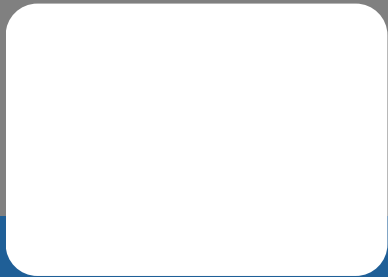
Cash Operating Costs Per Seat at 200nm



Lower fuel burn equates to lower emissions and operating costs

All Aircraft at LRC, Q400 @ 74 Seats, ERJ145XR @ 50 Seats, BAe-146-200 @ 88 Seats

The NextGen Interior – Bigger. Brighter. Better. Now Available on *CRJ700/900/1000* and *Q400*



Larger Windows*

CRJ Interior with Concept seats shown
* Available on *CRJ*

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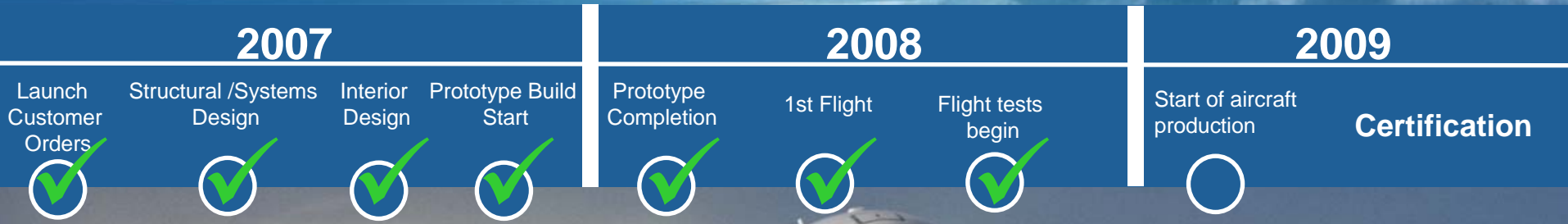
The CRJ Series NextGen Aircraft The Best Regional Jet Economics



- ✓ **7%-15% Better Direct Operating Costs Than Competing Jets**
- ✓ **Enhanced Comfort From Redesigned NextGen Cabin**
- ✓ **Reduced Environmental Impact – Lowest Emissions In Its Class**
- ✓ **Optimized Platform for Low Traffic Markets of Medium-Long Distances**

CRJ1000 NextGen

Building on the Strong CRJ Family Heritage



First Flight

3rd September 2008

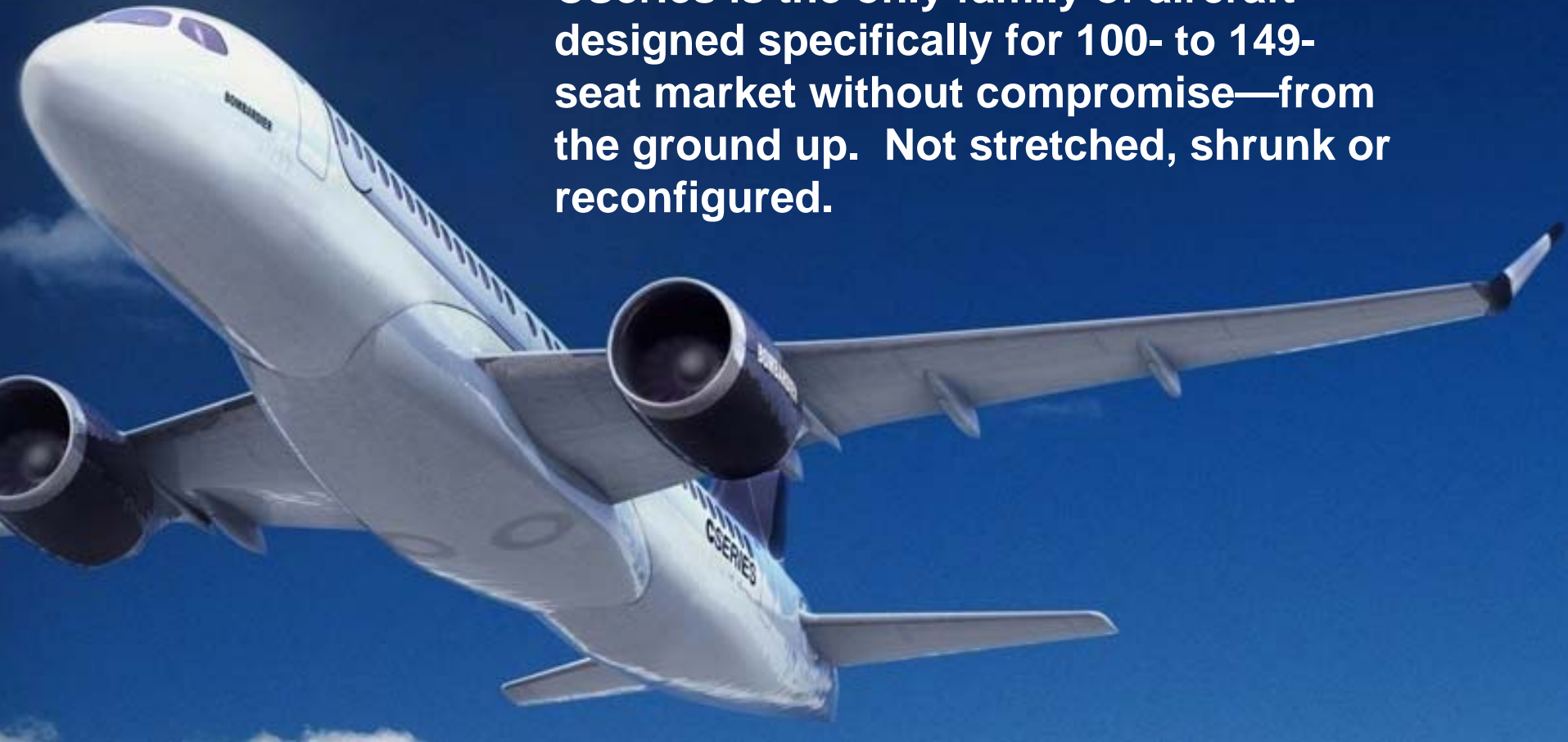


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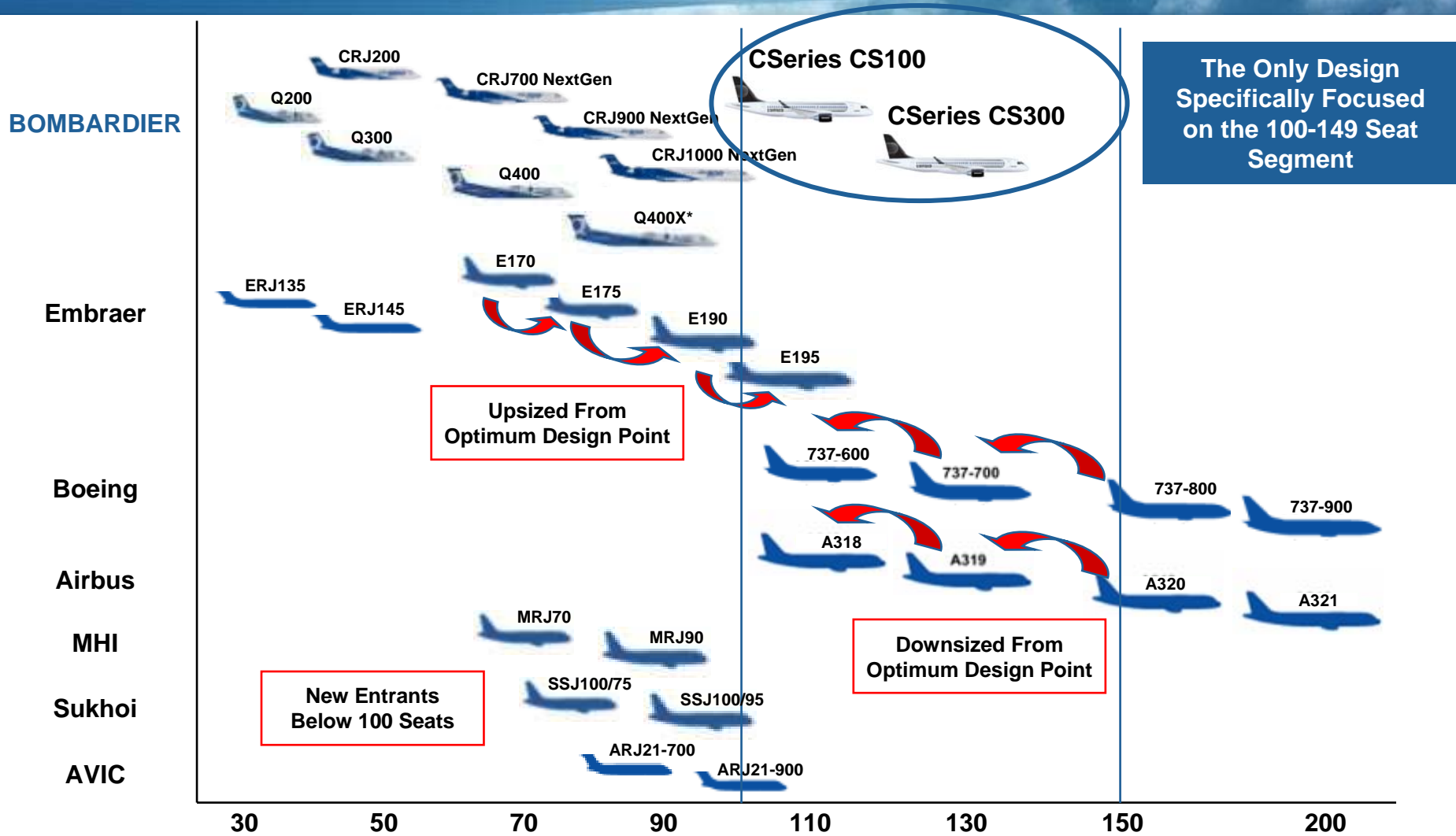
January 2010

The Next Product Development Success: OPTIMIZED SINGLE-AISLE SOLUTION

CSeries is the only family of aircraft designed specifically for 100- to 149-seat market without compromise—from the ground up. Not stretched, shrunk or reconfigured.



An Optimized Aircraft Family For The 100 To 149-Seat Segment Is Long Overdue



* Programs that are not yet launched or are under study

CSERIES • Design and Technologies Focused On Optimization And Delivering Real Operational Benefits



**Best in Class Cabin
Comfort and
Flexibility**



**Composite /
Al Li**



**Advanced Flight Deck
FBW with Side Sticks**



**Integrated
Avionics &
Optimized
Systems**



**Superior Field
Performance &
Range Flexibility**



**Electric
Brakes**



**Pratt & Whitney
PurePower
PW1500G™**



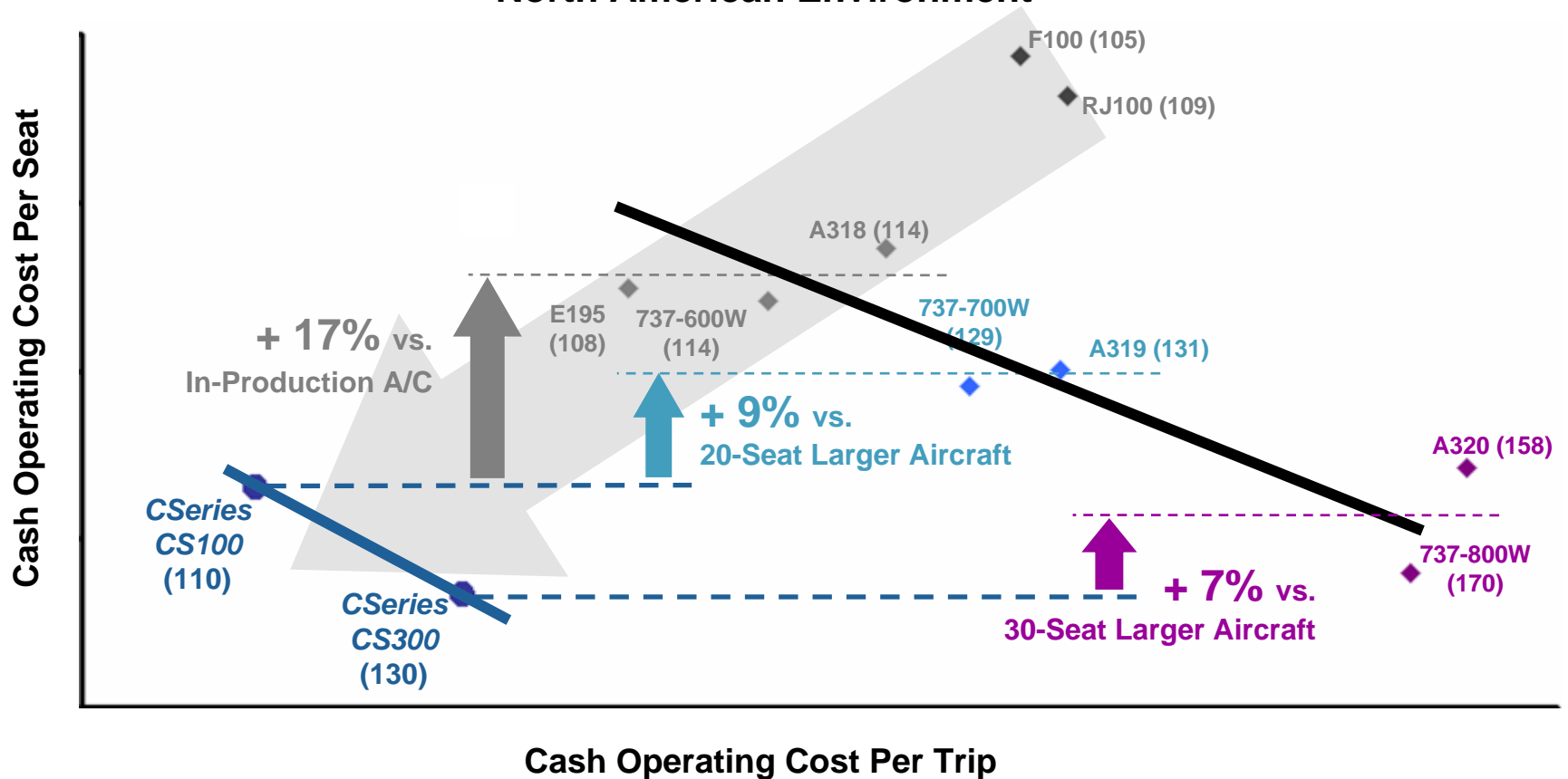
CSERIES • A Game Changer In Its Class



- Family of Aircraft with Full Commonality
- Unmatched Reduction in Environmental Footprint
- Total Life Cycle Cost Improvement
- Approx. 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

C SERIES – Designed To Be The Most Cost-Effective, Right-Sized Aircraft

**COC Comparison – 500 nm Mission
North American Environment**



V63.0

The Greenest Single-Aisle Aircraft in its Class



The future of the industry lies in the challenge of balancing profitability and reducing impact on the environment. Designed with vision and conviction, the *CSERIES* combines low operating costs and an unmatched environmental scorecard.

CSERIES
20%
LESS
CO₂

A green leaf with water droplets is the background for this panel. The text is white and black, with the percentage '20%' being the largest element.

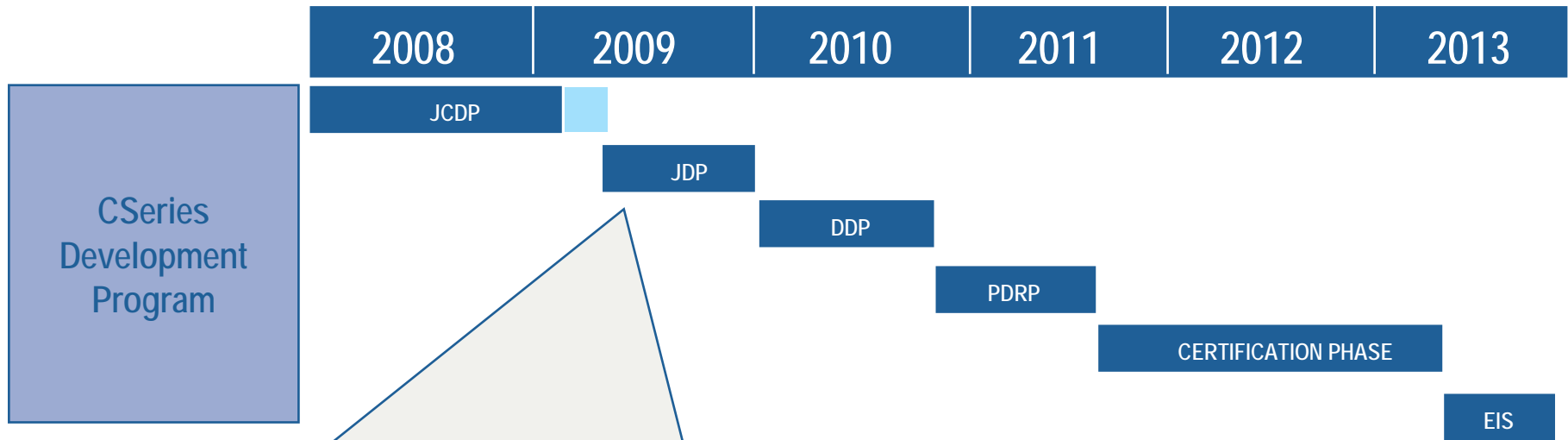
CSERIES
50%
LESS
NO_x

A blue sky with white clouds is the background for this panel. The text is white and light blue, with the percentage '50%' being the largest element.

CSERIES
4 TIMES
QUIETER

A person is lying on their back on a grassy field under a blue sky with clouds. The text is white and dark blue, with '4 TIMES' being the largest element.

C SERIES program already moving into next phase of development



2009 Focus:

- Currently transitioning between JCDP and JDP
- Al-Li fuselage barrel and CFRP Wing demonstrator rigs
- Final high lift, high speed and ground effect wind tunnel tests
- Ground breaking for *Complete Integrated Aircraft Test* facility
- *Preliminary Design Review (PDR)* close-out

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

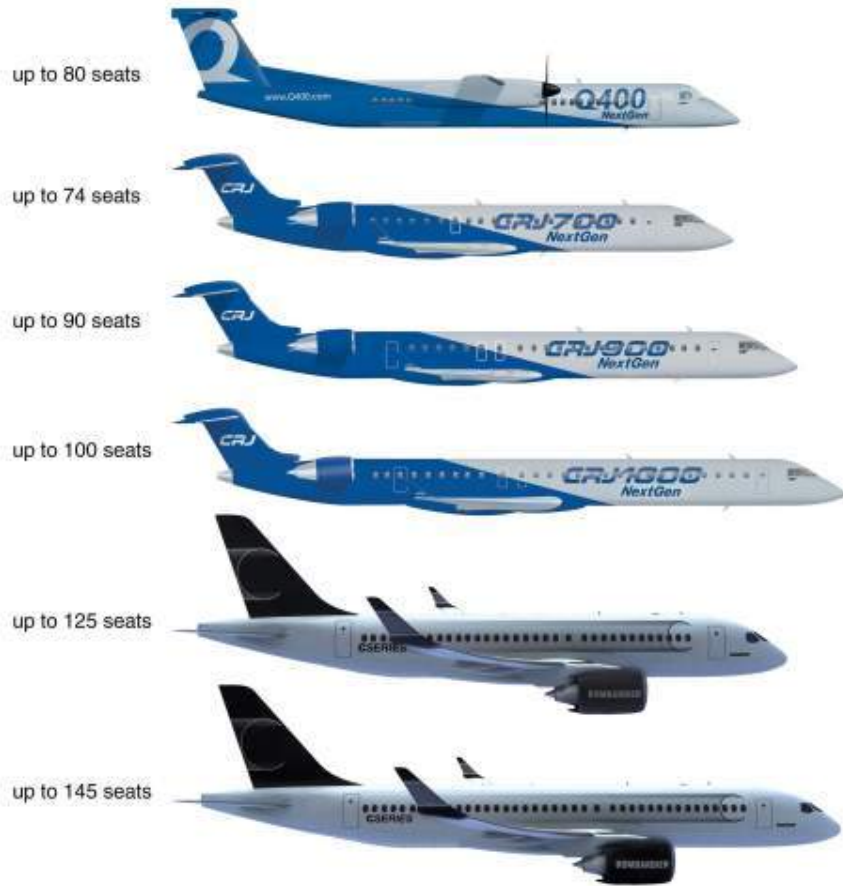
PDRP: Product Definition Release Phase
EIS: Entry Into Service
CFRP: Carbon Fiber Reinforced Polymer

QUESTIONS?



Philippe Poutissou
Vice-President, Marketing, Commercial Aircraft

Many Solutions, One Source.



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