



FINANCIAL RESULTS FOR THE FOURTH QUARTER AND FULL YEAR 2019

FEBRUARY 13, 2020

BOMBARDIER

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

BOMBARDIER

This presentation includes forward-looking statements, which may involve, but are not limited to: statements with respect to our objectives, anticipations and outlook or guidance in respect of various financial and global metrics and sources of contribution thereto, targets, goals, priorities, market and strategies, financial position, market position, capabilities, competitive strengths, credit ratings, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business outlook, prospects and trends of an industry; expected growth in demand for products and services; growth strategy, including in the business aircraft aftermarket business; 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; expectations regarding progress and completion of challenging Transportation projects and the release of working capital therefrom within the anticipated timeframe; expectations regarding revenue and backlog mix; the expected impact of the legislative and regulatory environment and legal proceedings on our business and operations; strength of capital profile and balance sheet, creditworthiness, available liquidities and capital resources, expected financial requirements and ongoing review of strategic and financial alternatives; the introduction of productivity enhancements, operational efficiencies and restructuring initiatives and anticipated costs, intended benefits and timing thereof; the expected objectives and financial targets underlying our transformation plan and the timing and progress in execution thereof, including the anticipated business transition to growth cycle and cash generation; expectations and objectives regarding debt repayments and refinancing of bank facilities and maturities; and intentions and objectives for our programs, assets and operations. As it relates to the pursuit of a divestiture of our operations in Belfast and Morocco, the sale of the CRJ aircraft program (collectively, the Pending Transactions), this presentation also contains forward-looking statements with respect to: the expected terms, conditions, and timing for completion thereof; the respective anticipated proceeds and use thereof and/or consideration therefor, related costs and expenses, as well as the anticipated benefits of such transactions and their expected impact on our outlook, guidance and targets, operations, infrastructure, opportunities, financial condition, business plan and overall strategy; and the fact that closing of these transactions will be conditioned on certain events occurring, including the receipt of necessary regulatory approvals.

Forward-looking statements can generally be identified by the use of forward-looking terminology such as “may”, “will”, “shall”, “can”, “expect”, “estimate”, “intend”, “anticipate”, “plan”, “foresee”, “believe”, “continue”, “maintain” or “align”, the negative of these terms, variations of them or similar terminology. Forward-looking statements are presented for the purpose of assisting investors and others in understanding certain key elements of our current objectives, strategic priorities, expectations, outlook and plans, and in obtaining a better understanding of our business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

By their nature, forward-looking statements require management 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 forecast results set forth in forward-looking statements. While management considers these assumptions to be reasonable and appropriate based on information currently available, there is risk that they may not be accurate. The assumptions underlying the forward-looking statements made in this presentation in relation to the Pending Transactions discussed herein include the following material assumptions: the satisfaction of all closing conditions (including receipt of regulatory approvals on acceptable terms within commonly experienced time frames) and successful completion of such transactions within the anticipated timeframe, the realization of the intended benefits therefrom (including receipt of expected proceeds) within the anticipated timeframe. For additional information, including with respect to the other assumptions underlying the forward-looking statements made in this presentation, refer to the Strategic Priorities and Guidance and forward-looking statements sections in applicable reportable segment.

Certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, risks associated with general economic conditions, risks associated with our business environment (such as risks associated with “Brexit”, the financial condition of the airline industry, business aircraft customers, and the rail industry; trade policy; increased competition; political instability and force majeure events or global climate change), operational risks (such as risks related to developing new products and services; development of new business and awarding of new contracts; book-to-bill ratio and order backlog; the certification and homologation of products and services; fixed-price and fixed-term commitments and production and project execution, including challenges associated with challenging Transportation projects and the risk that actions and initiatives undertaken by Transportation to move forward and complete such projects may not be successful, and the intended outcome and release of working capital therefrom not being realized, within the timeframe anticipated or at all; pressures on cash flows and capital expenditures based on project-cycle fluctuations and seasonality; risks associated with our ability to successfully implement and execute our strategy, transformation plan, productivity enhancements, operational efficiencies and restructuring initiatives; doing business with partners; inadequacy of cash planning and management and project funding; product performance warranty and casualty claim losses; regulatory and legal proceedings; environmental, health and safety risks; dependence on certain customers, contracts and suppliers; supply chain risks; human resources; reliance on information systems; reliance on and protection of intellectual property rights; reputation risks; risk management; tax matters; and adequacy of insurance coverage), financing risks (such as risks related to liquidity and access to capital markets; retirement benefit plan risk; exposure to credit risk; substantial existing debt and interest payment requirements; certain restrictive debt covenants and minimum cash levels; financing support provided for the benefit of certain customers; and reliance on government support), market risks (such as risks related to foreign currency fluctuations; changing interest rates; decreases in residual values; increases in commodity prices; and inflation rate fluctuations). For more details, see the Risks and uncertainties section in Other in the 2019 Financial Report. With respect to the Pending Transactions discussed herein specifically, certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to: the failure to receive or delay in receiving regulatory approvals on acceptable terms or at all, or otherwise satisfy the conditions to the completion of these transactions or delay in completing, and uncertainty regarding the length of time required to complete, such transactions, and all or part of the intended benefits therefrom not being realized and the anticipated proceeds therefrom not being available to Bombardier within the anticipated timeframe, or at all; and alternate sources of funding that would be used to replace the anticipated proceeds from such transactions may not be available when needed, or on desirable terms. For more details, see the Risks and uncertainties section in Other in the 2019 Financial 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. Other risks and uncertainties not presently known to us or that we presently believe are not material could also cause actual results or events to differ materially from those expressed or implied in our forward-looking statements. The forward-looking statements set forth herein reflect management’s expectations as at the date of this report and are subject to change after such date. Unless otherwise required by applicable securities laws, we expressly disclaim any intention, and assume 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.

All amounts in this presentation are expressed in U.S. dollars, rounded to the nearest decimal, unless otherwise indicated. This presentation should be read in conjunction with the Corporation’s 2019 Financial Report. This presentation contains both IFRS and non-GAAP measures. Non-GAAP measures are defined at the end of this presentation and reconciled to the most comparable IFRS measures in the Corporation’s 2019 Financial Report. See Caution regarding non-GAAP measures at the end of this presentation.

Forward-looking statements¹ in this section of the presentation are based on and subject to the following material assumptions:

Overall business

- normal execution and delivery of current backlog;
- the ability to understand customer needs and portfolio of products and services to drive market demand and secure new orders;
- continued deployment and execution of leading initiatives to improve revenue conversion into higher earnings and free cash flow², through improved procurement cost, controlled spending and labour efficiency;
- delivering on the transformation plan targets, through restructurings and other initiatives addressing the direct and indirect cost structure, focusing on sustained cost reductions and operational improvements, while reducing working capital consumption;
- the ability of the supply base to support product development and planned production rates on commercially acceptable terms in a timely manner;
- the ability to identify and enter into further risk sharing partnerships and initiatives;
- the effectiveness of disciplined capital deployment measures in new programs and products to drive revenue growth;
- the ability to recruit and retain highly skilled resources to deploy the product development strategy;
- the stability of the competitive global environment and global economic conditions;
- the stability of foreign exchange rates at current levels; and
- the ability to have sufficient liquidity to execute the strategic plan, to meet financial covenants and to pay down long-term debt or refinance bank facilities and maturities.

Aviation

- closing of the sale of our regional jet program and Belfast and Morocco aerostructures businesses and Dallas MRO by mid-year 2020;
- the alignment of production rates to market demand;
- the ability to manage the learning curve as we ramp up production and deliveries of the Global 7500 aircraft;
- continued deployment and execution of growth strategies, and continued growth of the aftermarket business;
- the ability to invest in our product portfolio;
- the accuracy of the analyses and assumptions underlying our business case including estimated cash flows and revenues over the expected life of our programs and thereafter;
- the accuracy of our assessment of anticipated growth drivers and sector trends; and
- new program aircraft prices, unit costs and ramp-up.

Transportation

- our ability to execute and deliver business model enhancement initiatives;
- our ability to release working capital stemming from delivery challenges experienced;
- our ability to successfully move forward and complete challenging projects;
- our ability to meet project milestones on schedule and reach customer settlements on key projects;
- the ability to leverage the global manufacturing footprint and transfer best practices and technology across production;
- the realization of upcoming tenders and our ability to capture them based on market forecasts⁽³⁾, leading to estimated future order intake; and

For a discussion of the material risk factors associated with the forward-looking information, refer to the Risks and uncertainties section in Other in the 2019 Financial Report. .

¹ Also refer to the Guidance and forward-looking statements section for the forward-looking statements disclaimer.

² Non-GAAP measure. Refer to the Non-GAAP measures for definition of this metric and to the Analysis of results section for a reconciliation to the most comparable IFRS measures.

³ For more details, refer to the market indicators in the Industry and economic environment section of the Transportation segment.

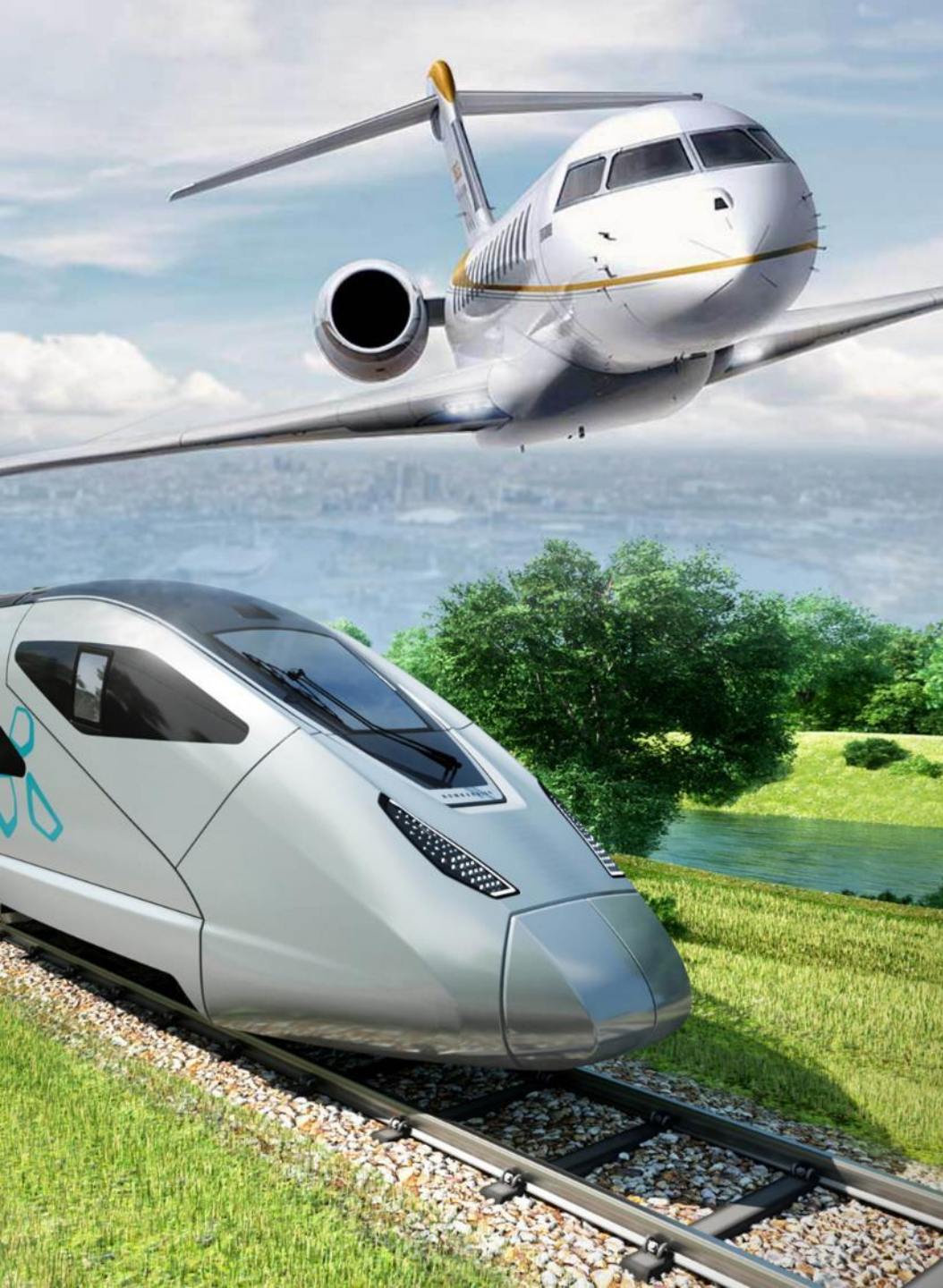
TRANSACTION OVERVIEW

- Sale of Bombardier's remaining interests in ACLP to Airbus and Investissement Québec
- Transfer of aerostructures activities supporting A220 and A330 in Montréal to Stelia (Airbus)
- Cancellation of 100,000,000 Class B shares warrants owned by Airbus
- Transaction closed February 12, 2020

FINANCIAL PACKAGE

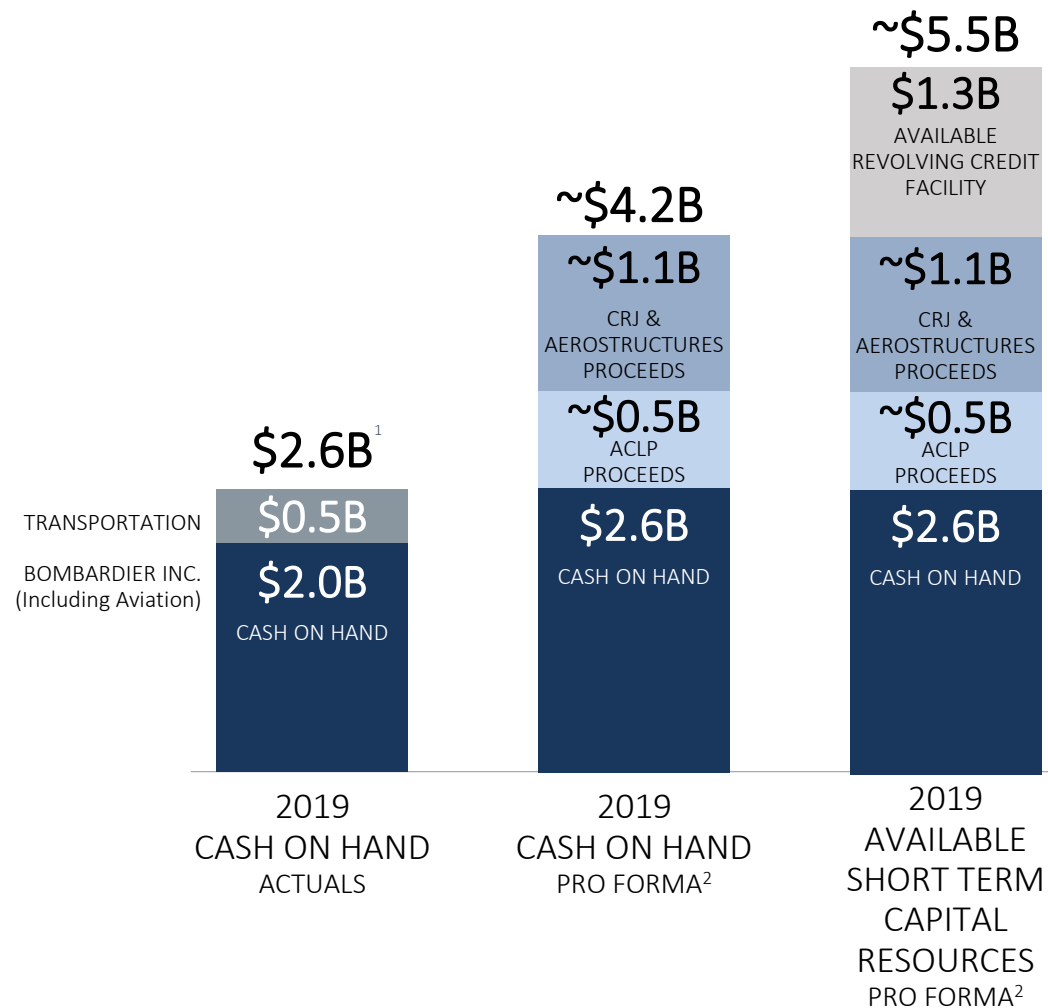
- Proceeds of **~\$600M**, of which ~\$530M is payable on closing, with the balance paid over 2020-2021
- Release of Bombardier from future capital requirements funding of ACLP estimated at **~\$700M**

COMPLETES EXIT FROM COMMERCIAL AIRCRAFT & ENHANCES CASH POSITION BY ~\$1.3B



PRO FORMA LIQUIDITY

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Note: Chart data may not be to scale. Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.

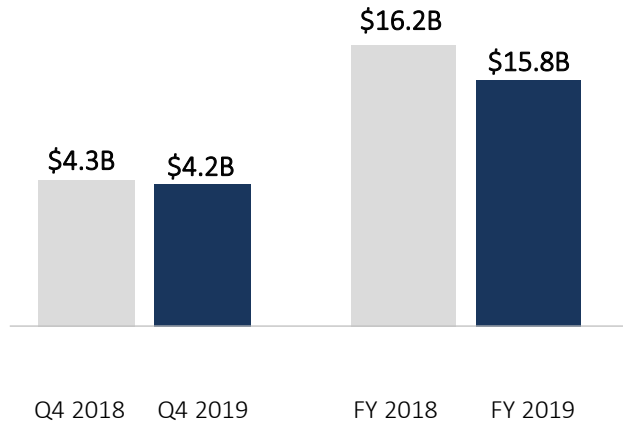
¹ Certain totals may not agree due to rounding.

² Includes M&A proceeds expected from the sales of ACLP stake, CRJ program, Aerostructures businesses, closed or expected to close by mid-2020, subject to regulatory approvals and customary closing conditions.

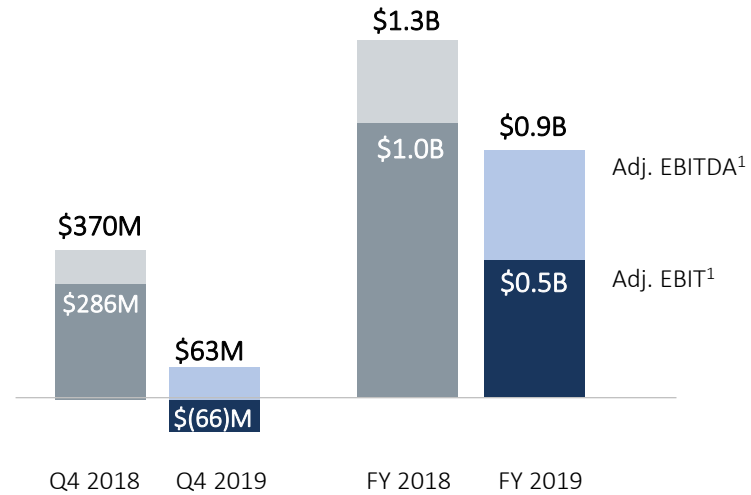
CONSOLIDATED FINANCIAL PERFORMANCE

BOMBARDIER

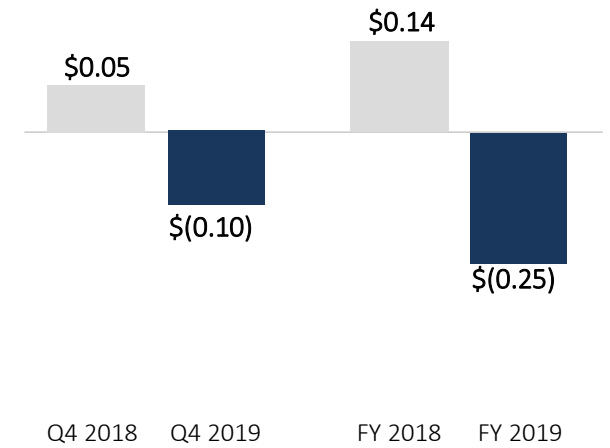
REVENUES



EARNINGS



ADJUSTED EPS¹

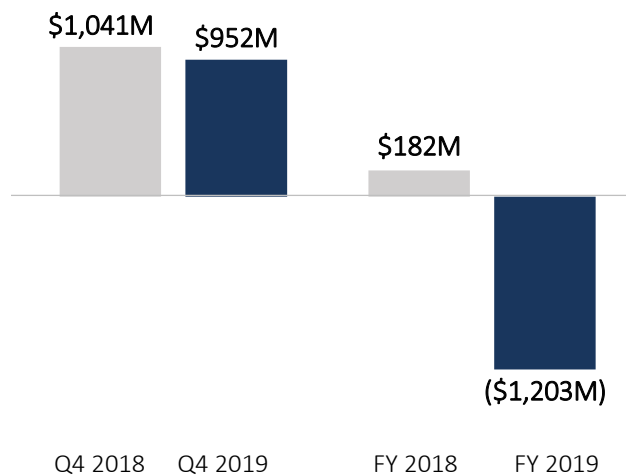


Note: Chart data may not be to scale.

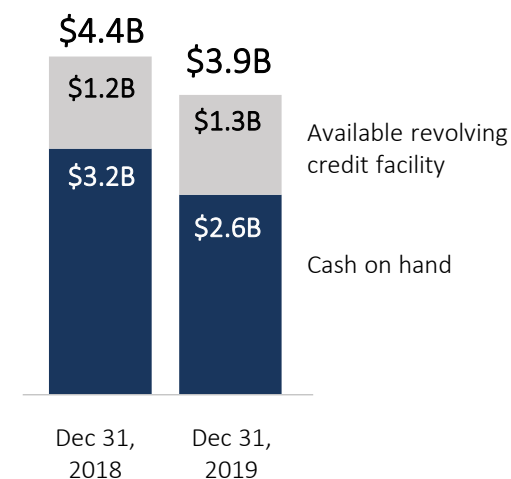
¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide and the associated GAAP equivalents refer to our disclosure regarding non-GAAP measures at the end of this presentation.

CONSOLIDATED FINANCIAL PERFORMANCE (CONT'D)

FREE CASH FLOW¹



LIQUIDITY^{1,2}



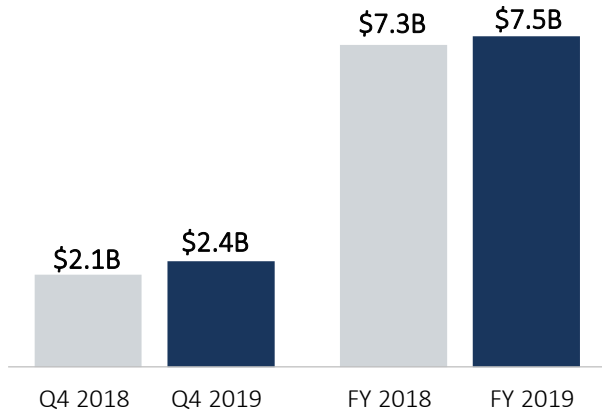
Note: Chart data may not be to scale. Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide and the associated GAAP equivalents refer to our disclosure regarding non-GAAP measures at the end of this presentation.

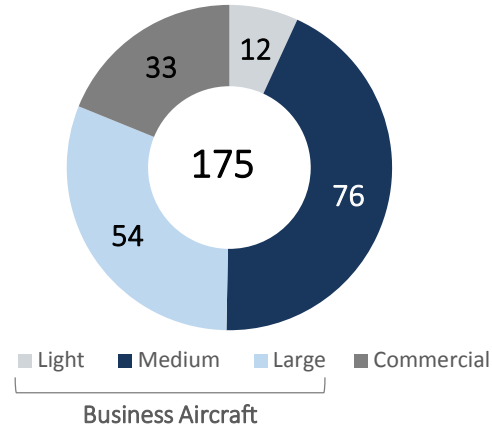
² Defined as cash and cash equivalents plus the amount available under our revolving credit facility

AVIATION HIGHLIGHTS

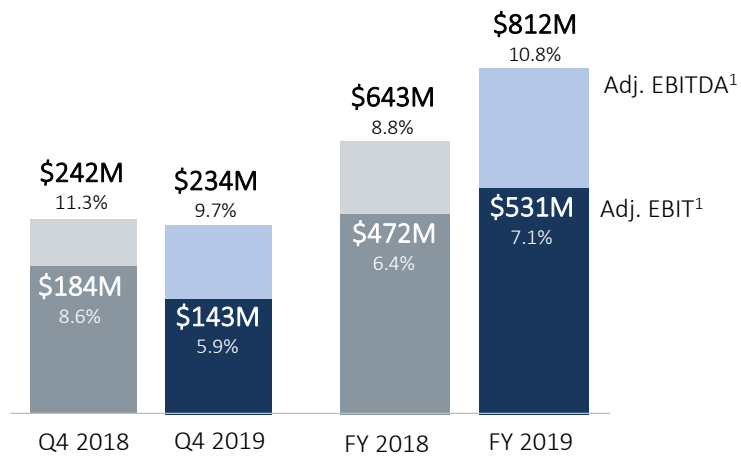
REVENUES



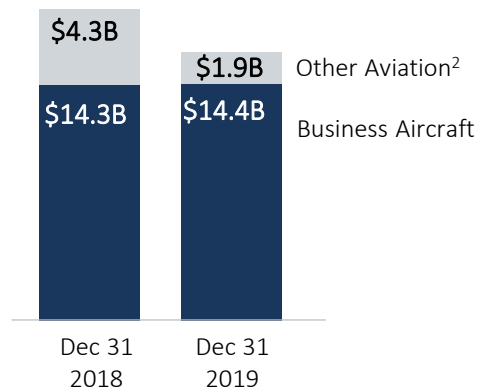
2019 DELIVERIES



EARNINGS



BACKLOG



Note: Chart data may not be to scale.

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide and the associated GAAP equivalents refer to our disclosure regarding non-GAAP measures at the end of this presentation.

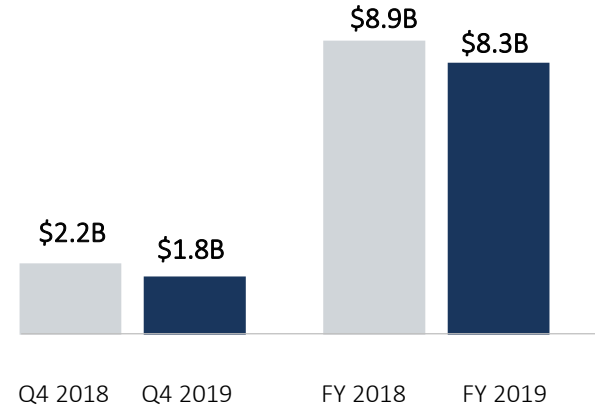
² Including 20 firm orders for CRJ900 as of December 31, 2019 and 45 firm orders for CRJ900 as of December 31, 2018. CRJ production is expected to conclude in the second half of 2020, following the delivery of the current backlog of the aircraft.



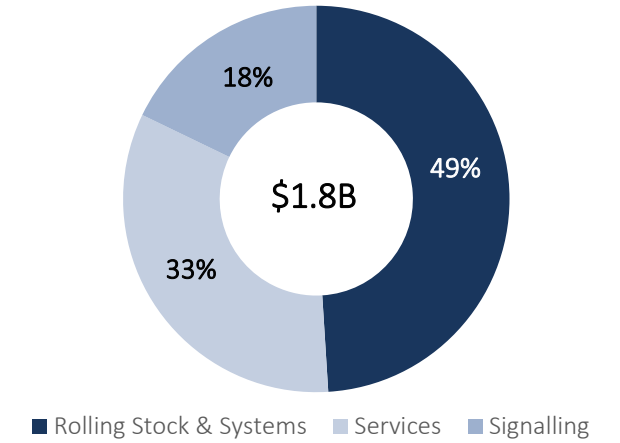
TRANSPORTATION HIGHLIGHTS

BOMBARDIER

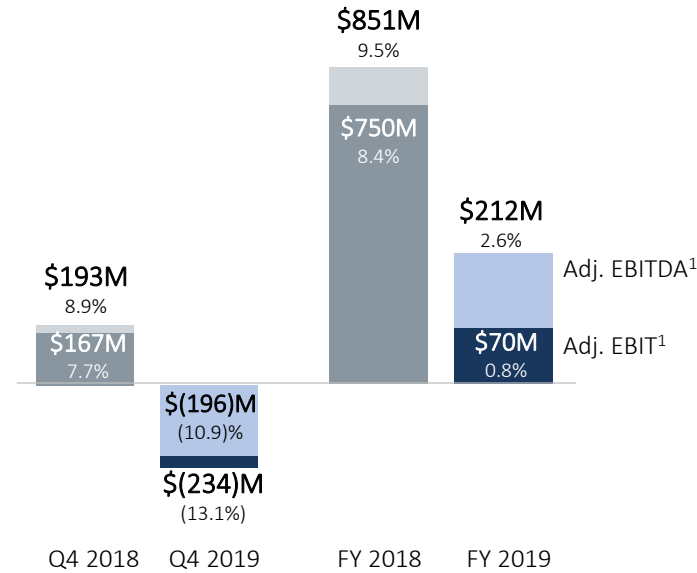
REVENUES



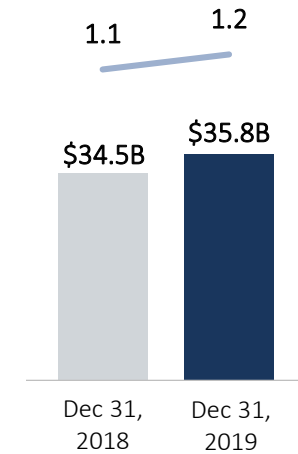
REVENUES DISTRIBUTION



EARNINGS



BACKLOG & BOOK-TO-BILL^{1,2}



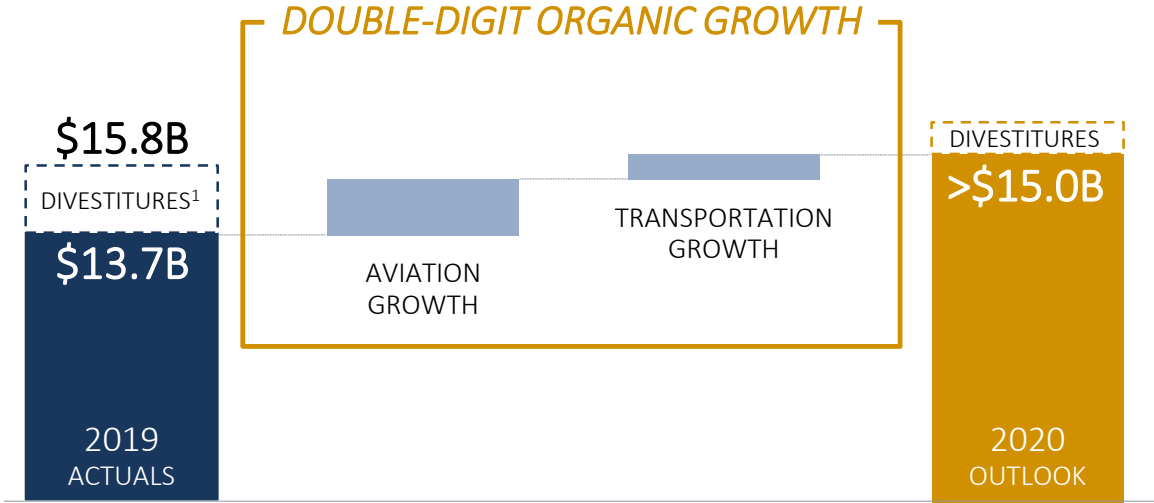
Note: Chart data may not be to scale.

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide and the associated GAAP equivalents refer to our disclosure regarding non-GAAP measures at the end of this presentation.

² Ratio of new orders over revenues



REVENUES

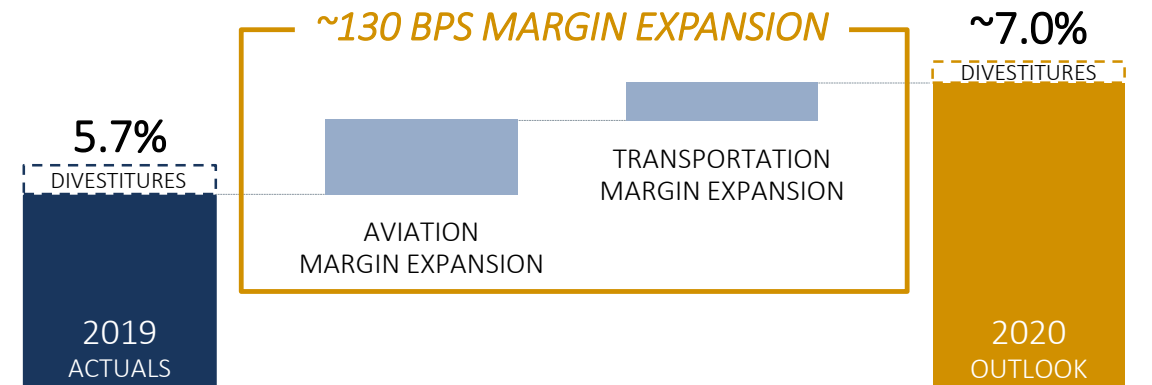


Note: Chart data may not be to scale. Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation. For further information on non-GAAP measures used on this slide refer to our disclosure regarding non-GAAP measures at the end of this presentation.

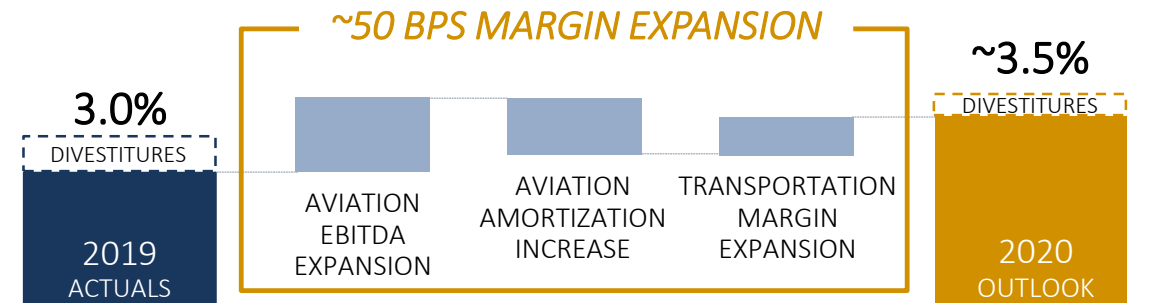
¹ Reflects 2019 revenues totaling ~\$2.1B generated from the realized and ongoing divestitures of the CRJ, Q400, Business aircraft Training and Aerostructures businesses.

2020 OUTLOOK

ADJUSTED EBITDA¹

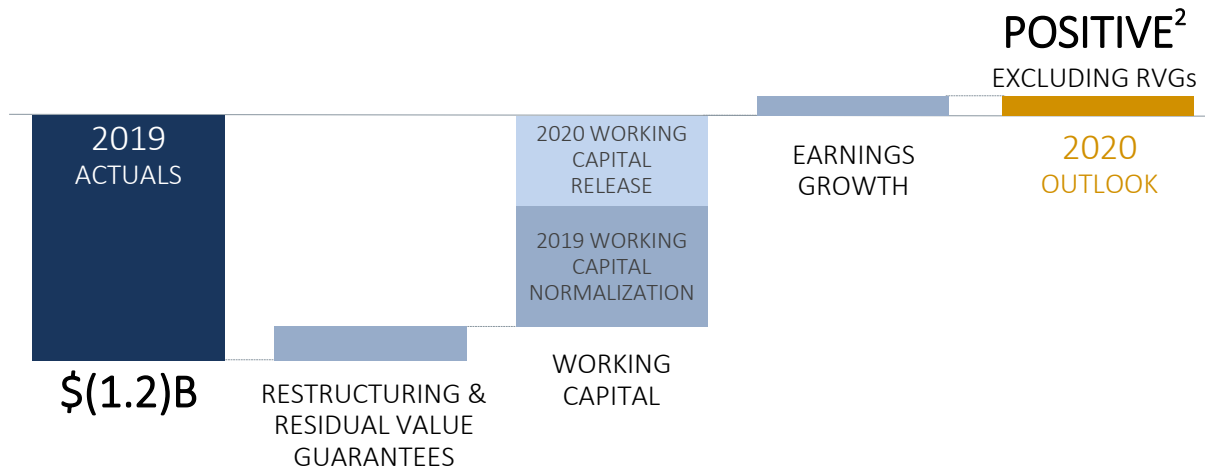


ADJUSTED EBIT¹



Note: Chart data may not be to scale. Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.
¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide and the associated GAAP equivalents refer to our disclosure regarding non-GAAP measures at the end of this presentation.

FREE CASH FLOW¹



Note: Chart data may not be to scale. Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide and the associated GAAP equivalents refer to our disclosure regarding non-GAAP measures at the end of this presentation.

² Positive FCF outlook excludes CRJ retained liabilities such as credit and residual value guarantees paid from the transaction proceeds and estimated at approximately \$200 million in 2020.

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CONSOLIDATED FINANCIAL PERFORMANCE

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	<u>Q4 2019</u>	<u>Q4 2018</u>	<u>VARIANCE</u>	<u>FY 2019</u>	<u>FY 2018</u>	<u>GUIDANCE 2019</u>
REVENUES	\$4.2B	\$4.3B	(2.3)%	\$15.8B	\$16.2B	\$16.5-17.0B
ADJUSTED EBITDA ¹	\$63M	\$370M	(83)%	\$896M	\$1,304M	\$1.20-1.30B
ADJUSTED EBITDA % ¹	1.5%	8.6%	(710) bps	5.7%	8.0%	
EBIT	\$(1,696)M	\$342M	(596)%	\$(498)M	\$1.0B	
EBIT %	(40.3)%	7.9%	(4,820) bps	(3.2)%	6.2%	
ADJUSTED EBIT ¹	\$(66)M	\$286M	(123)%	\$470M	\$1,029M	\$700-800M
ADJUSTED EBIT % ¹	(1.6)%	6.6%	(820) bps	3.0%	6.3%	
CASH FLOW FROM OPERATING ACTIVITIES	\$1,073M	\$1,289M	(16.8)%	\$(680)M	\$597M	
FCF ¹	\$952M	\$1,041M	(8.5)%	\$(1,203)M	\$182M	~\$(500)M
DILLUTED EPS	\$(0.74)	\$0.02	\$(0.76)	\$(0.76)	\$0.09	
ADJUSTED EPS ¹	\$(0.10)	\$0.05	\$(0.15)	\$(0.25)	\$0.14	

Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide refer to our disclosure regarding non-GAAP measures at the end of this presentation.

AVIATION FINANCIAL PERFORMANCE

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	Q4 2019	Q4 2018	VARIANCE	FY 2019	FY 2018	GUIDANCE 2019
REVENUES	\$2.4B	\$2.1B	12.7%	\$7.5B	\$7.3B	~\$8.0B
ADJUSTED EBITDA ¹	\$234M	\$242M	(3.3)%	\$812M	\$643M	
ADJUSTED EBITDA % ¹	9.7%	11.3%	(160) bps	10.8%	8.8%	
EBIT	\$94M	\$171M	(45)%	\$1,194M	\$424M	
EBIT %	3.9%	8.0%	(410) bps	15.9%	5.8%	
ADJUSTED EBIT ¹	\$143M	\$184M	(22.3)%	\$531M	\$472M	
ADJUSTED EBIT % ¹	5.9%	8.6%	(270) bps	7.1%	6.4%	~7%
BUSINESS AIRCRAFT BACKLOG	\$14.4B	\$14.3B	\$0.1B	\$14.4B	\$14.3B	
COMMERCIAL AIRCRAFT BACKLOG	\$1.9B	\$4.3B	\$(2.4)B	\$1.9B	\$4.3B	
DELIVERIES	58	53	+5	175	172	175-180

Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide refer to our disclosure regarding non-GAAP measures at the end of this presentation.

TRANSPORTATION FINANCIAL PERFORMANCE

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	Q4 2019	Q4 2018	VARIANCE	FY 2019	FY 2018	GUIDANCE 2019
REVENUES	\$1.8B	\$2.2B	(18.0)%	\$8.3B	\$8.9B	~\$8.75B
ADJUSTED EBITDA ¹	\$(196)M	\$193M	(202)%	\$212M	\$851M	
ADJUSTED EBITDA % ¹	(10.9)%	8.9%	(1,980) bps	2.6%	9.5%	
EBIT	\$(236)M	\$236M	(200)%	\$22M	\$774M	
EBIT %	(13.2)%	10.9%	(2,410) bps	0.3%	8.7%	
ADJUSTED EBIT ¹	\$(234)M	\$167M	(240)%	\$70M	\$750M	
ADJUSTED EBIT % ¹	(13.1)%	7.7%	(2,080) bps	0.8%	8.4%	~5%
BACKLOG	\$35.8B	\$34.5B	\$1.3B	\$35.8B	\$34.5B	
BOOK-TO-BILL ¹	1.0	1.5	(0.5)	1.2	1.1	

The Global 8000 and Learjet 75 Liberty aircraft are currently in development, and as such are subject to changes in family strategy, branding, capacity, performance, design and/or systems. All specifications and data are approximate, may change without notice and are subject to certain operating rules, assumptions and other conditions. This document does not constitute an offer, commitment, representation, guarantee or warranty of any kind.

CAUTION REGARDING NON-GAAP FINANCIAL MEASURES

This presentation is based on reported earnings in accordance with IFRS and on the following non-GAAP financial measures:

Non-GAAP financial measures

Adjusted EBIT	EBIT excluding special items. Special items comprise items which do not reflect the Corporation's core performance or where their separate presentation will assist users of the consolidated financial statements in understanding the Corporation's results for the period. Such items include, among others, the impact of restructuring charges and significant impairment charges and reversals.
Adjusted EBITDA	Adjusted EBIT, amortization and impairment charges on PP&E and intangible assets.
Adjusted EPS	EPS calculated based on adjusted net income attributable to equity holders of Bombardier Inc., using the treasury stock method, giving effect to the exercise of all dilutive elements.
Free cash flow (usage)	Cash flows from operating activities less net additions to PP&E and intangible assets.

Non-GAAP financial measures are mainly derived from the consolidated financial statements but do not have standardized meanings prescribed by IFRS. The exclusion of certain items from non-GAAP performance measures does not imply that these items are necessarily non-recurring. Other entities in our industry may define the above measures differently than we do. In those cases, it may be difficult to compare the performance of those entities to ours based on these similarly-named non-GAAP measures.

Prior to the first quarter of fiscal year 2019, the Corporation reported non-GAAP measures labeled "EBIT before special items" and "EBITDA before special items". Beginning in the first quarter of fiscal year 2019, the Corporation changed the label of these non-GAAP measures to "adjusted EBIT" and "adjusted EBITDA", respectively, without making any change to the composition of these non-GAAP measures. The Corporation believes that this new label aligns better with broad market practice in its industry and better distinguishes these measures from the IFRS measurement "EBIT" and "EBITDA".

Adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS

Management uses adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS for purposes of evaluating underlying business performance. Management believes these non-GAAP earnings measures in addition to IFRS measures provide users of our Financial Report with enhanced understanding of our results and related trends and increases the transparency and clarity of the core results of our business. Adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS exclude items that do not reflect our core performance or where their exclusion will assist users in understanding our results for the period. For these reasons, a significant number of users of the MD&A analyze our results based on these financial measures. Management believes these measures help users of MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

Free cash flow (usage)

Free cash flow is defined as cash flows from operating activities less net additions to PP&E and intangible assets. Management believes that this non-GAAP cash flow measure provides investors with an important perspective on the Corporation's generation of cash available for shareholders, debt repayment, and acquisitions after making the capital investments required to support ongoing business operations and long-term value creation. This non-GAAP cash flow measure does not represent the residual cash flow available for discretionary expenditures as it excludes certain mandatory expenditures such as repayment of maturing debt. Management uses free cash flow as a measure to assess both business performance and overall liquidity generation.

RECONCILIATION OF SEGMENT TO CONSOLIDATED RESULTS

Reconciliation of segment to consolidated results⁽¹⁾

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2019 ⁽²⁾	2018	2019 ⁽²⁾	2018
Revenues				
Aviation	\$ 2,413	\$ 2,142	\$ 7,501	\$ 7,324
Transportation	1,793	2,161	8,269	8,915
Corporate and Others	(1)	—	(13)	(3)
	\$ 4,205	\$ 4,303	\$ 15,757	\$ 16,236
Adjusted EBIT⁽³⁾				
Aviation	\$ 143	\$ 184	\$ 531	\$ 472
Transportation	(234)	167	70	750
Corporate and Others ⁽⁴⁾	25	(65)	(131)	(193)
	\$ (66)	\$ 286	\$ 470	\$ 1,029
Special Items				
Aviation	\$ 49	\$ 13	\$ (663)	\$ 48
Transportation	2	(69)	48	(24)
Corporate and Others	1,579	—	1,583	4
	\$ 1,630	\$ (56)	\$ 968	\$ 28
EBIT				
Aviation	\$ 94	\$ 171	\$ 1,194	\$ 424
Transportation	(236)	236	22	774
Corporate and Others ⁽⁴⁾	(1,554)	(65)	(1,714)	(197)
	\$ (1,696)	\$ 342	\$ (498)	\$ 1,001

⁽¹⁾ Figures are restated as a result of the formation of Bombardier Aviation, our new reportable segment. Refer to the Segment reporting section in Overview for further details.

⁽²⁾ Refer to Note 3 - Changes in accounting policies in our Consolidated financial statements, for the impact of the adoption of IFRS 16, *Leases*. Under the modified retrospective approach adopted by the Corporation, 2018 figures are not restated.

⁽³⁾ Non-GAAP financial measure. Refer to the Non-GAAP financial measures section for a definition of this metric.

⁽⁴⁾ Includes share of net gains from ACLP of \$57 million and \$37 million for the fourth quarter and fiscal year ended December 31, 2019, respectively (share of net losses of \$27 million and \$40 million for the fourth quarter and fiscal year ended December 31, 2018, respectively). The share of net gains from ACLP in the fourth quarter of 2019 includes certain provision reversals within ACLP amounting to approximately \$60 million.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

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Reconciliation of adjusted EBITDA to EBIT

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2019	2018	2019	2018
EBIT	\$ (1,696)	\$ 342	\$ (498)	\$ 1,001
Amortization	129	84	422	272
Impairment charges (reversals) on PP&E and intangible assets ⁽¹⁾	—	—	(4)	11
Special items excluding impairment charges (reversals) on PP&E and intangible assets ⁽¹⁾	1,630	(56)	976	20
Adjusted EBITDA	\$ 63	\$ 370	\$ 896	\$ 1,304

⁽¹⁾ Refer to the Consolidated results of operations section for details regarding special items.

Free cash flow (usage)⁽¹⁾

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2019 ⁽²⁾	2018	2019 ⁽²⁾	2018
Net income (loss)	\$ (1,719)	\$ 55	\$ (1,607)	\$ 318
Non-cash items				
Amortization	129	84	422	272
Impairment charges on ACLP investments	1,578	—	1,578	—
Impairment charges (reversals) on PP&E and intangible assets	—	—	(4)	11
Deferred income taxes	(173)	(1)	113	(74)
Gains on disposals of PP&E and intangible assets	(3)	(61)	(10)	(636)
Losses (gains) on disposals of businesses	9	7	(730)	616
Share of income of joint ventures and associates	(81)	(7)	(128)	(66)
Share-based expense (income)	(4)	(2)	30	65
Loss on repurchase of long-term debt	—	—	84	—
Loss on sale of long-term contract receivables	—	31	—	31
Dividends received from joint ventures and associates	29	23	49	72
Net change in non-cash balances ⁽³⁾	1,308	1,160	(477)	(12)
Cash flows from operating activities	1,073	1,289	(680)	597
Net additions to PP&E and intangible assets	(121)	(248)	(523)	(415)
Free cash flow (usage)⁽¹⁾	\$ 952	\$ 1,041	\$ (1,203)	\$ 182

⁽¹⁾ Non-GAAP financial measure. Refer to the Non-GAAP financial measures section for definitions of this metric.

⁽²⁾ Refer to Note 3 - Changes in accounting policies, to our Consolidated financial statements, for the impact of the adoption of IFRS 16, *Leases*. Under the modified retrospective approach adopted by the Corporation, 2018 figures are not restated.

⁽³⁾ Refer to Note 35 - Net changes in non-cash balances, to our Consolidated financial statements for further details.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

BOMBARDIER

Reconciliation of adjusted net income (loss) to net income (loss) and computation of adjusted EPS

	Fourth quarters ended December 31			
	2019		2018	
		(per share)		(per share)
Net income (loss)	\$ (1,719)		\$ 55	
Adjustments to EBIT related to special items ⁽¹⁾	1,630	\$ 0.68	(56)	\$ (0.02)
Adjustments to net financing expense related to:				
Loss on sale of long-term contract receivables ⁽¹⁾	—	—	31	0.01
Accretion on net retirement benefit obligations	22	0.01	15	0.00
Net change in provisions arising from changes in interest rates and net loss on certain financial instruments	(84)	(0.04)	67	0.02
Interest portion of gains related to special items ⁽¹⁾	—	—	(11)	0.00
Tax impact of special ⁽¹⁾ and other adjusting items	(21)	(0.01)	48	0.02
Adjusted net income (loss)	(172)		149	
Net income attributable to NCI	(51)		(40)	
Preferred share dividends, including taxes	(7)		25	
Adjusted net income (loss) attributable to equity holders of Bombardier Inc.	\$ (230)		\$ 134	
Weighted-average adjusted diluted number of common shares (in thousands)		2,397,868		2,477,954
Adjusted EPS		\$ (0.10)		\$ 0.05

Reconciliation of adjusted EPS to diluted EPS (in dollars)

	Fourth quarters ended December 31	
	2019	2018
Diluted EPS	\$ (0.74)	\$ 0.02
Impact of special ⁽¹⁾ and other adjusting items	0.64	0.03
Adjusted EPS	\$ (0.10)	\$ 0.05

⁽¹⁾ Refer to the Consolidated results of operations section for details regarding special items.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

BOMBARDIER

Reconciliation of adjusted net income (loss) to net income (loss) and computation of adjusted EPS

	Fiscal years ended December 31			
	2019		2018	
	(per share)		(per share)	
				<i>restated⁽¹⁾</i>
Net income (loss)	\$ (1,607)		\$ 318	
Adjustments to EBIT related to special items ⁽¹⁾	968	\$ 0.41	28	\$ 0.01
Adjustments to net financing expense related to:				
Loss on repurchase of long-term debt ⁽¹⁾	84	0.03	—	—
Loss on sale of long-term contract receivables ⁽¹⁾	—	—	31	0.01
Accretion on net retirement benefit obligations	73	0.03	65	0.03
Net change in provisions arising from changes in interest rates and net loss (gain) on certain financial instruments	(130)	(0.05)	36	0.01
Interest portion of gains related to special items ⁽¹⁾	—	—	(15)	0.00
Tax impact of special ⁽¹⁾ and other adjusting items	216	0.09	(25)	(0.01)
Adjusted net income (loss)	(396)		438	
Net income attributable to NCI	(190)		(86)	
Preferred share dividends, including taxes	(21)		4	
Adjusted net income (loss) attributable to equity holders of Bombardier Inc.	\$ (607)		\$ 356	
Weighted-average adjusted diluted number of common shares (in thousands)		2,383,987		2,501,047
Adjusted EPS		\$ (0.25)		\$ 0.14

⁽¹⁾ Refer to the Consolidated results of operations section for details regarding special items.