



Deutsche Bank - 2011 Leverage Finance Conference Presentation to investors

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October 2011

BOMBARDIER



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.



1

Overview



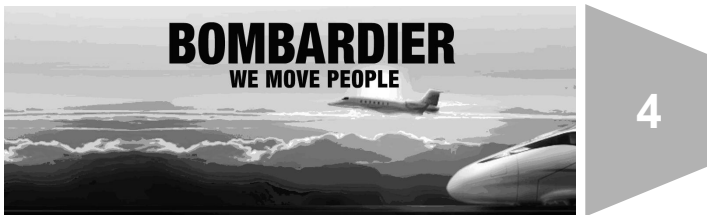
2

Transportation



3

Aerospace



4

Financials

Bombardier – A Global Market Leader

For the last 12 months ended July 31, 2011

| <i>(in millions of U.S. dollars)</i> | | BOMBARDIER INC. | |
|--------------------------------------|-----------|---|-----------|
| Revenues | \$ 18,991 | Free Cash Flow | \$ (130) |
| EBITDA | \$ 1,634 | Backlog ^(a) | \$ 56,900 |
| EBIT | \$ 1,285 | EPS ^(c) <i>(in U.S. dollars)</i> | \$ 0.48 |
| Net income | \$ 873 | Employees ^(b) | 65,400 |

| AEROSPACE | | TRANSPORTATION | |
|---|-----------|---|-----------|
| Market leader in both business and regional aircraft | | Market leader in rail equipment and services | |
| Revenues | \$ 9,193 | Revenues | \$ 9,798 |
| EBITDA | \$ 785 | EBITDA | \$ 849 |
| EBIT | \$ 566 | EBIT | \$ 719 |
| Backlog ^(a) | \$ 23,000 | Backlog ^(a) | \$ 33,900 |
| Employees ^(b) | 30,300 | Employees ^(b) | 34,900 |

(a) As of July 31, 2011

(b) As of January 31, 2011

(c) Diluted

Bombardier Today

65,400 employees*

- 100 nationalities
- 25 languages

**A presence in more than
60 countries**

**Customers in more than
100 countries**



* As of January 31, 2011

Bombardier Transportation Today

Manufacturing, sales and service sites worldwide



Over 100,000 Bombardier rail cars and locomotives in usage globally today

BOMBARDIER

Bombardier Aerospace Today

Since 1989, Bombardier Aerospace has launched 28 successful new aircraft programs. Today, more than 6,100 Bombardier aircraft are in operation worldwide.

This represents:

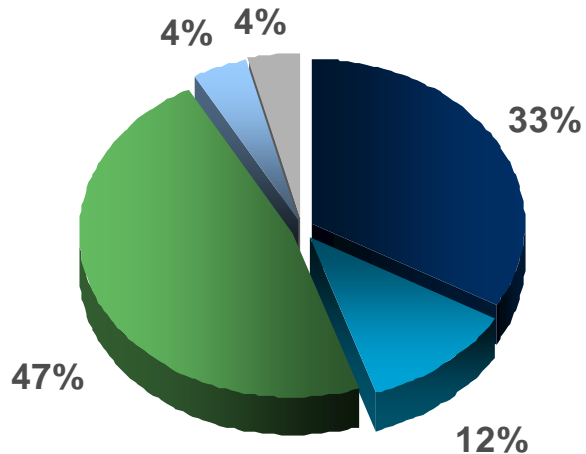
- **28,000 take-offs and landings per day – or**
- **1,200 per hour – or**
- **20 per minute – or**

Every three seconds, a Bombardier aircraft takes off or lands somewhere around the globe



Bombardier – A truly global company

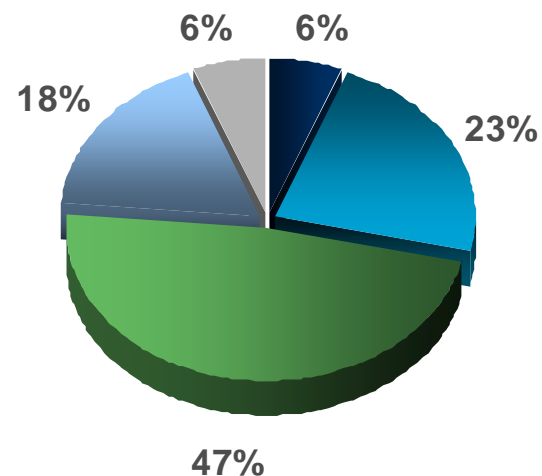
Employees Geographic segmentation



■ Canada ■ US ■ Europe
■ Asia-Pacific ■ Other

Total employees: 65,400*

F2011 Revenues Geographic segmentation








■ Canada ■ US ■ Europe
■ Asia-Pacific ■ Other

Total F2011 revenues: US\$17.7 billion

* As of January 31, 2011

Bombardier – From entrepreneurial to global leader

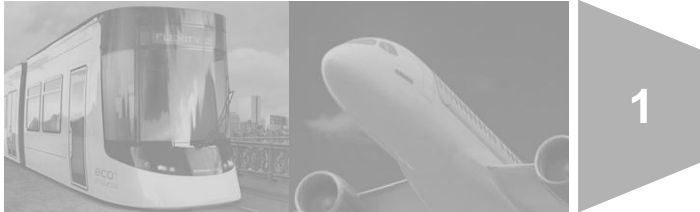
| | 1942-1973 | 1974-1985 | 1986-1993 | 1994-2001 | 2002-today |
|--------------------------------------|---|--|--|--|--|
| Entry |  Invention of snowmobile |  Rail transportation |  Aerospace |  Consolidation of leadership position |  Global leadership |
| Revenues* | \$0.7 B | \$1.0 B | \$5.6 B | \$12.4 B | \$17.7 B |
| Major acquisitions | <ul style="list-style-type: none"> ▪ Lohnerwerke (Rotax) | <ul style="list-style-type: none"> ▪ MLW Worthington ▪ Alco Power (U.S.) | <ul style="list-style-type: none"> ▪ Canadair ▪ Shorts ▪ Learjet ▪ deHavilland ▪ BN } BT ▪ ANF } | <ul style="list-style-type: none"> ▪ Waggonfabrik Talbot ▪ Deutsche Waggonbau ▪ Adtranz | Organic growth |
| Products Developed or Major Projects | | <ul style="list-style-type: none"> ▪ 423 cars - Montreal Subway ▪ 825 cars - NY City subway (US\$1B) | <ul style="list-style-type: none"> ▪ CRJ100/200 ▪ Learjet 31A ▪ Learjet 60 | <ul style="list-style-type: none"> ▪ CRJ700 ▪ Learjet 45 ▪ Global Express ▪ Q400 | <ul style="list-style-type: none"> ▪ Talent II ▪ Zefiro ▪ Challenger 300 ▪ Learjet 85 ▪ CSeries |

* In constant US dollars

To achieve our aspirations – Our way forward

We have established five priorities

- 1** Become number one in customer satisfaction through enhanced execution discipline
- 2** Raise our game on global talent management
- 3** Actively manage our exposure to key business risks
- 4** Establish local roots in all our key markets
- 5** Enhance our corporate social responsibility



Overview



Transportation



Aerospace



Financials

We are providing a full range of products and solutions to our customers around the world

Rolling stock

Passengers



- Light rail vehicles
- Metros
- Commuter trains
- Regional trains
- Intercity trains
- High-speed trains
- Very high-speed trains

Locomotives & Equipment



- Locomotives
- Bogies
- Traction converters
- Auxiliary converters
- Drives / traction motors
- Train control and communication

Services



- Fleet management
- Spare parts & logistics management
- Vehicle refurbishment and overhaul
- Component repair and overhaul
- Technical support

System & Signaling

Systems



- Automated people movers
- Advanced rapid transit
- Light rapid transit
- Automated monorail
- eMobility solutions
- Operations and maintenance
- Transit security

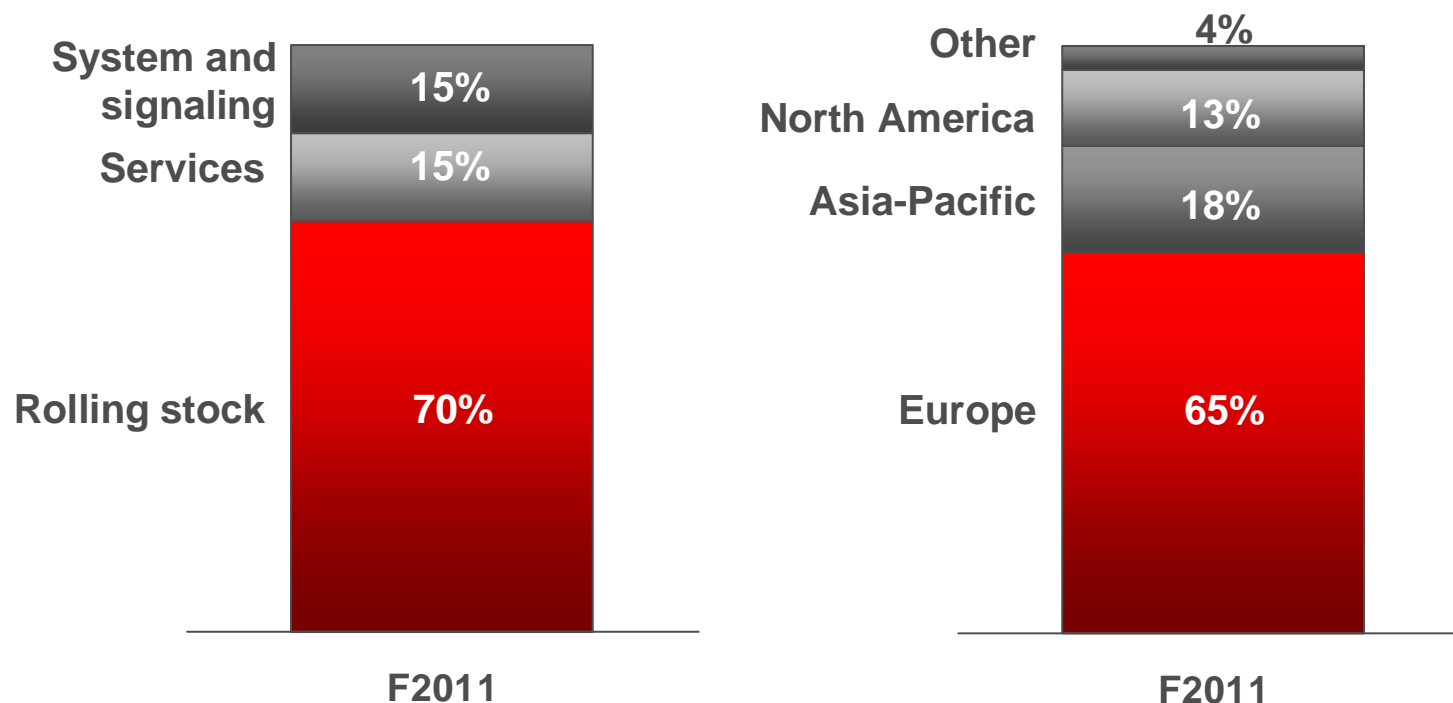
Rail Control Solutions



- Integrated control systems
- Onboard computer systems
- Automatic train protection and operation
- Wayside interlocking and equipment

Transportation

Revenues by product line and geographic region



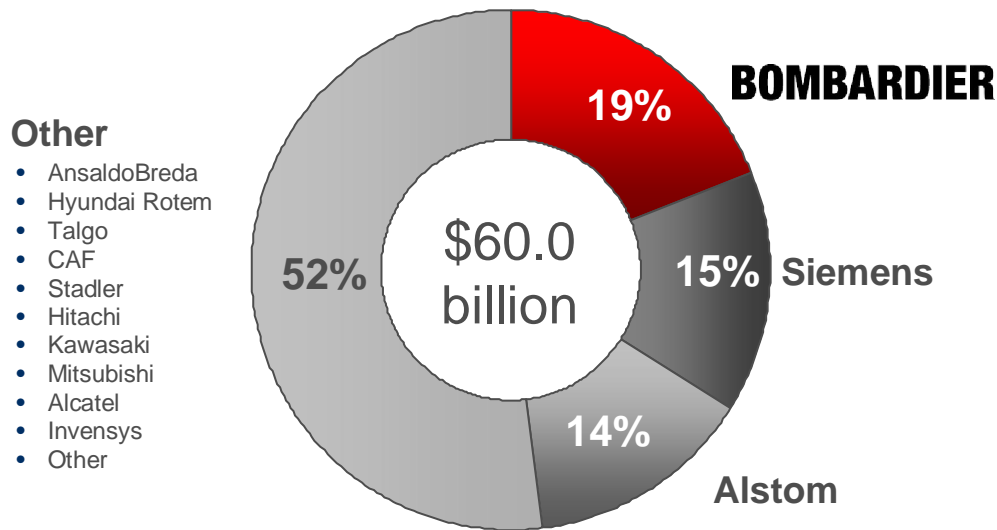
Total Revenues LTM* = \$9,798 million

Note: Revenues are attributed to countries based on the location of the customer

* LTM: Last 12 months ended July 31, 2011

BT is the market leader in the rail industry

Average market shares based on order intake 2008-10
*Bombardier relevant market**



BT market position by segment

| Segments | 2008-10 |
|------------------------------|---------|
| Light rail vehicles | #1 |
| Metro cars | #3 |
| Commuter trains | #1 |
| Regional trains | #1 |
| VHS, HS & Intercity trains** | #1 |
| Electric Locomotives | #1 |
| Bogies | #1 |
| Propulsion and controls | #1 |
| Services | #1 |
| Systems | #1 |
| Signalling | #6 |

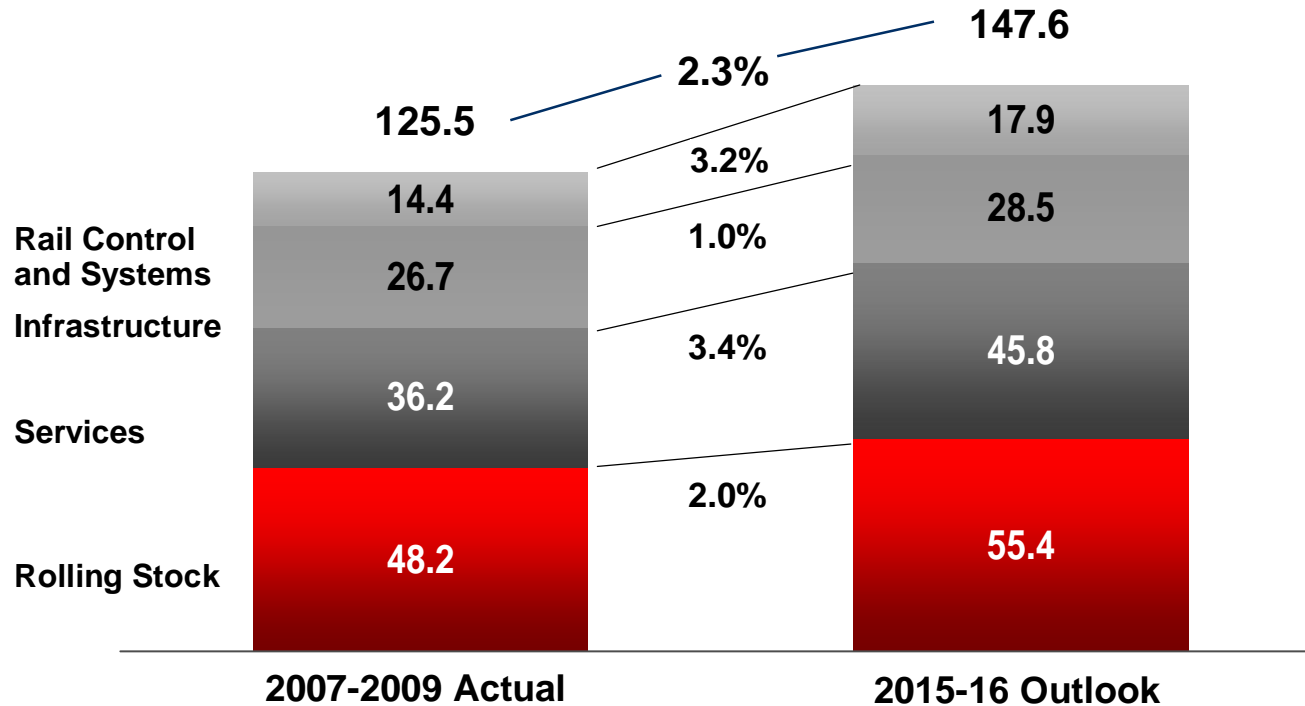
* Our relevant market represents the worldwide rail market accessible to external suppliers, therefore excluding the share of markets in which contracts are awarded to local contractors without open-bid competition. We also exclude maintenance performed in-house by operators and the entire Japanese market. Our relevant market also does not include markets in which we do not have a product offering, such as freight locomotives in North America, worldwide freight cars, rail infrastructure and electrification. In line with common industry practice, our relevant market is stated as the average of a three-year period, based on published orders for rolling stock and system, and on estimated market volumes for services and signalling. The calculation of the relevant market is based on both published orders and UNIFE data from the third edition of the World rail market study – status quo and outlook 2020 published by the Association of the European Rail Industry (UNIFE) in September 2010 (“UNIFE 2010 study”).

** VHS: Very high speed; HS: High speed

The fundamentals of the rail industry are positive

Accessible market by segment

(for calendar years)
(in billions of dollars)



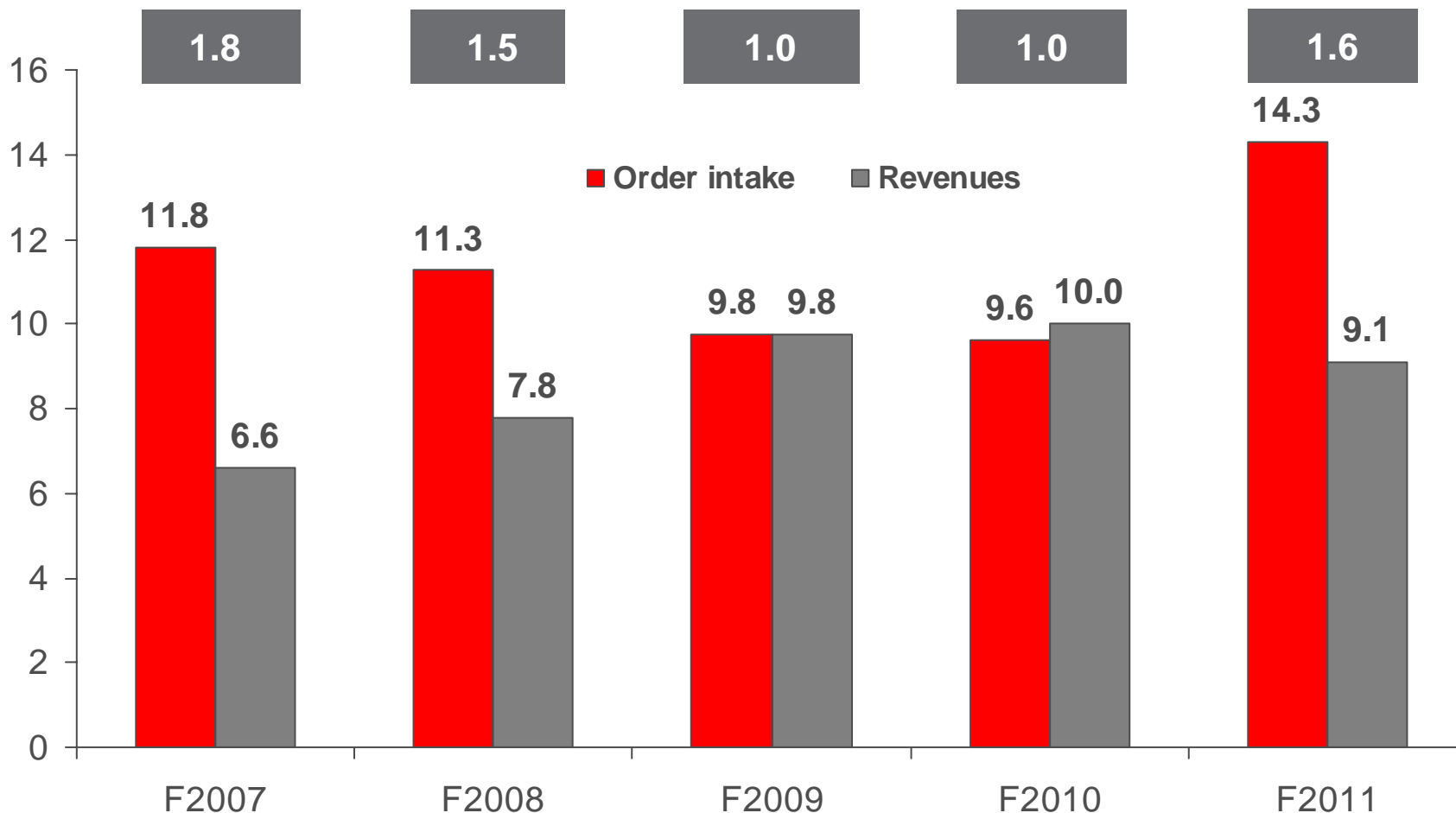
Source: UNIFE 2010 Study.

Values converted based on exchange rate EUR/USD of 1.3202

Starting point of calendar years 2007-09 is aligned with the methodology used in the UNIFE 2010 study.

Transportation – Strong backlog is the base for future revenue growth

Orders, revenues and book-to-bill
(Orders and revenues in billions of dollars)



Record order intake in FY2011 with \$14.3 billion in new orders leading to record backlog of \$33.5 billion

A record order intake in 2010, with contracts won across product lines and geographies



The market is expected to remain at a high level

Market outlook

- In the short to medium term, the market will be fuelled by several large contracts, already in advanced stages. In the longer term, innovative financing solutions will be needed
- Overall, the fundamentals for rail remain positive and growth in emerging markets will continue to benefit the rail supply industry

Key projects to be awarded

| | <i>Project name</i> | <i>Scope</i> |
|---|---|----------------------|
|  | PRASA Part 1 | More than 1200 cars |
|  | Queensland Rail | More than 700 cars |
|  | BART Rapid Transit | More than 700 cars |
|  | Delhi Metro Phase 3 | More than 400 cars |
|  | New York City Transit | More than 400 cars |
|  | Tilting high speed trains | More than 100 cars |
|  | IR ¹ locomotives “Madhepura” | Up to 800 twin units |
|  | IR ¹ locomotives “Dankuni” | Up to 1,000 units |
|  | Danish rail network re-signalling | Signalling |
|  | Bangkok Purple Line | System |
|  | Recife Monorail | System |
|  | Doha Lusail | System |

1) IR: Indian Railways

Transportation – Well positioned in an attractive market

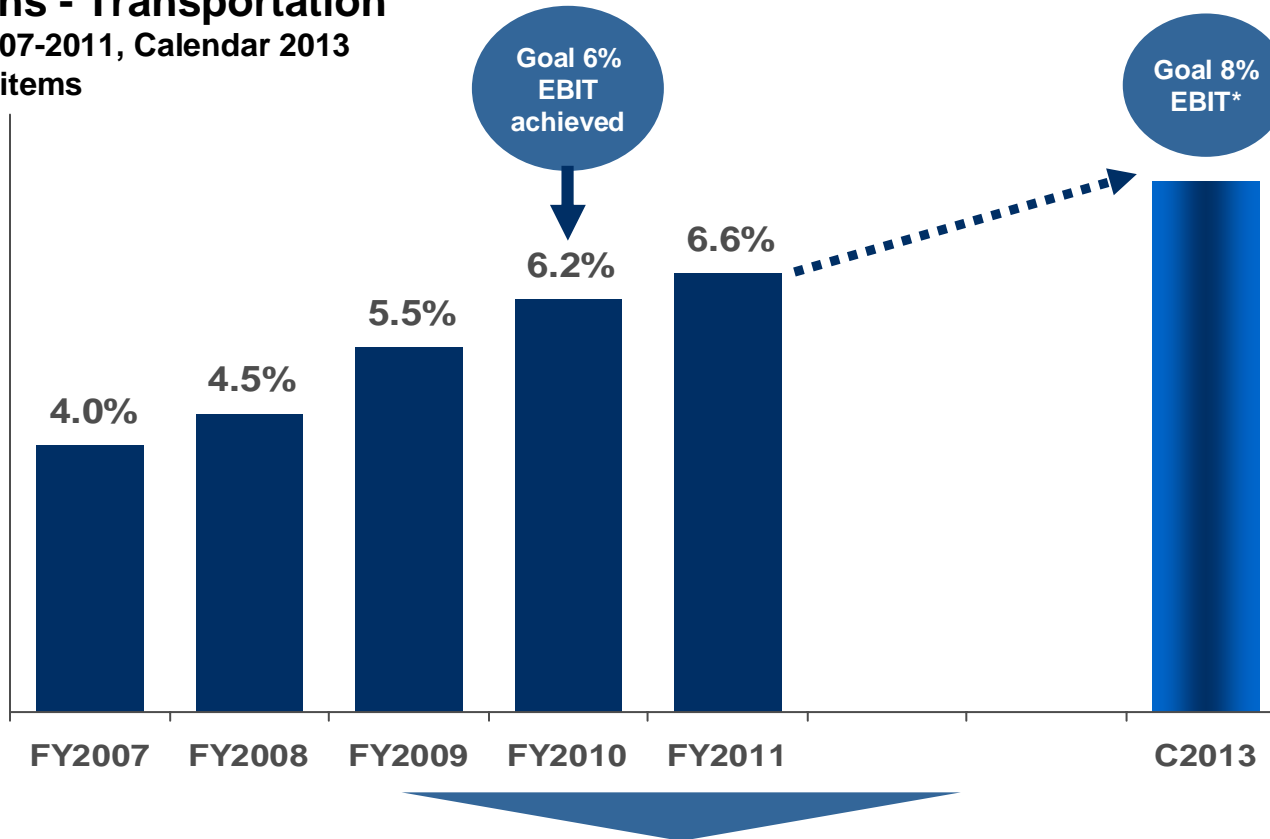
- Overall market continues to grow
- Long-term trends such as urbanization, cost of congestion, price of energy, and aging fleets, favour rail
- Bombardier Transportation is well-positioned:
 - Broad and innovative product portfolio
 - Market leader in nine out of 11 product segments
 - Most geographically diversified player

Transportation – The road to 8% EBIT

EBIT margins - Transportation

Fiscal years 2007-2011, Calendar 2013

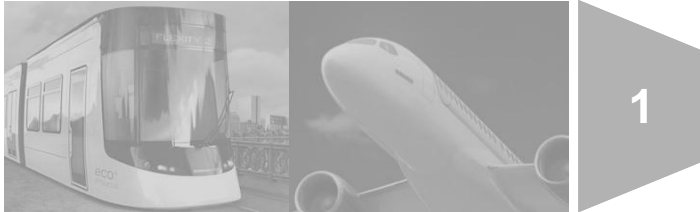
Before special items



We will reach our goal by:

- Focus on flawless execution
- Leverage our project management capabilities
- Continue to reduce costs (procurement, SG&A)
- Capitalize on our worldwide presence

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



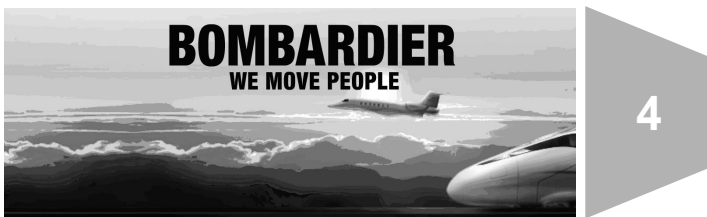
Overview



Transportation



Aerospace



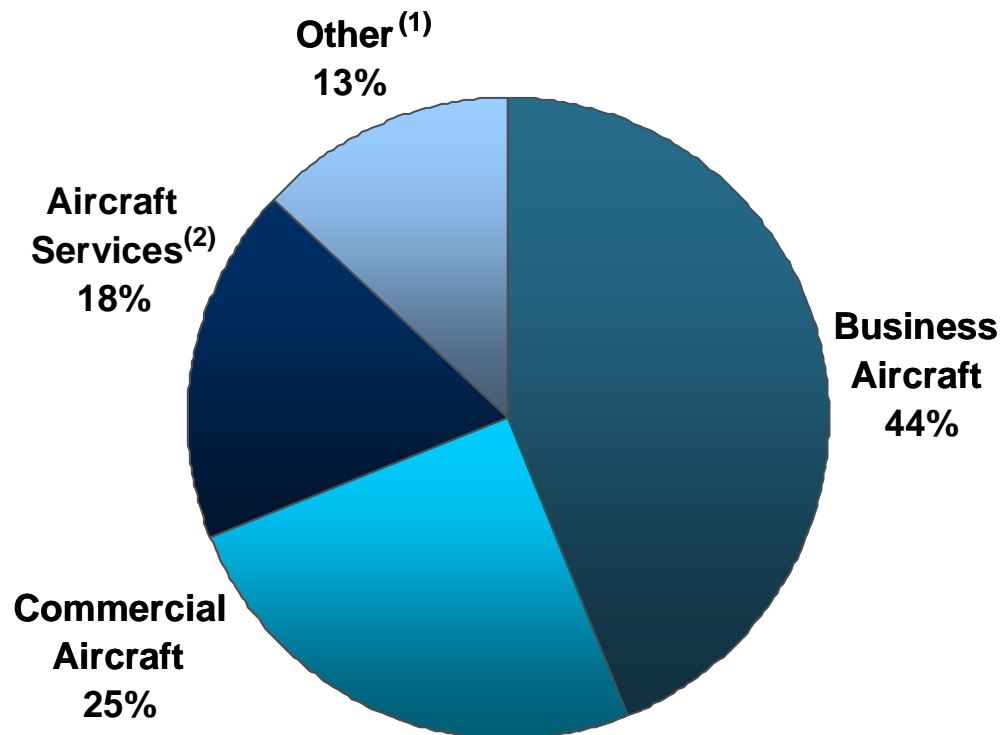
Financials

Bombardier Aerospace - A Global Market Leader

Balanced portfolio of products and services

AEROSPACE REVENUE BREAKDOWN BY BUSINESS

(%) Aerospace revenue – Fiscal year 2011



Total Revenues LTM* = \$9,193 million

(1) Other includes primarily sales of pre-owned aircraft and component manufacturing for third parties

(2) Includes revenues from parts logistics, aircraft fractional ownership and hourly flight entitlement program's service activities, aircraft maintenance, commercial training and Military Aviation Training (MAT)

* LTM: Last 12 months ended July 31, 2011

Bombardier's Business Aircraft offers the industry's most complete product portfolio

LEARJET Family



Learjet 40 XR



Learjet 45 XR



Learjet 60 XR



Learjet 85

CHALLENGER Family



Challenger 300



Challenger 605



Challenger 800 Series

GLOBAL Family



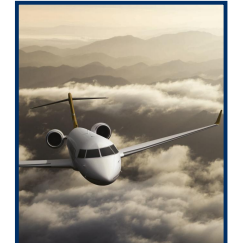
Global 5000



Global Express XRS

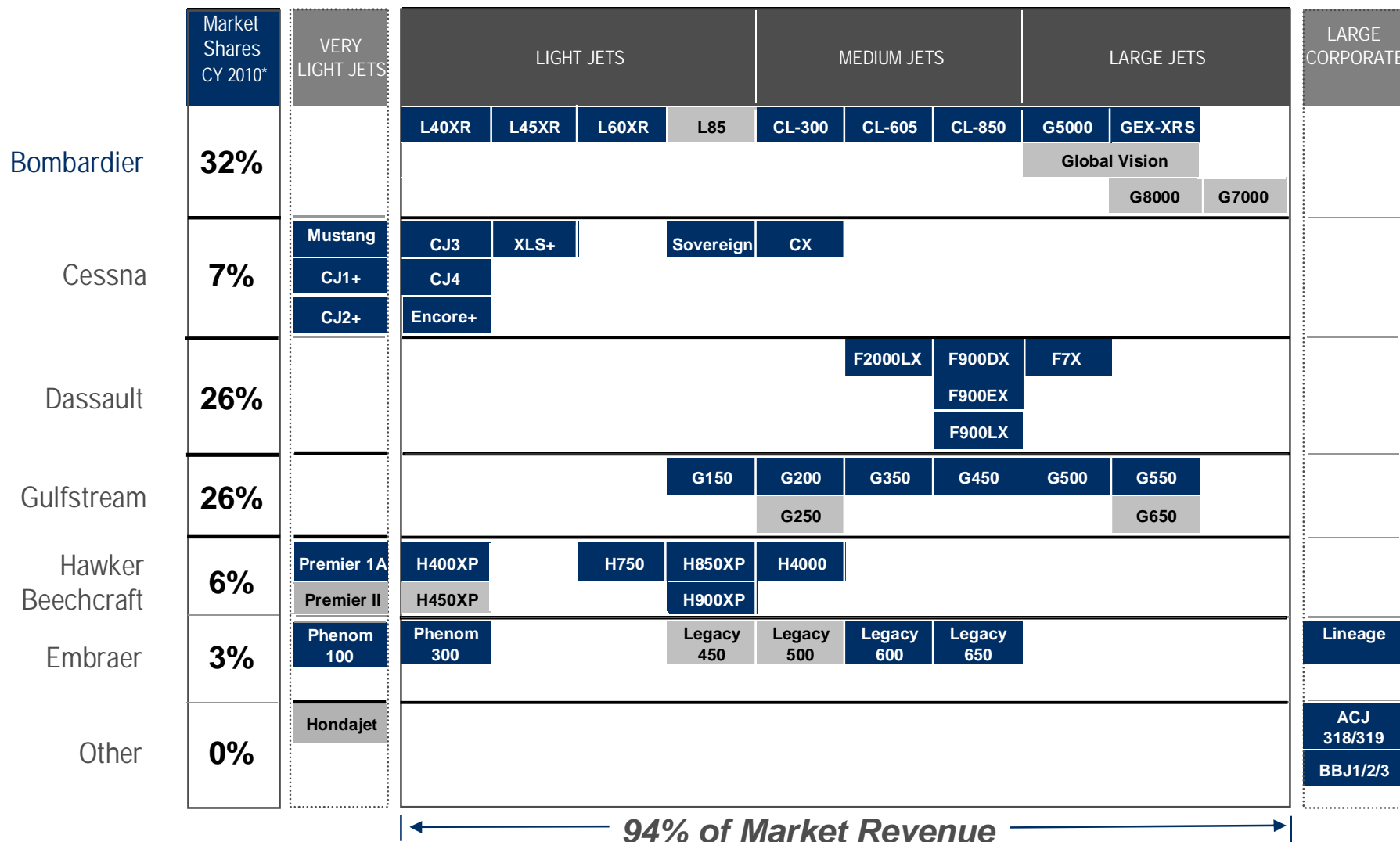


Global 7000



Global 8000

Bombardier is well-positioned in the business jet market with product line covering 94% of revenues



In Prod.
41

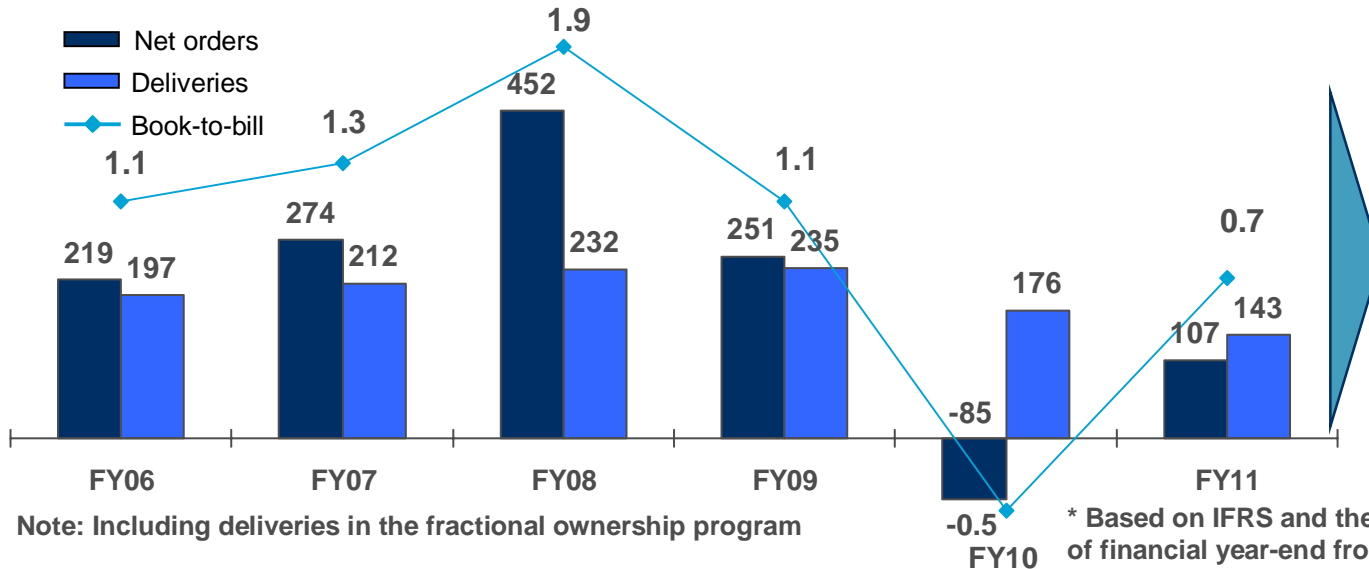
In Dev.
11

Note: Segmentation is largely determined by a combination of cabin volume, range and speed.

* Market shares calculated on a year-to-date revenue basis excluding VLJs, Boeing and Airbus converted airliners

Orders and backlog – Business aircraft

Net orders, deliveries and book-to-bill
Business aircraft (FY06 – FY11)

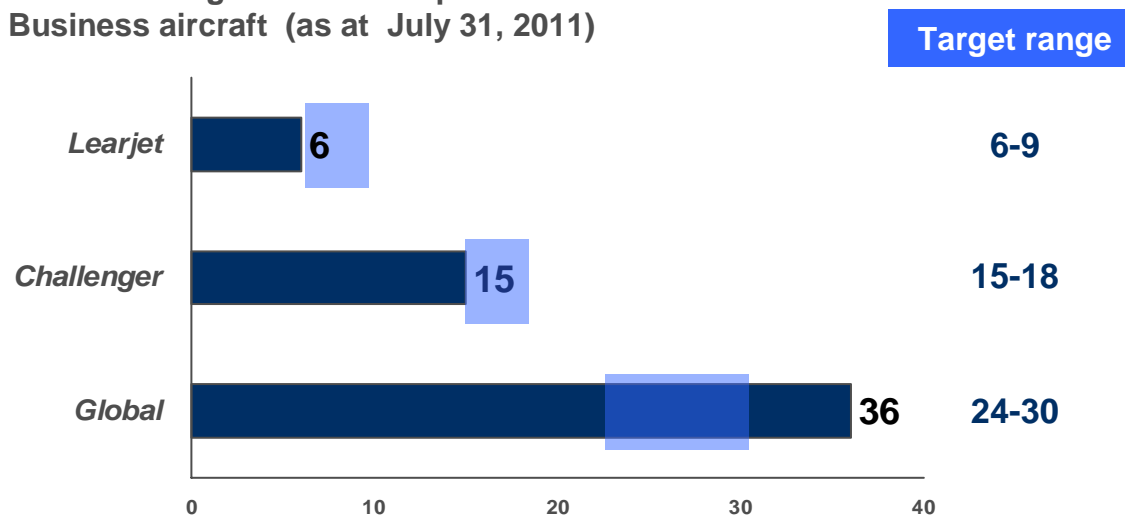


Approximately 150 business aircraft to be delivered in the 11-month year C2011*.

Note: Including deliveries in the fractional ownership program

* Based on IFRS and the approval of the proposed change of financial year-end from January 31 to December 31.

Order backlog in months of production
Business aircraft (as at July 31, 2011)



Note: Number of months of backlog is based on the last 12-month deliveries and excludes orders for the Learjet 85, Global 7000, Global 8000, and Flexjet

Bombardier's Commercial Aircraft portfolio is aligned with current market trends towards environmentally friendly aircraft

Q-SERIES

Turboprop



CRJ NextGen

Regional jets



C SERIES

Mainline single-aisle jets



Competitors offer aircraft in each of Bombardier Commercial Aircraft's segments...



Turboprops

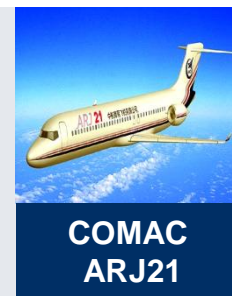
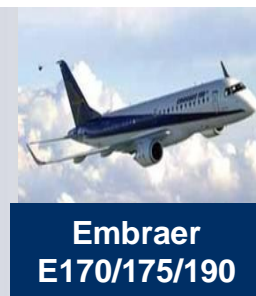


Q400 NextGen

ATR 72



Regional Jets



CRJ NextGen

MRJ

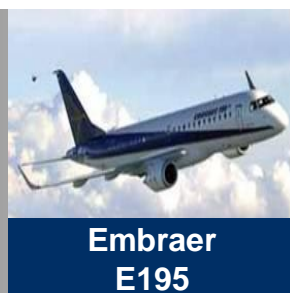
SSJ

Embraer
E170/175/190

COMAC
ARJ21



Single-Aisle
Mainline Jets



CSeries

Embraer
E195

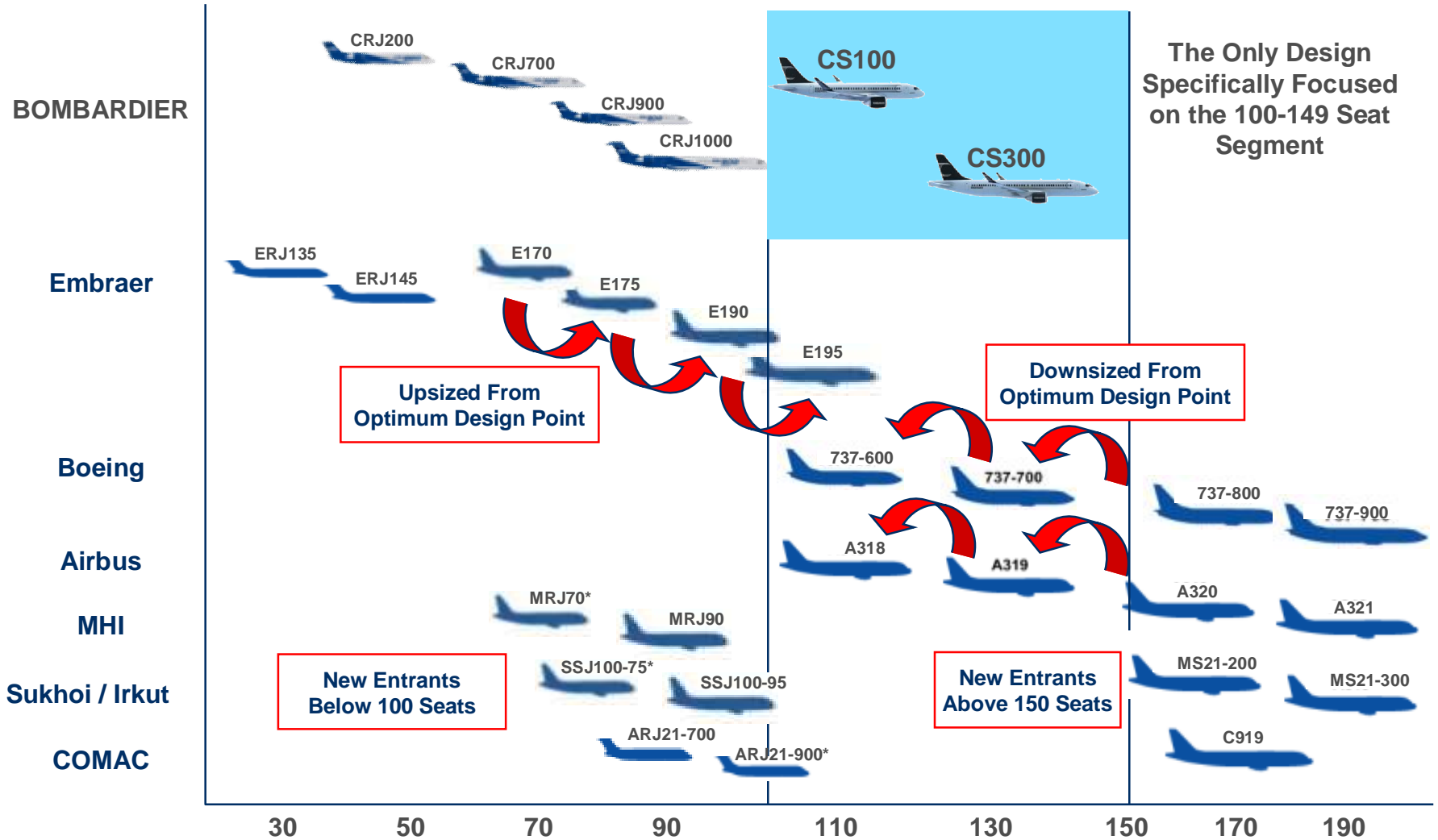
Airbus
A318/A319

Boeing
737-600/700

Bombardier is the leader in the 20- to 149-seat market segment with a market share of 33%*

* Based on the 24-Month Market Net Order as of January 31, 2011 (net of cancellations and conversions between programs and does not include corporate aircraft).

C-Series – A New Family Optimized for the Lower End of the 100 to 149-seat Market Segment Is Long Overdue



* Programs that are not yet launched or are under study

CSeries – A Game Changer in its Class

133 firm orders and 119 options from seven customers to date*



- ✓ **Family of Aircraft with Full Operational Commonality**
- ✓ **Unmatched Reduction in Environmental Footprint**
- ✓ **Total Life Cycle Cost Improvement**
- ✓ **15% Better Cash Operating Costs – 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**

* As of July 29, 2011

** Under certain operating conditions

CSeries Aircraft Program

Executing according to plan

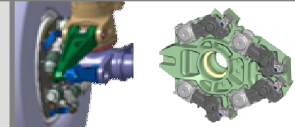
2008

Technologies Selection and Program Launched At Farnborough Airshow



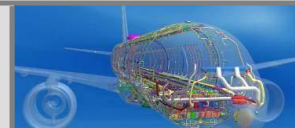
2009

Finalizing Conceptual Design Phase And Start Definition Of System Interfaces



2010

Joint Definition Phase / Detail Design Phase
Technologies Demonstrators and Facilities



2011

Complete Product Definition Release
Build And Commission System Test Aircraft



2012

First Flight



2013

CS100 Aircraft Entry Into Service



2014

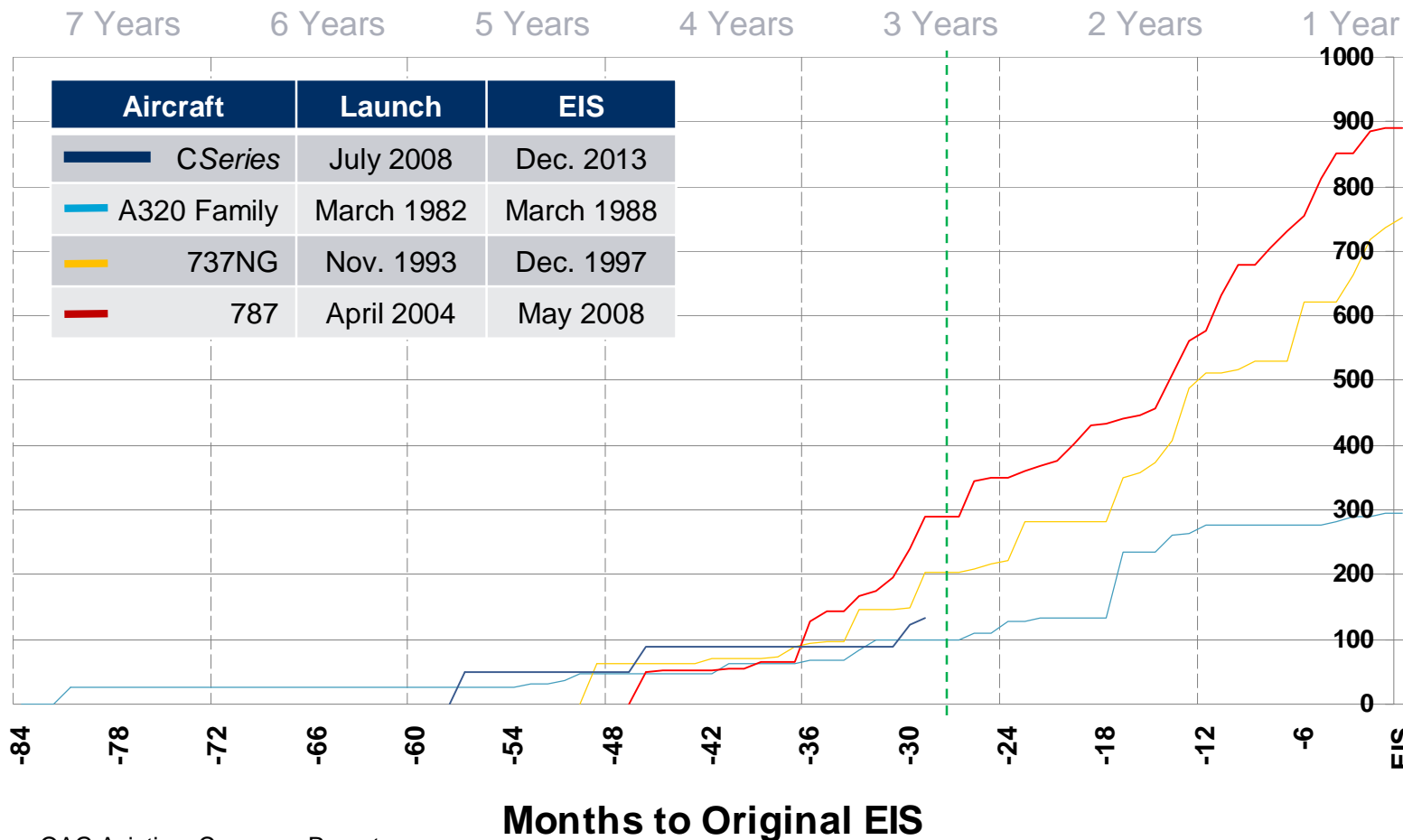
CS300 Aircraft Entry Into Service



CSeries – Orders

We are tracking – Right where we should be

CUMULATIVE ORDER HISTORY BY MONTH LEADING UP TO ORIGINAL EIS*

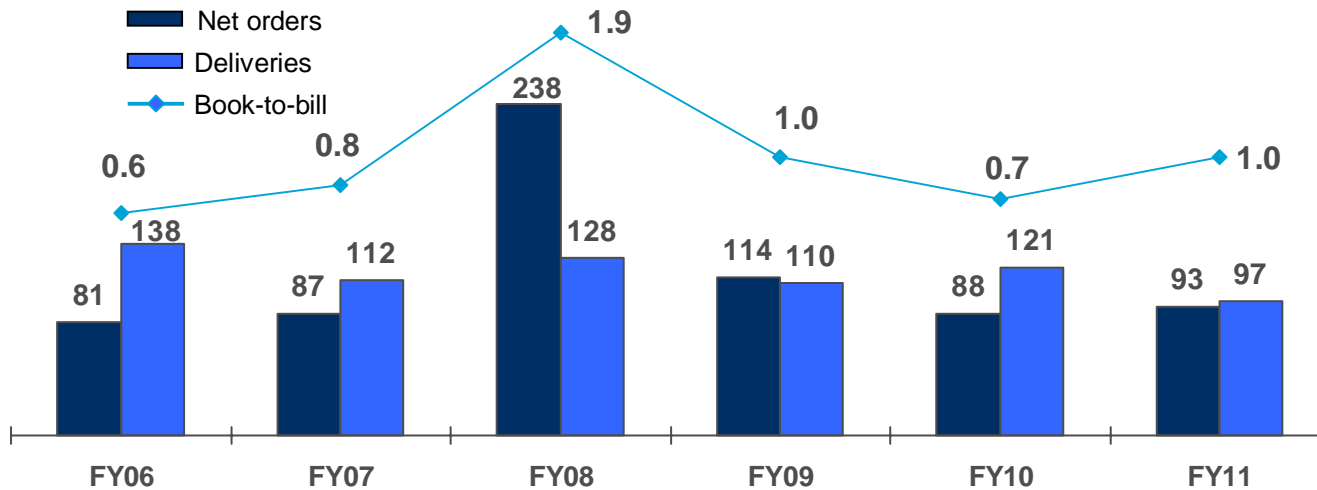


Source: OAG Aviation, Company Reports

* Note: As of July 29, 2011

Orders and backlog – Commercial aircraft

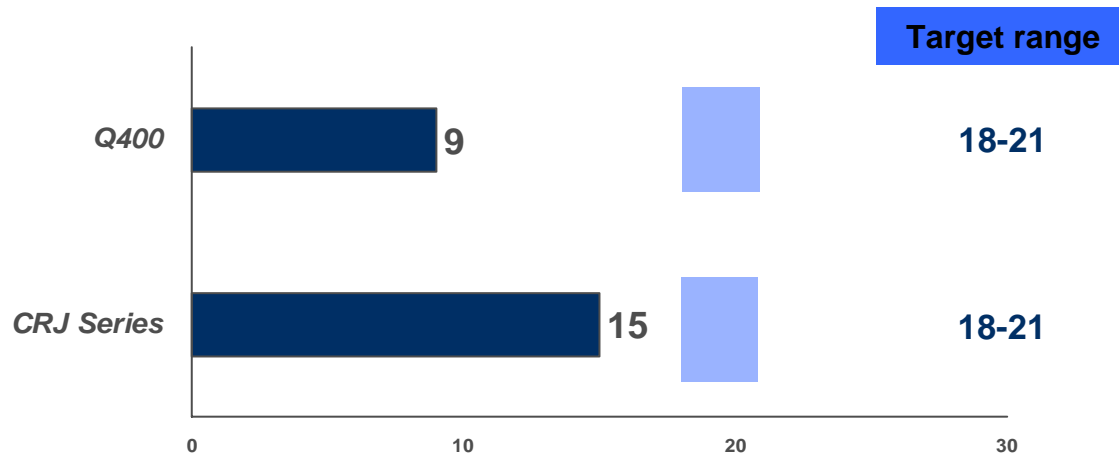
Net orders, deliveries and book-to-bill
Commercial aircraft (FY06 – FY11)



We expect deliveries for commercial aircraft to be approximately 90 units for the 11-month year C2011*.

* Based on the approval of the proposed change of financial year-end from January 31 to December 31

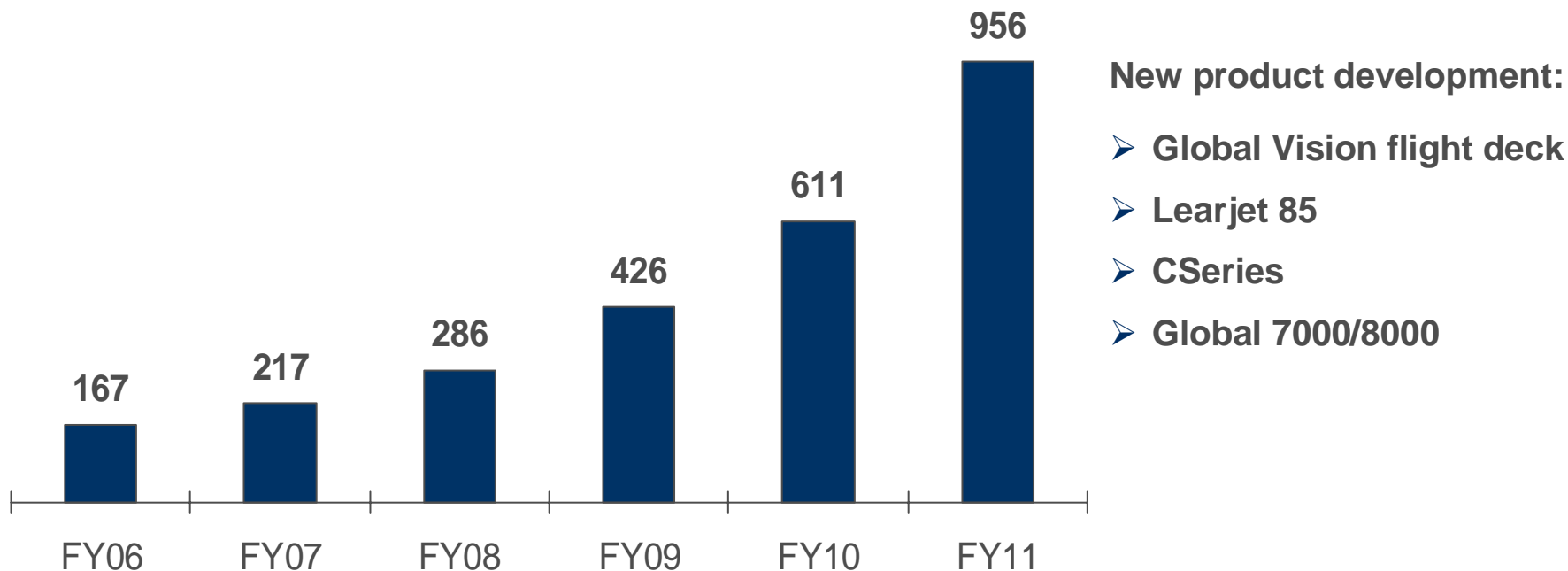
Order backlog in months of production
Commercial aircraft (as at July 31, 2011)



Note: Number of months of backlog is based on the last 12-month deliveries

Bombardier Aerospace is investing significant amounts in new product development

Investment in CAPEX (in millions of dollars)



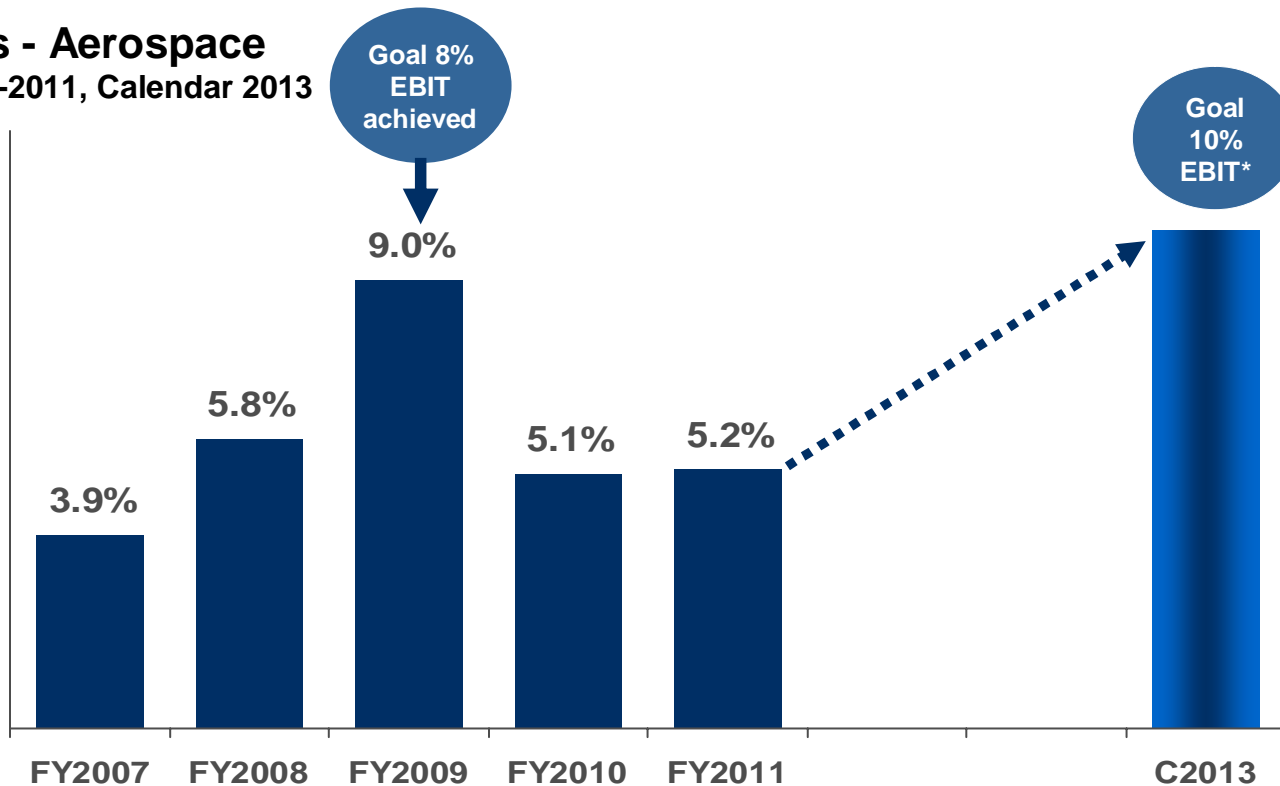
Capital expenditures, including significant investments in product development, are expected to increase to approximately \$1.5 billion for the 11-month year C2011

What we expect *

- Approximately 150 business jet deliveries in the 11-month period ending December 31, 2011
- Approximately 90 commercial aircraft deliveries in the 11-month period ending December 31, 2011
- EBIT margin under IFRS for the 11-month period ending December 31, 2011 should be at approximately 5%
- Cash flows from operating activities is expected be lower than our net investment in capital expenditures, resulting in a free cash flow usage for the current fiscal year
- Target EBIT margin of 10% by calendar year 2013

Aerospace – The road to 10% EBIT

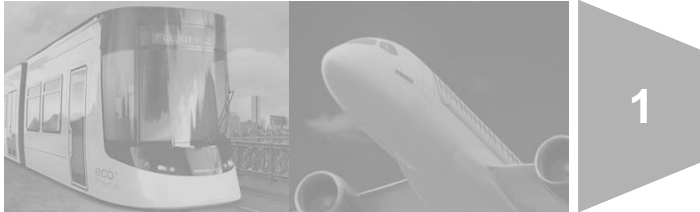
EBIT margins - Aerospace Fiscal years 2007-2011, Calendar 2013



We will reach our goal by:

- Improved volumes in business, commercial aircraft and services
- Continued increases in pricing
- Better absorption of fixed costs
- Greater operating leverage and cost structure
- Flawless execution
- Continued improvement in customer satisfaction

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



Overview



Transportation



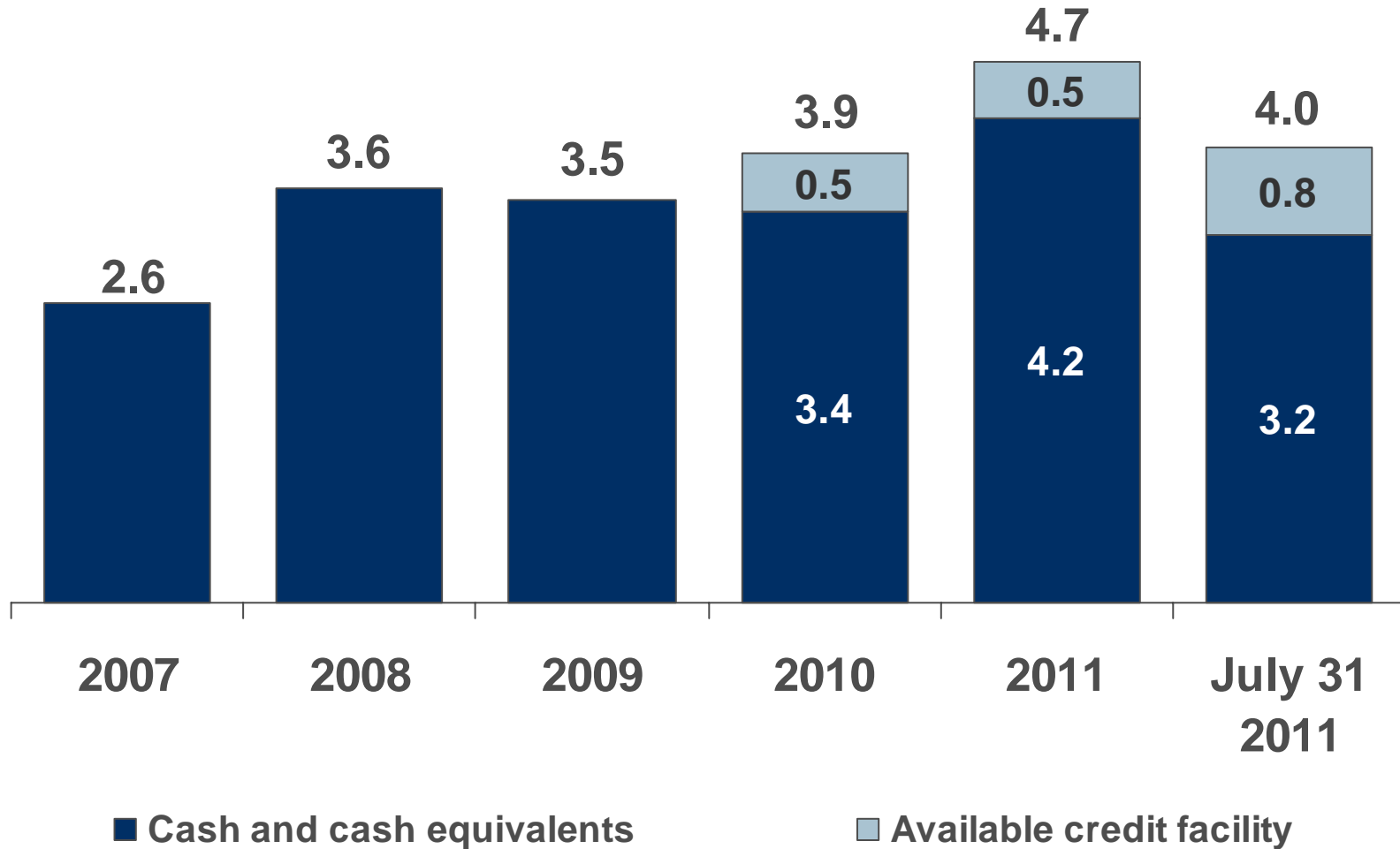
Aerospace



Financials

We are proactively managing our liquidity

Short-term capital resources *(as at January 31 - in billions of dollars)*



Essentially debt repayment-free until 2016

Debt Maturity Profile

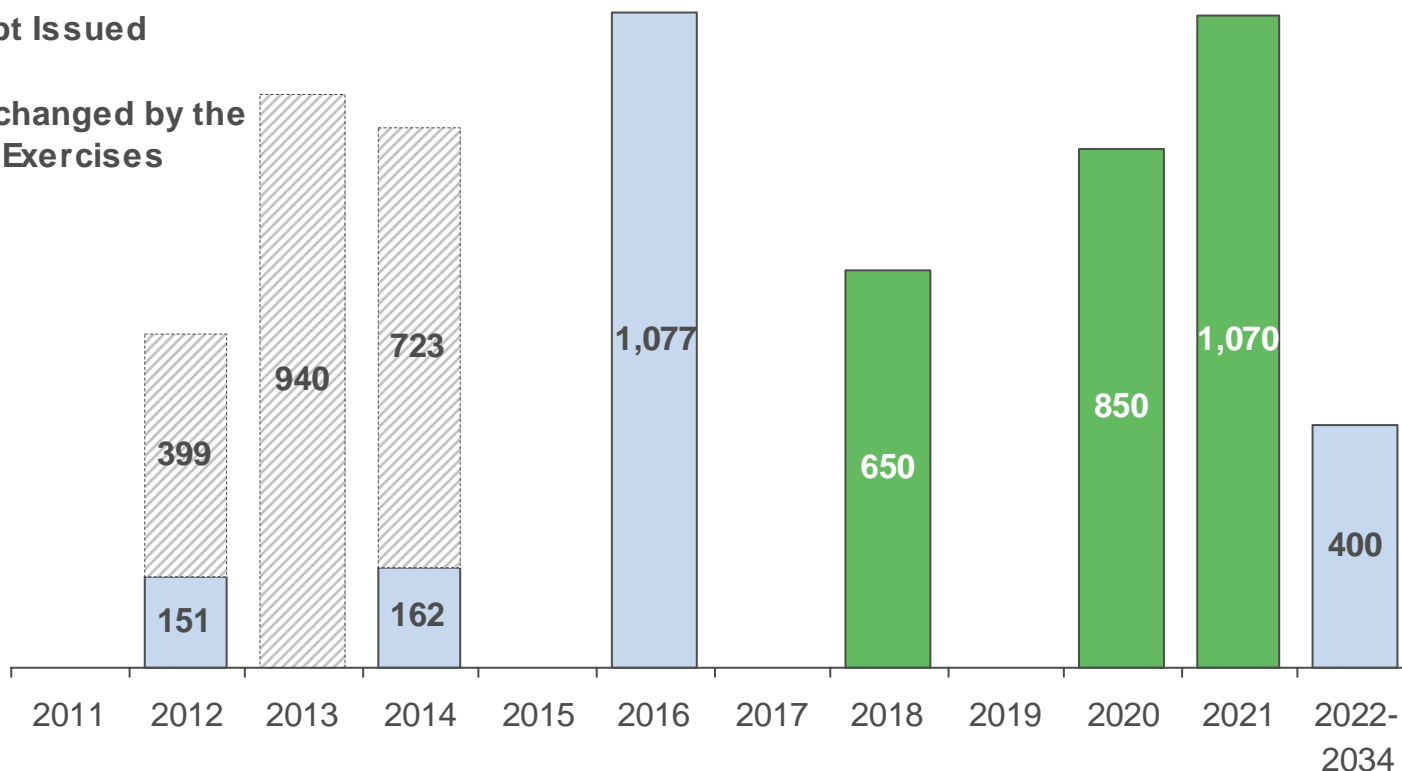
(as of January 31, 2011 - *in millions of dollars*)

▨ Debt Repurchased

■ New Debt Issued

■ Debt Unchanged by the Liability Exercises

Weighted average maturity: 8.9 years



We have the financial flexibility to support our development programs

Segmented information – Q2 results – Aerospace

(In millions of U.S. dollars)

For the three-month periods ended July 31

| | 2011 | % | 2010 | % |
|-----------------------|--------------|------------|--------------|------------|
| Revenues | | | | |
| Manufacturing | 1,532 | | 1,398 | |
| Services | 408 | | 398 | |
| Other | 145 | | 136 | |
| Total revenues | 2,085 | | 1,932 | |
| EBITDA | 149 | 7.1 | 166 | 8.6 |
| Amortization | 44 | | 65 | |
| EBIT | 105 | 5.0 | 101 | 5.2 |

Segmented information – Q2 results – Transportation

(In millions of U.S. dollars)

For the three-month periods ended July 31

Revenues

Rolling stock

Services

System and signalling

Total revenues

EBITDA

Amortization

EBIT

| | 2011 | % | 2010 | % |
|-----------------------|-------|-----|-------|-----|
| Rolling stock | 1,958 | | 1,467 | |
| Services | 331 | | 300 | |
| System and signalling | 373 | | 346 | |
| Total revenues | 2,662 | | 2,113 | |
| EBITDA | 225 | 8.5 | 178 | 8.4 |
| Amortization | 34 | | 30 | |
| EBIT | 191 | 7.2 | 148 | 7.0 |

Financial results overview

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

For the three-month periods ended July 31

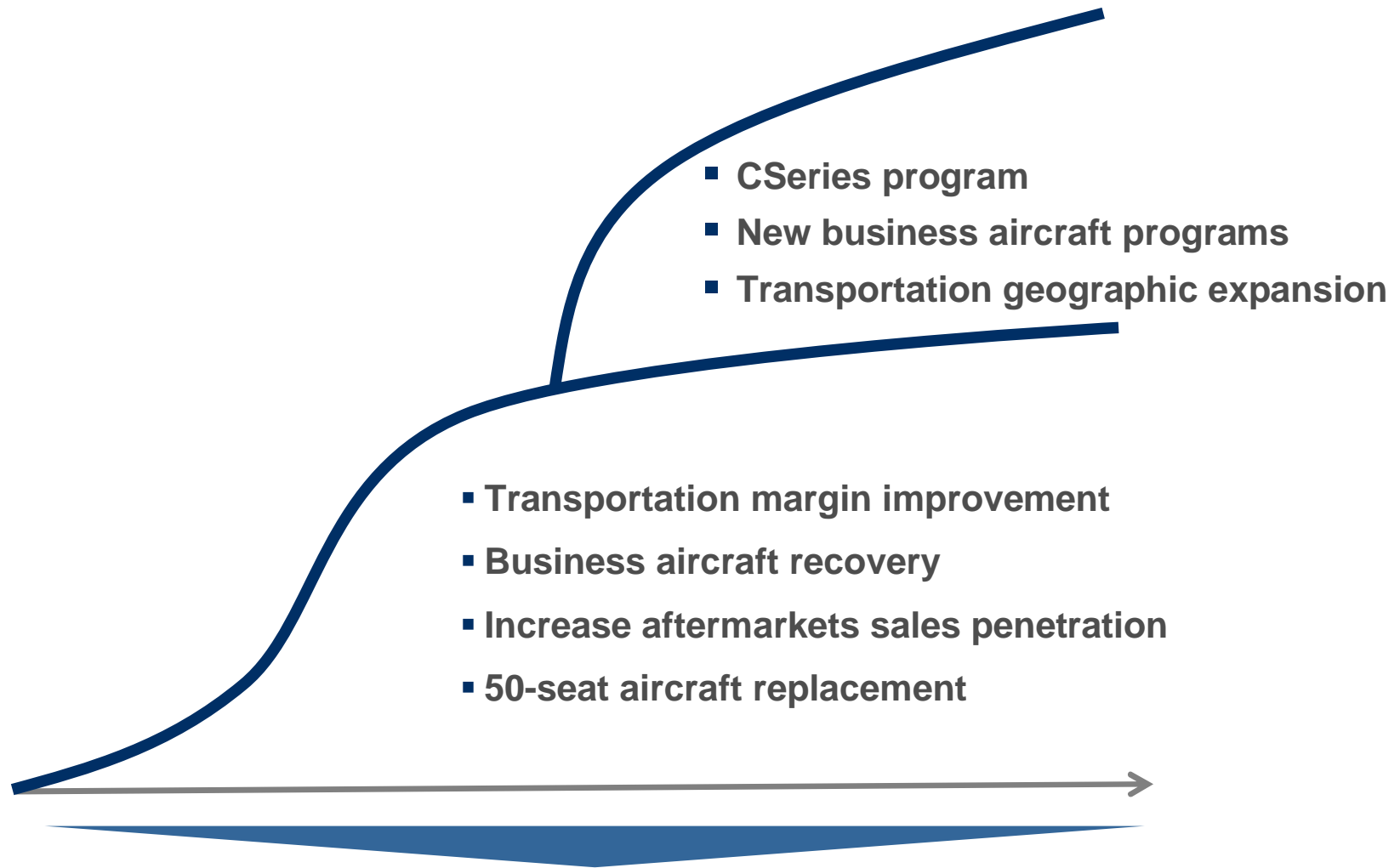
| | 2011 | % | 2010 | % |
|---------------------------------|--------------|------------|--------------|------------|
| Revenues | 4,747 | | 4,045 | |
| EBIT | 296 | 6.2 | 249 | 6.2 |
| Financing expense, net | 35 | | 66 | |
| EBT | 261 | | 183 | |
| Income taxes | 50 | | 45 | |
| Net income | 211 | | 138 | |
| Diluted EPS (in dollars) | 0.12 | | 0.07 | |

Free cash flow

(In millions of U.S. dollars)

| | For the three months ended July 31, 2011 | For the 12 months ended July 31, 2011 |
|---|---|--|
| Aerospace | | |
| Cash flows from operating activities | (106) | 1,079 |
| Net additions to PPE & intangible assets | (342) | (1,142) |
| Total Aerospace | (448) | (63) |
| Transportation | (473) | 256 |
| Interest and taxes | (146) | (323) |
| Total | (1,067) | (130) |

Conclusion – We have what it takes to ensure profitable growth at Bombardier



Major strategic choices have been made
Our focus is on execution

Today, the success story continues ...



CSeries

Today, the success story continues ...



Zefiro