



Second quarter results – fiscal year 2011  
Presentation to investors, financial analysts and media

**BOMBARDIER**

September 1, 2010



# 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.

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# Overview

- Revenues at \$4.1 billion vs \$4.9 billion last year
- Net income of \$148 million (diluted EPS of \$0.08) compared to \$202 million (diluted EPS of \$0.11) last year
- Free cash flow usage of \$508 million compared to a free cash flow of \$18 million last year
- High order intake at Transportation with a book-to-bill ratio of 2.0
- Good cash position of \$2.8 billion
- Strong backlog at \$47.4 billion

# Segmented information – Aerospace

(In millions of U.S. dollars)

## Revenues

Manufacturing

Services

Other

Total

EBITDA

Amortization

EBIT

	Q2 F2010-11		Q2 F2009-10	
Manufacturing	1,367		1,891	
Services	399		344	
Other	196		164	
Total	1,962		2,399	
EBITDA	161	8.2%	247	10.3%
Amortization	70		93	
EBIT	91	4.6%	154	6.4%

# Segmented information – Transportation

(In millions of U.S. dollars)

## Revenues

Rolling stock

Services

System and signalling

Total

EBITDA

Amortization

EBIT

	Q2	
	F2010-11	F2009-10
Rolling stock	1,471	1,851
Services	300	364
System and signalling	346	332
Total	2,117	2,547
EBITDA	170 8.0%	189 7.4%
Amortization	30	30
EBIT	140 6.6%	159 6.2%

# Financial results overview

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

	<b>Q2 F2010-11</b>	<b>Q2 F2009-10</b>
<b>Revenues</b>	<b>4,079</b>	<b>4,946</b>
<b>EBIT</b>	<b>231</b>	<b>313</b>
<b>Financing expense, net</b>	<b>44</b>	<b>49</b>
<b>EBT</b>	<b>187</b>	<b>264</b>
<b>Income taxes</b>	<b>39</b>	<b>62</b>
<b>Net income</b>	<b>148</b>	<b>202</b>
<b>EPS (basic and diluted)</b>	<b>0.08</b>	<b>0.11</b>

# Free cash flow

(In millions of U.S. dollars)

	<b>Q2 F2010-11</b>	<b>Q2 F2009-10</b>
<b>Aerospace</b>	<b>(287)</b>	<b>(10)</b>
<b>Transportation</b>	<b>(132)</b>	<b>149</b>
<b>Interest and taxes</b>	<b>(89)</b>	<b>(121)</b>
<b>Total</b>	<b>(508)</b>	<b>18</b>

# Conclusion

- **New product developments on track**
- **Both groups focused on managing their costs**
- **Focus on improving cash flow generation**
- **Strong backlog at \$47.4 billion**
- **Long-term prospects remain strong**



## CAUTION REGARDING NON-GAAP EARNINGS MEASURES

This presentation is based on reported earnings in accordance with Canadian generally accepted accounting principles (GAAP). It is also based on EBITDA, and Free Cash Flow. These non-GAAP measures are directly derived from the Consolidated Financial Statements, but do not have a standardized meaning prescribed by GAAP; therefore, others using these terms may calculate them differently. Management believes that a significant number of the users of its MD&A analyze the Corporation's results based on these performance measures and this presentation is consistent with industry practice.