

FINANCIAL HIGHLIGHTS

(in millions of dollars, except per share amounts)

For the three-month periods ended December 31	2013			2012		
	BA	BT	Total	BA	BT	Total
						<i>restated⁽¹⁾</i>
Results of operations						
Revenues	\$ 2,873	\$ 2,451	\$ 5,324	\$ 2,597	\$ 2,028	\$ 4,625
Cost of sales	2,535	2,163	4,698	2,256	1,796	4,052
Gross margin	338	288	626	341	232	573
SG&A	176	175	351	190	168	358
R&D	47	36	83	52	51	103
Share of income of joint ventures and associates	-	(17)	(17)	-	(61)	(61)
Other expense (income)	21	2	23	15	(6)	9
EBIT before special items⁽²⁾	94	92	186	84	80	164
Special items	1	-	1	-	163	163
EBIT	\$ 93	\$ 92	185	\$ 84	\$ (83)	1
Financing expense			62			68
Financing income			(17)			(19)
EBT			140			(48)
Income taxes			43			(44)
Net income (loss)			\$ 97			\$ (4)
EPS (basic and diluted; in dollars)			\$ 0.05			\$ (0.01)
Supplemental information						
EBIT before special items ⁽²⁾	\$ 94	\$ 92	\$ 186	\$ 84	\$ 80	\$ 164
Amortization	74	32	106	75	32	107
EBITDA before special items ⁽²⁾	\$ 168	\$ 124	\$ 292	\$ 159	\$ 112	\$ 271
On an adjusted basis						
Adjusted net income ⁽²⁾			\$ 129			\$ 181
Adjusted EPS (in dollars) ⁽²⁾			\$ 0.07			\$ 0.10
Cash flows from operating activities	\$ 678	\$ 803		\$ 852	\$ 728	
Net additions to PP&E and intangible assets	(591)	(36)		(575)	(53)	
Segmented free cash flow ⁽²⁾	\$ 87	\$ 767	\$ 854	\$ 277	\$ 675	\$ 952
Net income taxes and net interest paid			(83)			(98)
Free cash flow⁽²⁾			\$ 771			\$ 854

BA: Bombardier Aerospace; BT: Bombardier Transportation

⁽¹⁾ Certain comparative figures have been restated as a result of our adoption of IFRS 11, *Joint arrangements* and the amended IAS 19, *Employee benefits*. The joint arrangement restatements relate to the requirement to account for our investments in joint ventures using the equity method under IFRS 11, instead of proportionate consolidation. The employee benefit restatements mainly relate to the requirement under amended IAS 19 to calculate interest expense and interest income components on a net basis using the post-employment benefit obligation discount rate. Comparative figures have also been restated due to the change in methods of measurement of certain financial assets, as described in the Accounting and reporting developments section of the Corporation's MD&A.

⁽²⁾ Non-GAAP financial measures. Refer to the Non-GAAP financial measures and Liquidity and capital resources sections of the Corporation's MD&A for definitions of these metrics and reconciliation to the most comparable IFRS measures.

(in millions of dollars, except per share amounts)

For the fiscal years ended December 31	2013			2012		
	BA	BT	Total	BA	BT	Total
						<i>restated⁽¹⁾</i>
Results of operations						
Revenues	\$ 9,385	\$ 8,766	\$ 18,151	\$ 8,628	\$ 7,786	\$ 16,414
Cost of sales	8,118	7,540	15,658	7,427	6,626	14,053
Gross margin	1,267	1,226	2,493	1,201	1,160	2,361
SG&A	699	718	1,417	705	737	1,442
R&D	173	120	293	155	144	299
Share of income of joint ventures and associates	-	(119)	(119)	-	(153)	(153)
Other expense (income)	7	2	9	(26)	(7)	(33)
EBIT before special items⁽²⁾	388	505	893	367	439	806
Special items	(30)	-	(30)	(23)	163	140
EBIT	\$ 418	\$ 505	923	\$ 390	\$ 276	666
Financing expense			271			295
Financing income			(119)			(165)
EBT			771			536
Income taxes			199			66
Net income			\$ 572			\$ 470
EPS (basic and diluted; in dollars)			\$ 0.31			\$ 0.25
Supplemental information						
EBIT before special items ⁽²⁾	\$ 388	\$ 505	\$ 893	\$ 367	\$ 439	\$ 806
Amortization	267	124	391	242	122	364
EBITDA before special items ⁽²⁾	\$ 655	\$ 629	\$ 1,284	\$ 609	\$ 561	\$ 1,170
On an adjusted basis						
Adjusted net income ⁽²⁾			\$ 608			\$ 671
Adjusted EPS (in dollars) ⁽²⁾			\$ 0.33			\$ 0.36
Cash flows from operating activities	\$ 974	\$ 742		\$ 1,104	\$ 591	
Net additions to PP&E and intangible assets	(2,213)	(74)		(1,971)	(103)	
Segmented free cash flow (usage) ⁽²⁾	\$ (1,239)	\$ 668	\$ (571)	\$ (867)	\$ 488	\$ (379)
Net income taxes and net interest paid			(336)			(257)
Free cash flow (usage)⁽²⁾			\$ (907)			\$ (636)

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