

**Reconciliation of EBITDA before special items and EBITDA to EBIT**

	Three-month periods ended June 30		Six-month periods ended June 30	
	2016	2015	2016	2015
<b>EBIT</b>	\$ (251)	\$ 226	\$ (195)	\$ 454
Amortization	98	103	187	211
<b>EBITDA</b>	<b>(153)</b>	329	<b>(8)</b>	665
Special items <sup>(1)</sup>	357	—	431	9
<b>EBITDA before special items</b>	<b>\$ 204</b>	\$ 329	<b>\$ 423</b>	\$ 674

<sup>(1)</sup> Refer to the Consolidated results of operations section in the Corporation's MD&A for details regarding special items.

**Reconciliation of adjusted net income to net income**

	Three-month periods ended June 30			
	2016		2015	
	(per share)		(per share)	
<b>Net income (loss)</b>	\$ (490)		\$ 125	
Adjustments to EBIT related to special items	357	\$ 0.16	—	\$ —
Adjustments to net financing expense related to:				
Interest related to tax litigation	26	0.01	—	—
Accretion on net retirement benefit obligations	17	0.01	18	0.00
Net change in provisions arising from changes in interest rates and net loss on certain financial instruments	10	0.00	2	0.00
Tax impact of special and other adjusting items	(3)	0.00	—	—
<b>Adjusted net income (loss)</b>	<b>\$ (83)</b>		\$ 145	

**Reconciliation of adjusted net income to net income**

	Six-month periods ended June 30			
	2016		2015	
	(per share)		(per share)	
<b>Net income (loss)</b>	\$ (628)		\$ 225	
Adjustments to EBIT related to special items	431	\$ 0.19	9	\$ 0.00
Adjustments to net financing expense related to:				
Accretion on net retirement benefit obligations	34	0.02	37	0.02
Interest related to tax litigation	26	0.01	—	—
Net change in provisions arising from changes in interest rates and net loss on certain financial instruments	25	0.01	23	0.01
Transaction costs related to the conversion option embedded in the CDPQ investment	8	0.00	—	—
Loss on repurchase of long-term debt	—	—	22	0.01
Tax impact of special and other adjusting items	(13)	0.00	(1)	0.00
<b>Adjusted net income (loss)</b>	<b>\$ (117)</b>		\$ 315	

**Reconciliation of adjusted EPS to diluted EPS (in dollars)**

	Three-month periods ended June 30	
	2016	2015
<b>Diluted EPS</b>	\$ (0.24)	\$ 0.06
Impact of special and other adjusting items	0.18	—
<b>Adjusted EPS</b>	<b>\$ (0.06)</b>	\$ 0.06

**Reconciliation of adjusted EPS to diluted EPS (in dollars)**

	Six-month periods ended June 30	
	2016	2015
<b>Diluted EPS</b>	\$ (0.32)	\$ 0.11
Impact of special and other adjusting items	0.23	0.04
<b>Adjusted EPS</b>	<b>\$ (0.09)</b>	\$ 0.15

## Reconciliation of free cash flow usage to cash flows from operating activities

	Three-month periods ended June 30		Six-month periods ended June 30	
	2016	2015	2016	2015
Cash flows from operating activities	\$ (158)	\$ (369)	\$ (614)	\$ (735)
Net additions to PP&E and intangible assets	(332)	(439)	(626)	(818)
<b>Free cash flow usage</b>	<b>\$ (490)</b>	<b>\$ (808)</b>	<b>\$ (1,240)</b>	<b>\$ (1,553)</b>

## Reconciliation of pro forma liquidity

	June 30, 2016
Cash and cash equivalents	\$ 3,336
Available revolving credit facilities	1,019
Second installment of the equity investment by the Government of Québec in the <i>C Series</i> aircraft program expected on September 1, 2016	500
<b>Pro forma liquidity</b>	<b>\$ 4,855</b>