Bombardier Aerospace
Market and Program Update

RBC Capital Markets

2009 Passport Transportation Conference

September 8, 2009

RBC Capital Markets

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Forward-looking statement

This presentation includes forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “foresee”, “believe” or “continue” or the negatives of these terms or variations of them or similar terminology. By their nature, forward-looking statements require Bombardier Inc. (the “Corporation”) to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause the Corporation’s actual results in future periods to differ materially from forecasted results. While the Corporation considers its assumptions to be reasonable and appropriate based on current information 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, please refer to the respective sections of the Corporation’s aerospace segment (“Aerospace”) and the Corporation’s transportation segment (“Transportation”) in the Corporation’s annual report for fiscal year 2009.

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 the Corporation’s business environment (such as the financial condition of the airline industry, government policies and priorities and competition from other businesses), operational risks (such as regulatory risks and dependence on key personnel, risks associated with doing business with partners, risks involved with developing new products and services, warranty and casualty claim losses, legal risks from legal proceedings, risks relating to the Corporation’s dependence on certain key customers and key suppliers, risks resulting from fixed-term commitments, human resource risks, and environmental risks), financing risks (such as risks resulting from reliance on government support, risks relating to financing support provided on behalf of certain customers, risks relating to liquidity and access to capital markets, risks relating to the terms of certain restrictive debt covenants and market risks (including currency, interest rate and commodity pricing risks). For more details, see the Risks and Uncertainties section in the MD&A section of Bombardier Inc.'s annual report for fiscal year 2009. 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 the Corporation’s 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.

Agenda

1. **Bombardier Financial Overview**
2. **Bombardier Business Aircraft**
3. **Bombardier Commercial Aircraft**

Bombardier – A Global Market Leader

For the fiscal year 2009

(in millions of U.S. dollars)	**BOMBARDIER INC.**		
Revenues	$ 19,721	**Free Cash Flow**	$ 342
EBITDA	$ 1,966	**Backlog**[(a)]	$ 48,200
EBIT	$ 1,411	**EPS**[(b)] ***(in U.S. dollars)***	$ 0.56
Net income	$ 1,008	**Employees**	66,700

AEROSPACE		**TRANSPORTATION**	
#1 - Business aircraft manufacturer **#1** - Regional aircraft manufacturer		**#1** - Rail equipment manufacturer and services provider	
Revenues	$ 9,965	**Revenues**	$ 9,756
EBITDA	$ 1,327	**EBITDA**	$ 639
EBIT	$ 896	**EBIT**	$ 515
Backlog[(a)]	$ 23,500	**Backlog**[(a)]	$ 24,700
Employees	32,500	**Employees**	34,200

(a) *As of January 31, 2009*
(b) *Diluted*

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Financial results – Consolidated

(In millions of U.S. dollars, except per share amounts)	Q2 F2009-10	Q2 F2008-09	YTD F2009-10	YTD F2008-09
Revenues	4,946	4,932	9,417	9,721
EBIT	313	371	548	695
Financing expense, net	49	36	82	57
EBT	264	335	466	638
Income taxes	62	76	106	150
Net income	202	259	360	488
EPS (diluted)	0.11	0.14	0.20	0.26
Free Cash Flow	18	99	(799)	659

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Financial results – Aerospace

(In millions of U.S. dollars)	Q2 F2009-10		Q2 F2008-09		YTD F2009-10		YTD F2008-09		FY 2008-09	
Revenues										
Manufacturing	1,891		2,049		3,754		3,936		8,116	
Services	344		424		673		844		1,588	
Other	164		43		191		116		261	
Total	2,399		2,516		4,618		4,896		9,965	
EBITDA	247	10.3%	348	13.8%	451	9.8%	659	13.5%	1,327	13.3%
Amortization	93		105		187		210		431	
EBIT	154	6.4%	243	9.7%	264	5.7%	449	9.2%	896	9.0%
Free Cash Flow	(10)		100		(540)		390		128	

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Agenda

1. Bombardier Financial Overview
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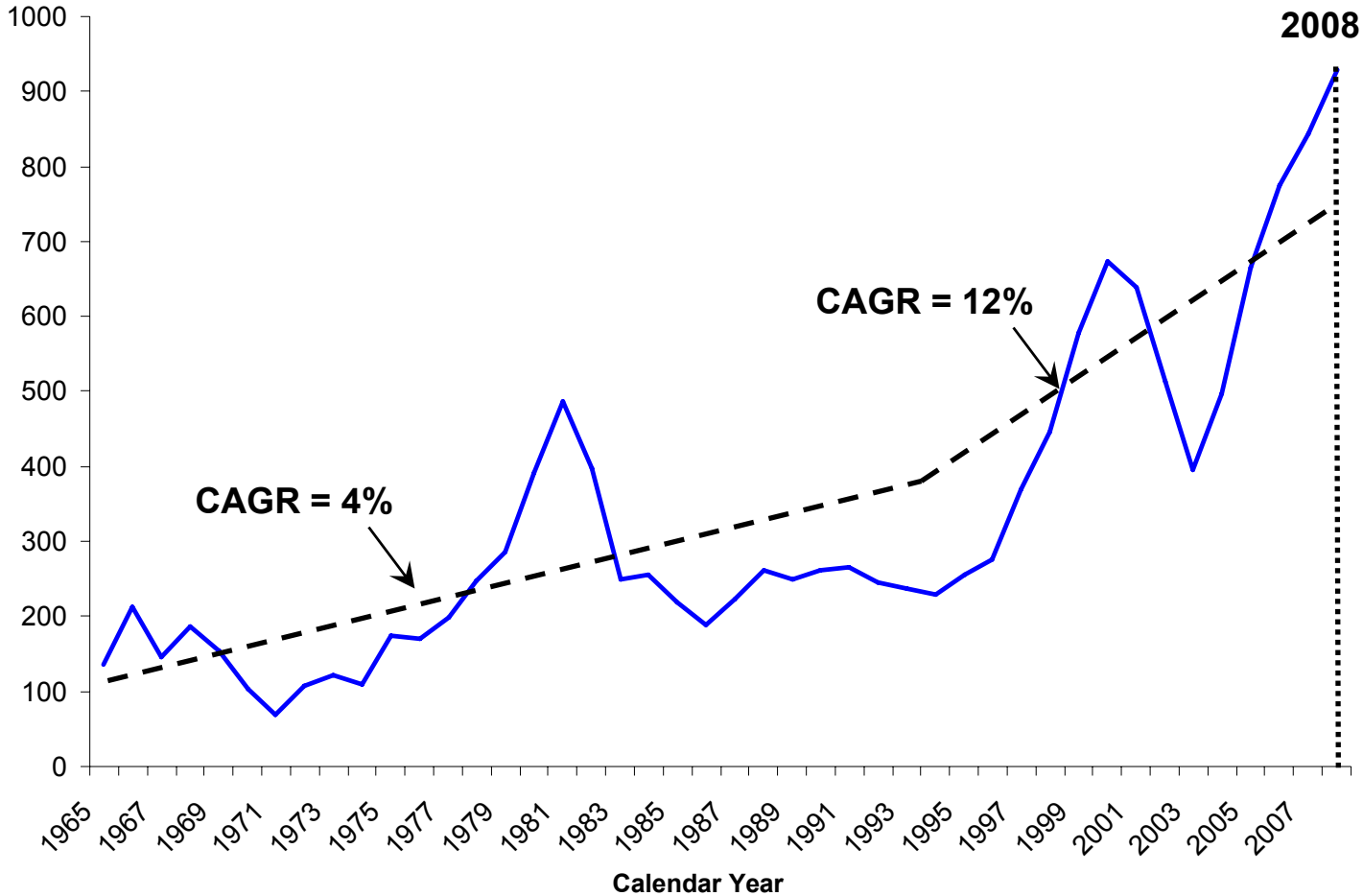
3. Bombardier Commercial Aircraft

The business aircraft industry has grown strongly but is cyclical

INDUSTRY DELIVERIES
Units, Excluding VLJs



Source: GAMA

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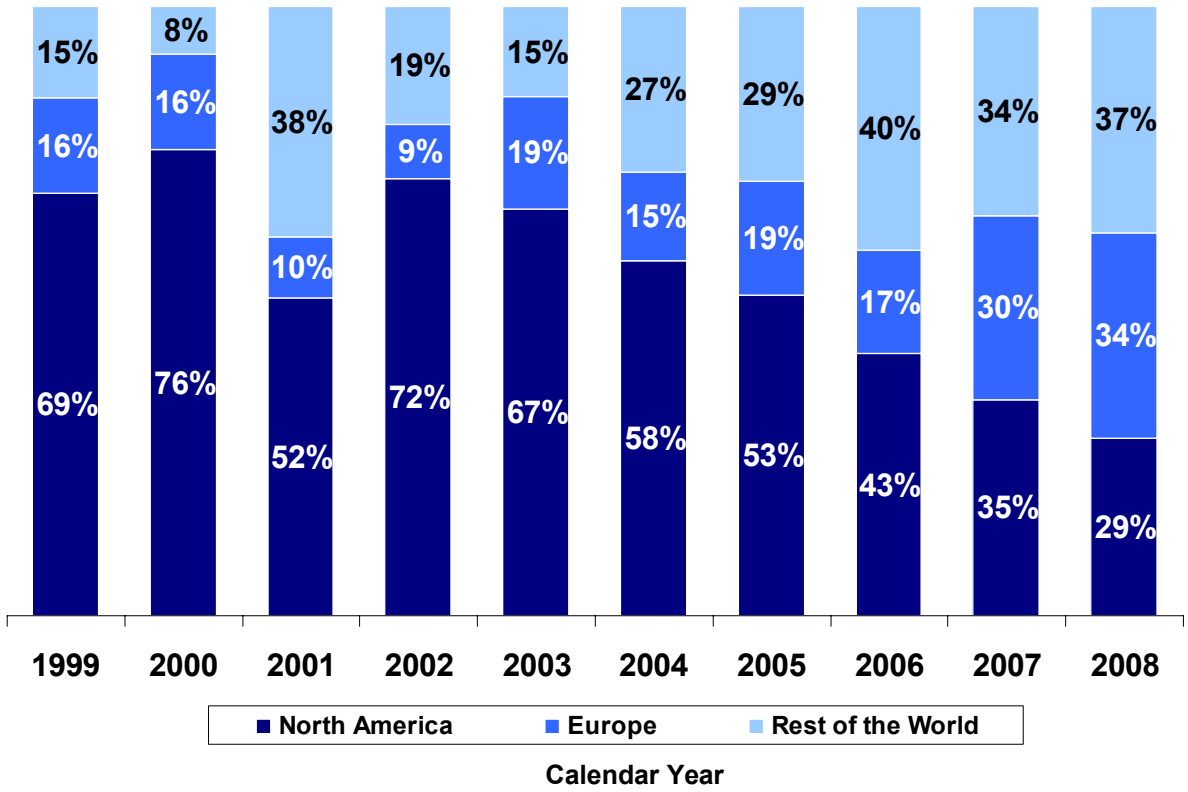
Business aviation is increasingly global

ESTIMATED MIX OF INDUSTRY NET ORDERS BY REGION
Units, Excluding VLJs



Sources: Orders estimated from competitive intelligence, OEM guidance.
Regional mix estimated from CASE.

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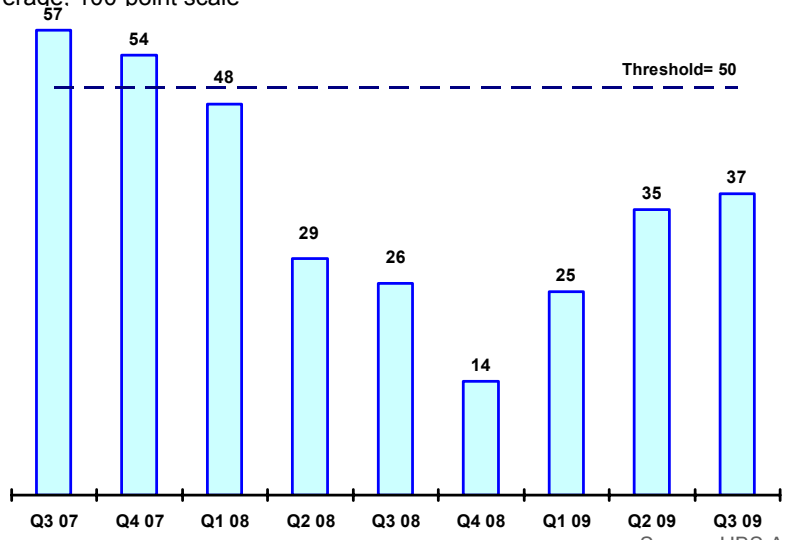
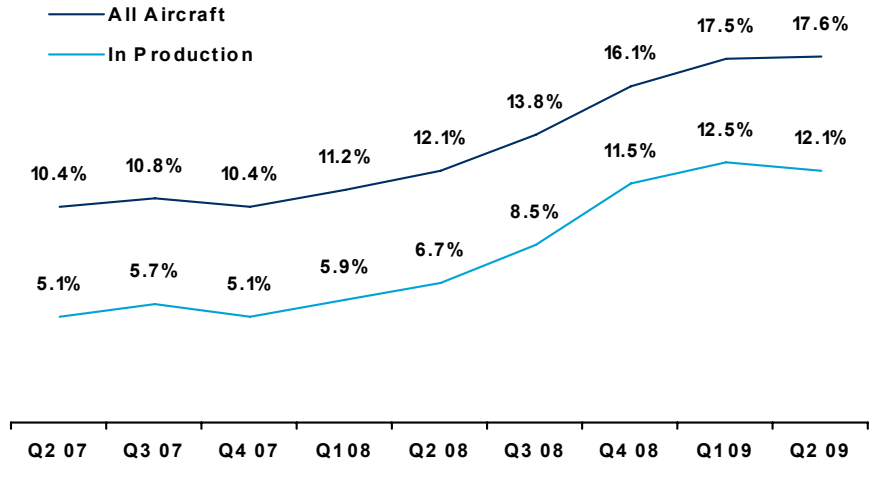
Key business aviation “health indicators” are beginning to stabilize

UBS BUSINESS JET MARKET CONDITIONS INDEX
Business jet dealers and brokers confidence
Average, 100-point scale



Source: UBS Aug 2009

INDUSTRY PRE-OWNED INVENTORY AS % OF FLEET, Excluding VLJs



Source: JETNET database

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Long term, business aircraft fundamentals remain strong

10-Year Outlook		
Market Driver	**Description**	**Outlook**
Globalization of Trade	As trade barriers fall and global mobility increases, the business community requires flexible travel means like business aviation to efficiently link all workplaces	
Emerging Markets	Growth potential from emerging countries becomes significant as international commerce develops. Once the infrastructure in place, countries such as India and China should lead new order growth	
Replacement Demand	The worldwide installed base is comprised of over 13,000 aircraft(1). With more than 60% of customers trading-up to a larger aircraft, and average aircraft replacement every 6.6 years for new purchases, business aircraft market should continue to show vitality	
New Customized solutions	Non-traditional operators (e.g. branded charter, card programs) offer tailor-made services to customers. These customized solutions provide with people access to business aviation and may account for 15% to 20% of new orders	

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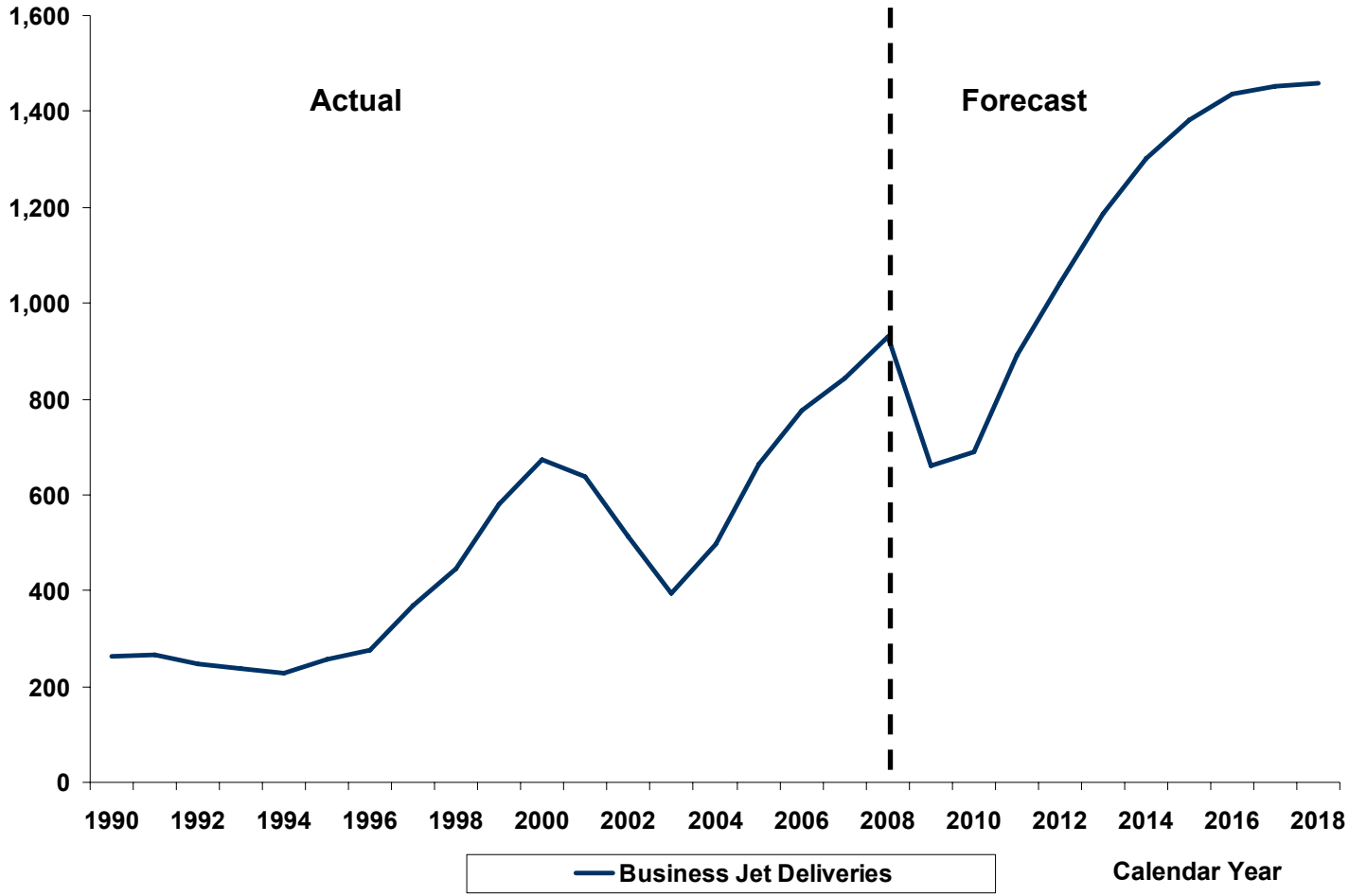
Note 1: Excludes Very Light Jets, ACJ and BBJ

Business jet industry deliveries will bounce back

BUSINESS JET DELIVERIES
Units, Actual and Forecast, Calendar Years 1990-2018



Source: Global Insight, GAMA and Bombardier Forecasting Model

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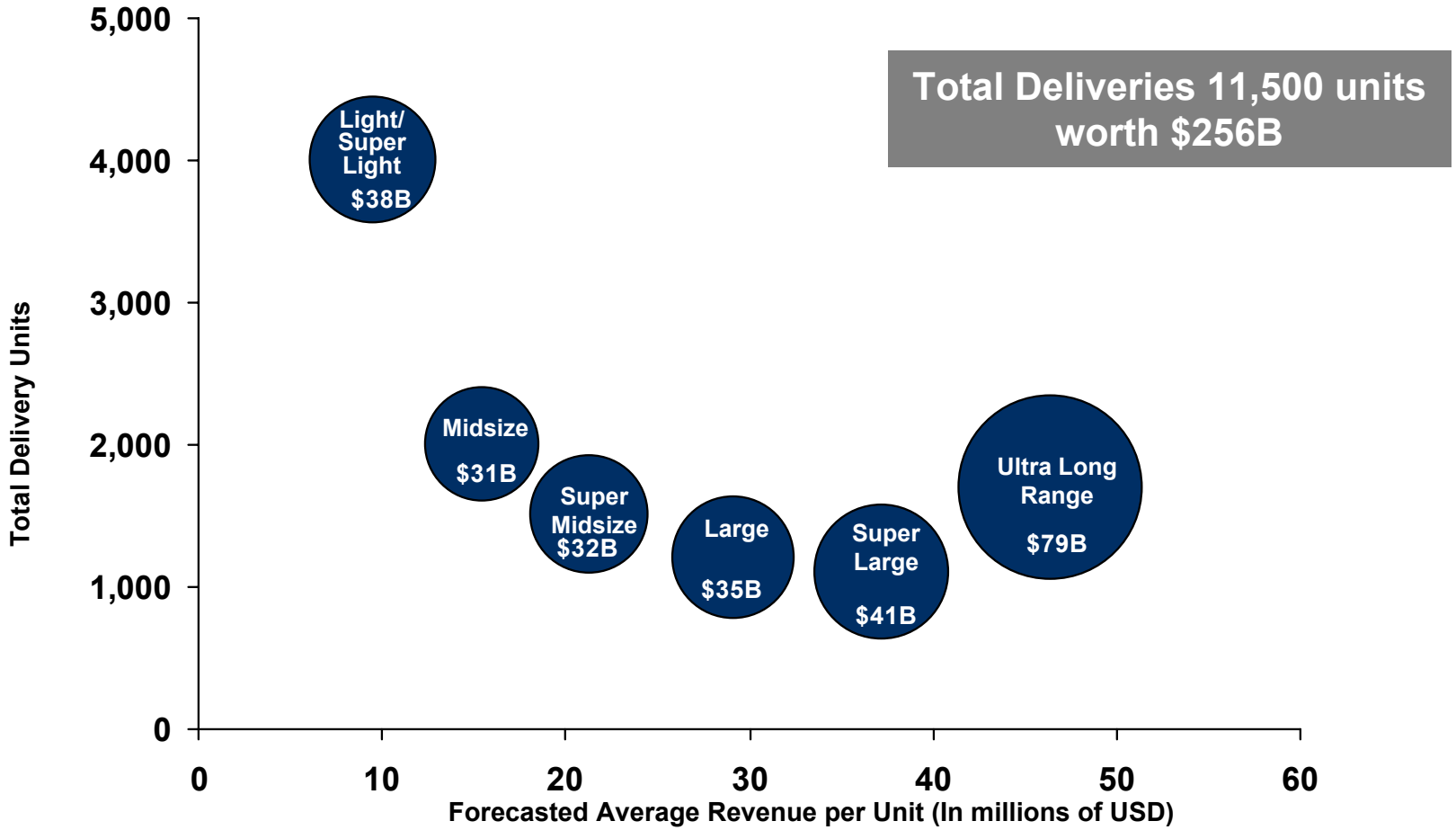
Greatest revenue forecast in the larger aircraft segments

BUSINESS JET FORECAST BY SEGMENT
Delivery units, avg. revenue per unit, total market 10-year revenues (US$B)



Sources: Bombardier analysis. Revenues estimated from GAMA and B&CA list prices.
Constant 2008 US$, calendar years 2009-2018

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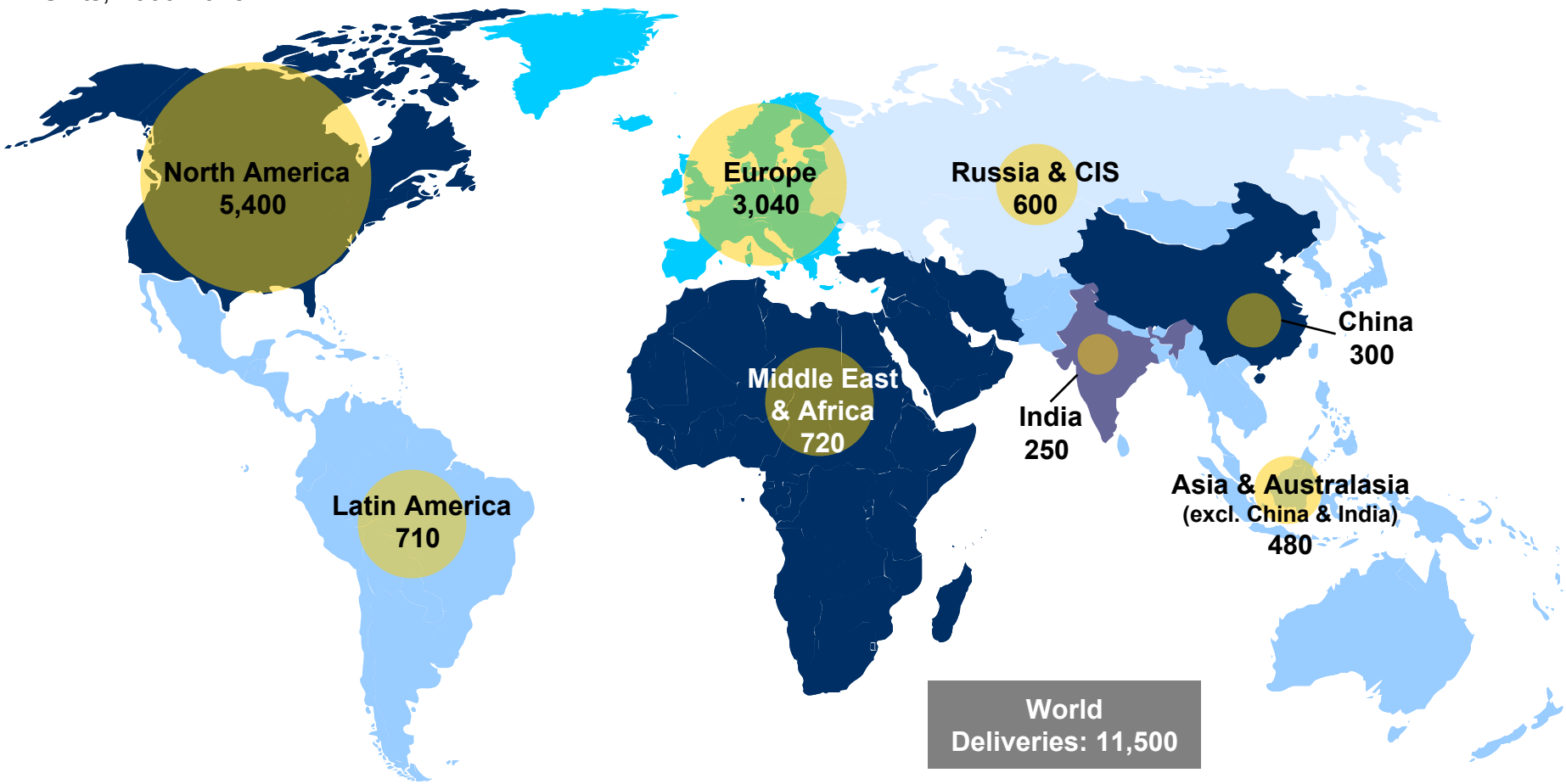
Globalization of business aviation is increasing

REGIONAL 10-YEAR DELIVERY OUTLOOK
Units, 2009-2018



Source: Bombardier forecast model, excludes Very Light Jets, ACJ and BBJ

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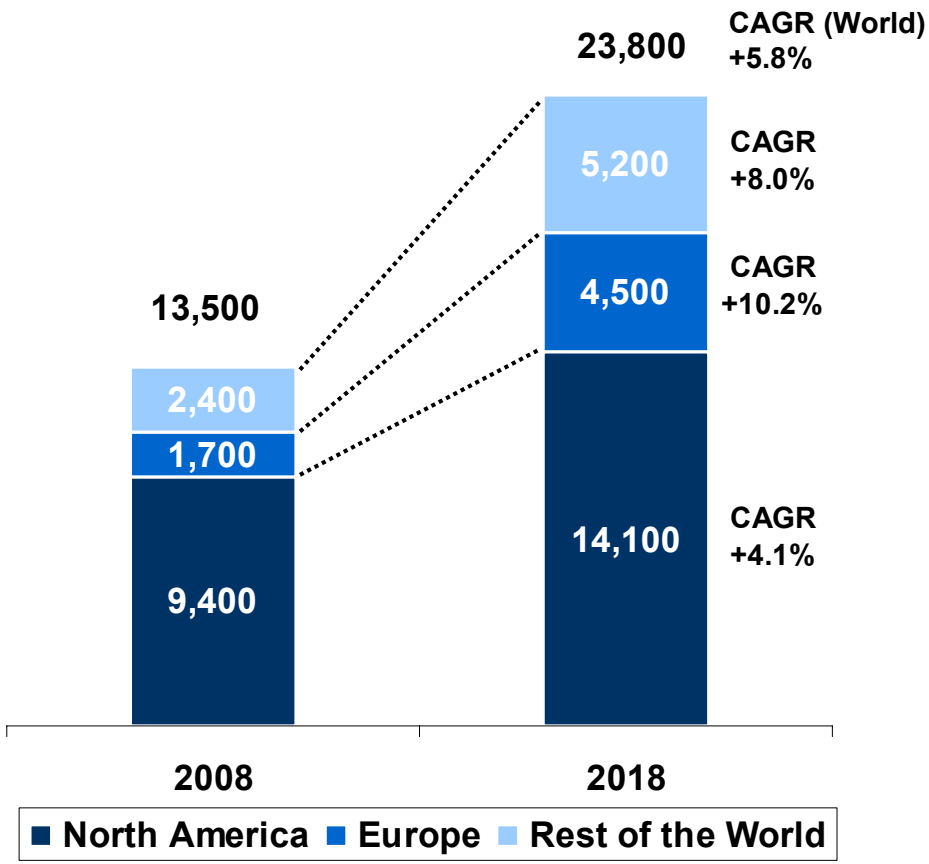
World business aircraft fleet will significantly increase over 10 years

FLEET FORECAST
Units, Excluding VLJs, 2008 & 2018



Source: Bombardier Business Jet Market Forecast

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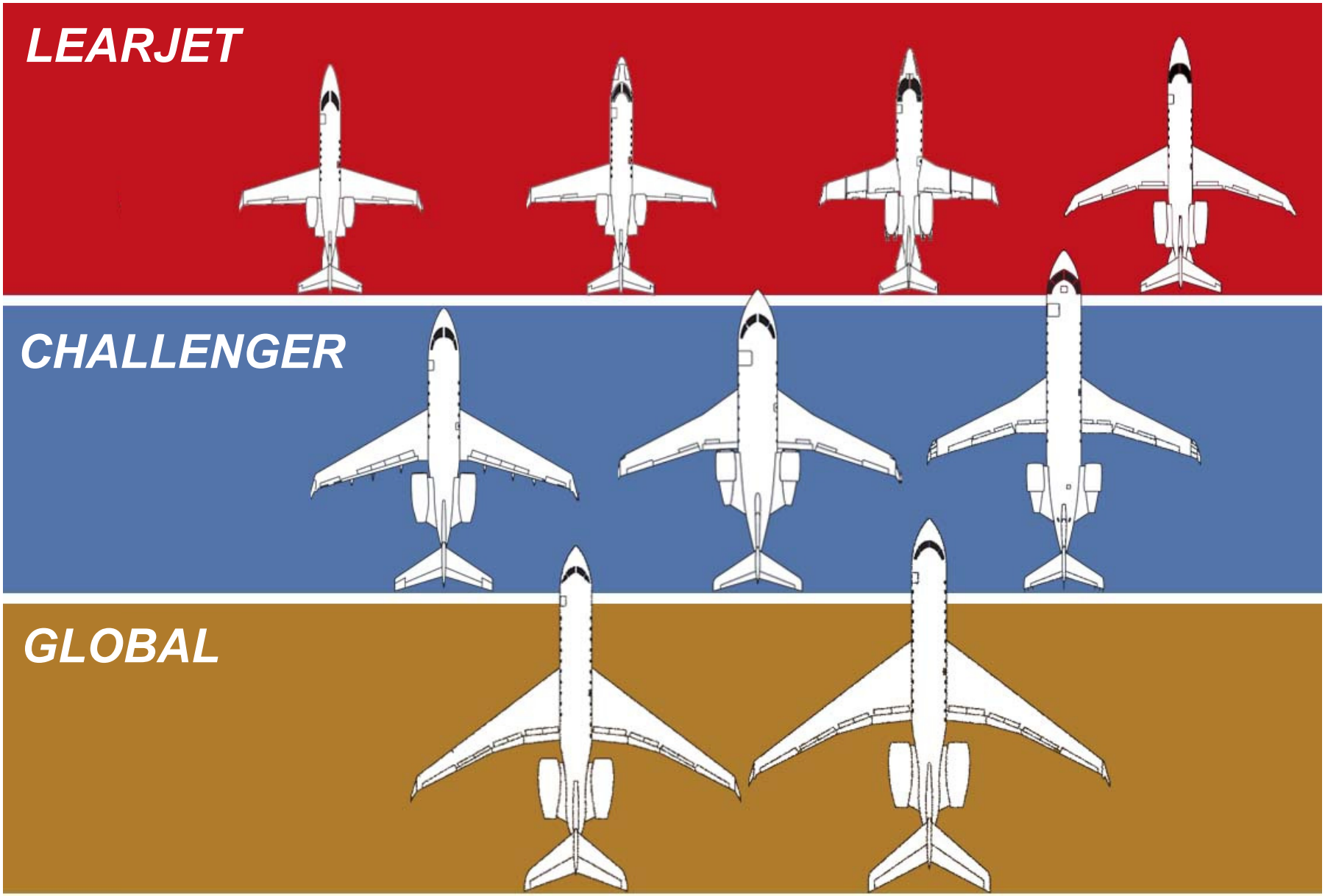
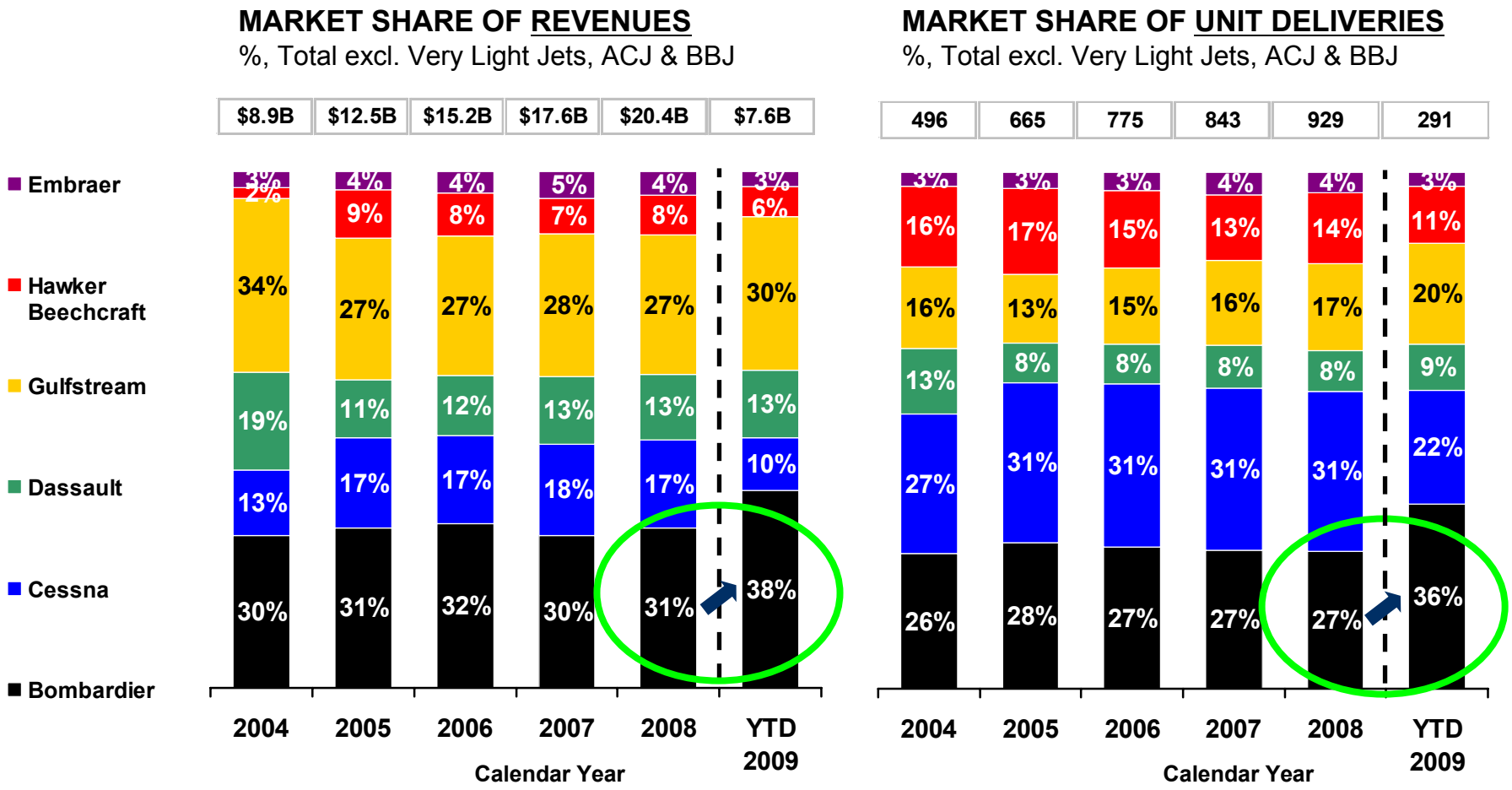
Bombardier has the industry's broadest product portfolio of business jets



Bombardier is increasing its market share in the business jet market



Source: GAMA

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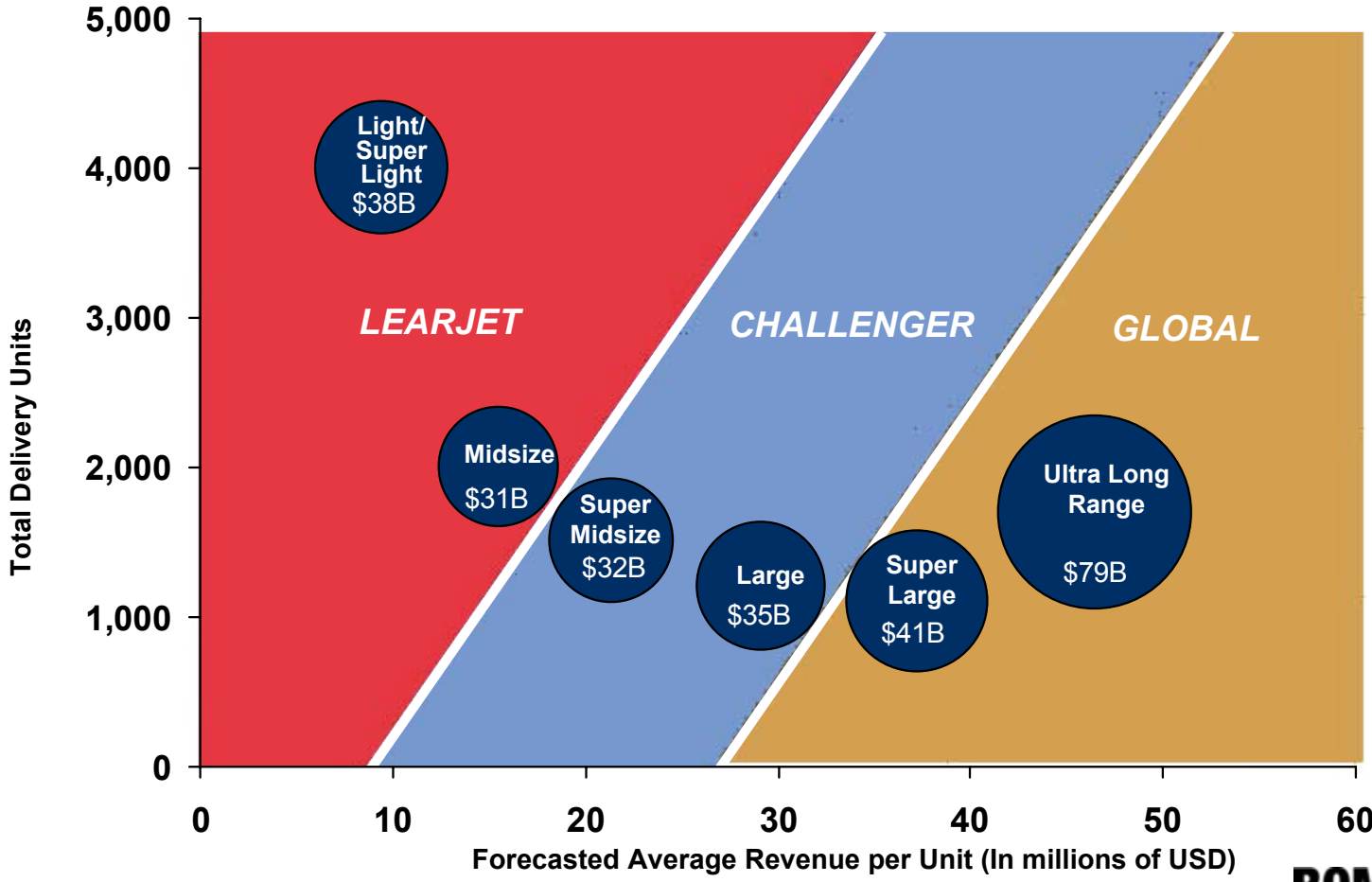
Bombardier is well positioned to capture future growth

BUSINESS JET FORECAST BY SEGMENT
Delivery units, avg. revenue per unit, total market revenue (US$B)



Sources: Bombardier analysis. Revenues estimated from GAMA and B&CA list prices.
Constant 2008 US$, calendar years 2009-2018

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LEARJET

LEARJET 40XR

LEARJET 60XR

LEARJET 85 program is moving full-speed ahead

On schedule for entry in service in 2013

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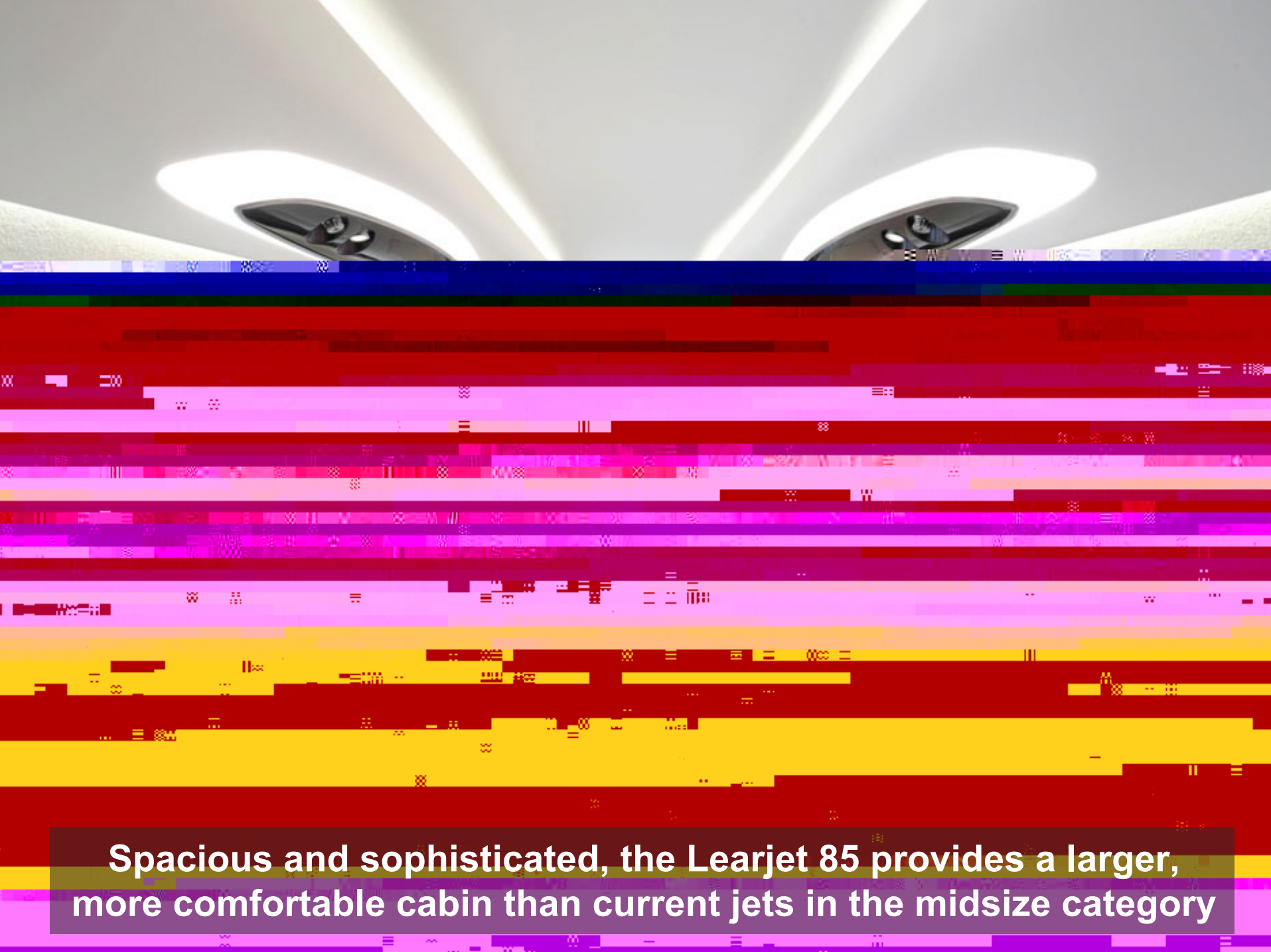

Spacious and sophisticated, the Learjet 85 provides a larger, more comfortable cabin than current jets in the midsize category

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CHALLENGER

CHALLENGER 300

CHALLENGER 605

CHALLENGER 850


Comfort and performance that is designed around you

BOMBARDIER
GLOBAL

GLOBAL 5000

GLOBAL EXPRESS XRS

Global Vision On-track for entry into service in 2012

- ✓Successfully passed Power-ON test in winter 2009
- ✓“Flawless” first flight occurred on Aug. 3, 2009

Agenda

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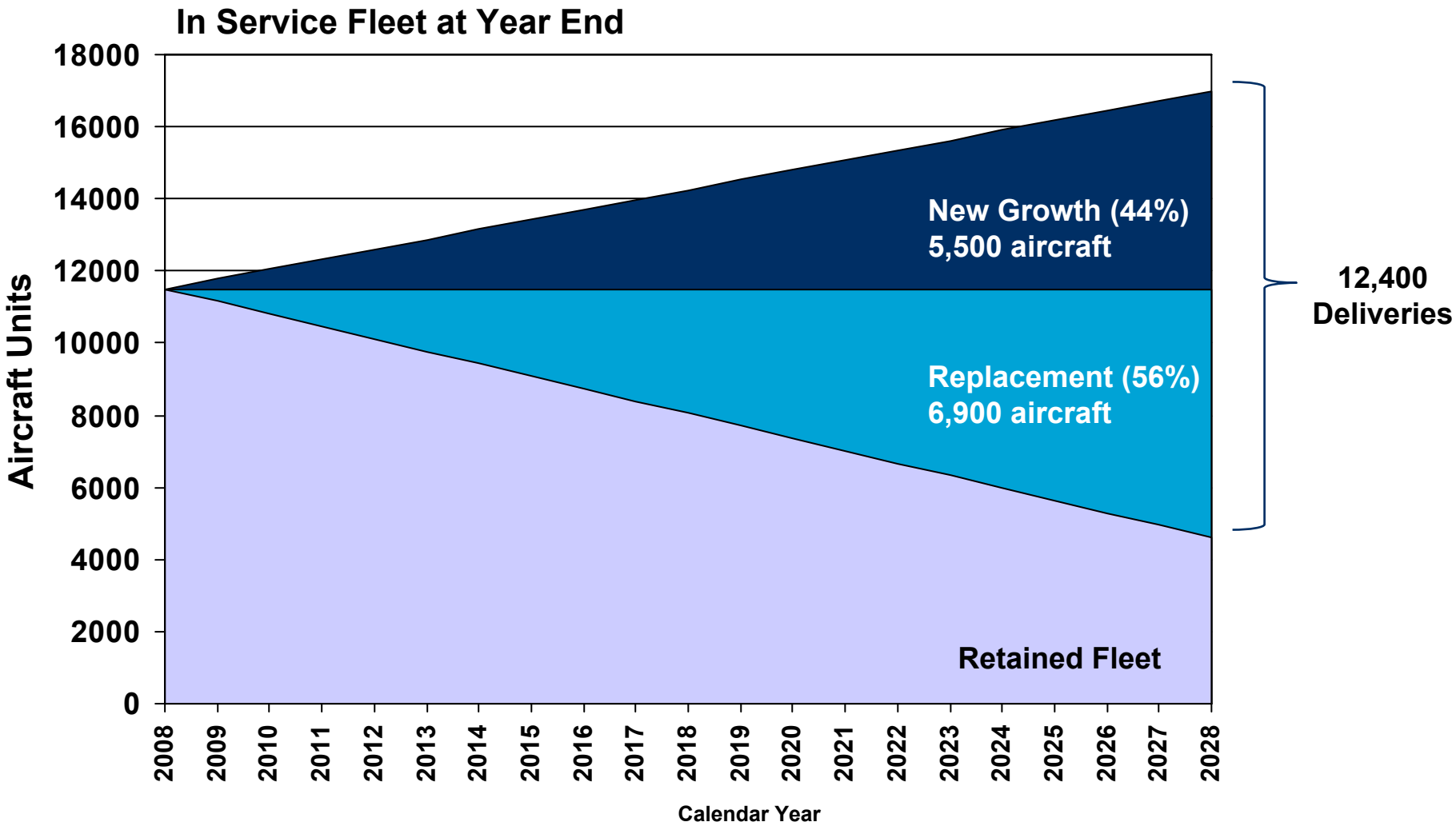
12,400 airline industry deliveries forecast over the next 20-years in the 20-149 seat segment

	Fleet 2008	Deliveries	Retirements	Fleet 2028
20 to 59-seats	3,800	**300**	2,600	1,500
60 to 99-seats	2,100	**5,800**	1,000	6,900
100 to 149-seats	5,600	**6,300**	3,300	8,600
Total Aircraft	**11,500**	**12,400**	**6,900**	**17,000**

Source: Bombardier Market Development

More than half of all new deliveries will be to replace retired aircraft



Source: Bombardier Market Development

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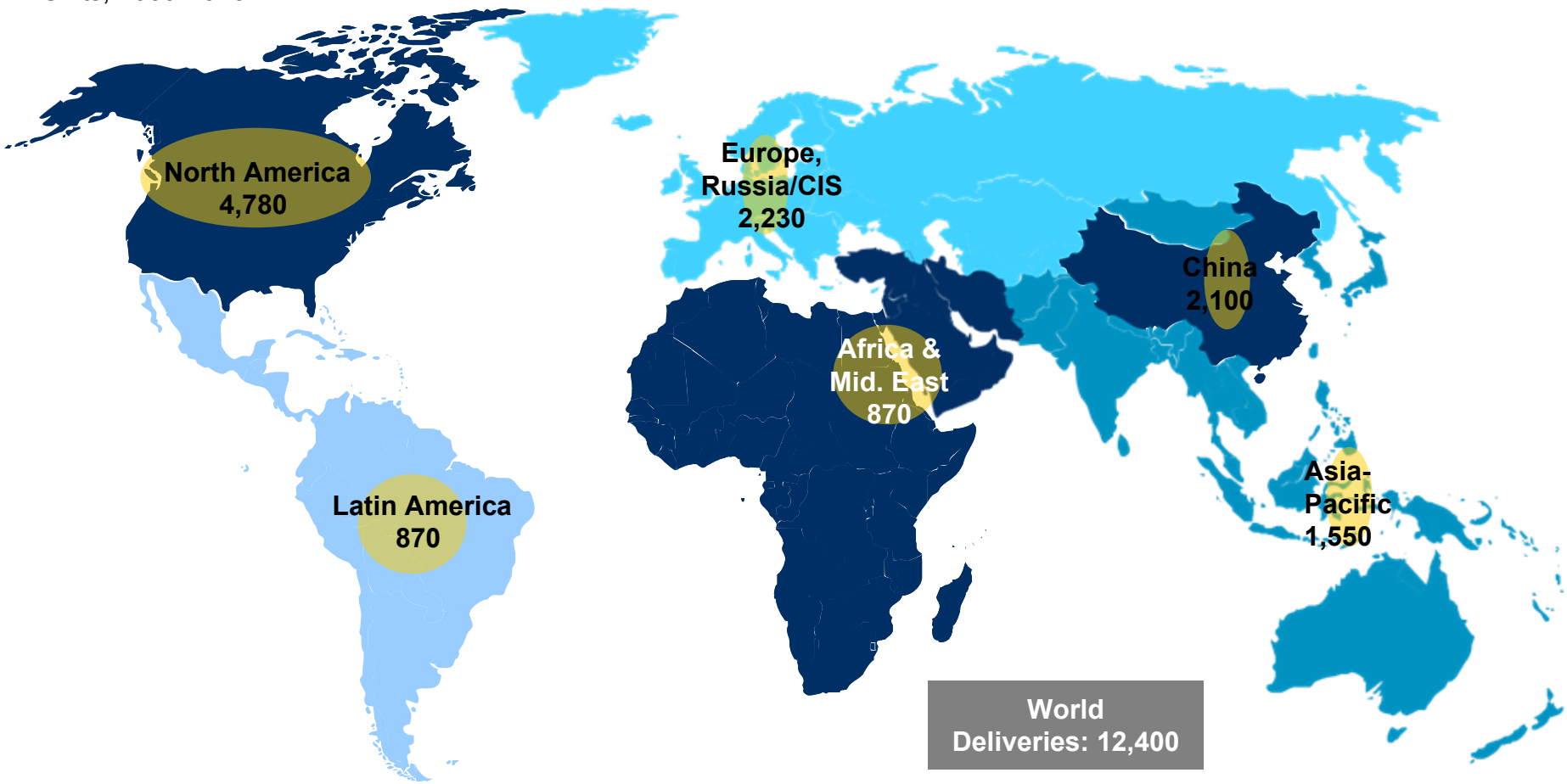
Globalization of commercial aviation will increase

20-year Deliveries Outlook
Units, 2009-2028



Source: Bombardier analysis

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OPTIMIZED SOLUTIONS
FOR THREE DISTINCT MARKETS

Bombardier Commercial Aircraft provides the best aircraft solutions for short-haul, high/low density medium and longer range markets

Bombardier Commercial Aircraft sales status

As of July 31, 2009

Q Series	***CRJ* Series**	***C*SERIES**
1,033 Firm Orders	**1,673 Firm Orders**	**50 Firm Orders**
927 Delivered	**1,557 Delivered**	**0 Delivered**
100+ Operators	**50+ Operators**	**2 Customers**

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Q400 NextGen
Optimized short-haul solution

- ☑ Best Short-haul Regional Airline Economics
- ☑ Reduced Environmental Impact – Lowest Emissions In Its Class
- ☑ Jet-like Speed Allows For Airline Schedule Optimization
- ☑ Enhanced Comfort From Redesigned Cabin
- ☑ Family Commonality With Dash 8 Models

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Q400 NextGen

CRJ Series NextGen
Optimized regional jet economics

- ✓ 7%-15% Better Direct Operating Costs Than Competing Jets
- ✓ Enhanced Comfort From Redesigned NextGen Cabin
- ✓ Reduced Environmental Impact – Lowest Emissions In Its Class
- ✓ Optimized Platform for Low Traffic Markets of Medium-Long Distances

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CRJ1000: Progressing towards entry into service (EIS)

2007	2008	2009	Calendar Year 2010
Launch & Development ✓Launch Customer Orders ✓Structural/Systems Design ✓Interior Design ✓Prototype Build Start	**Development** ✓Prototype Completion ✓1st Flight 3 Sep 08 ✓Flight tests begin	**Flight Test** ✓1st Production Aircraft joins flight test program	**Certification and EIS** 

The CRJ1000 was launched in February 2007
First flight 3rd September 2008

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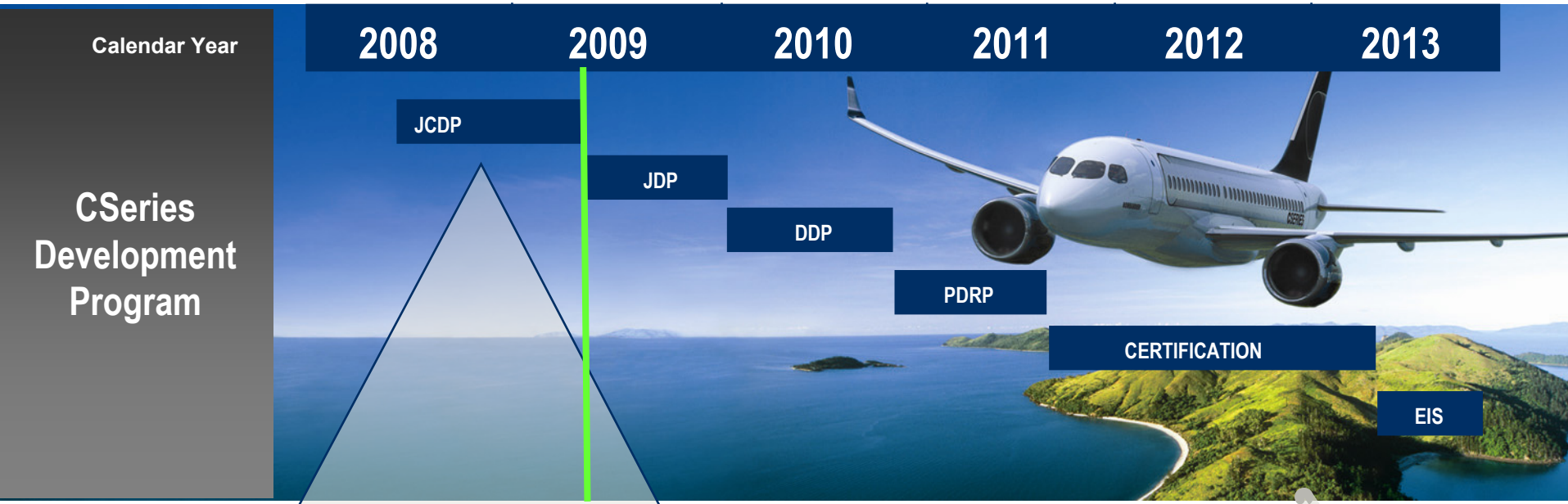
CSERIES
A game changer in its class

- ☑ Family of Aircraft with Full Commonality
- ☑ Unmatched Reduction in Environmental Footprint
- ☑ Total Life Cycle Cost Improvement
- ☑ 15% Better Cash Operating Costs and 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

CSERIES • Program moving into next phase of development



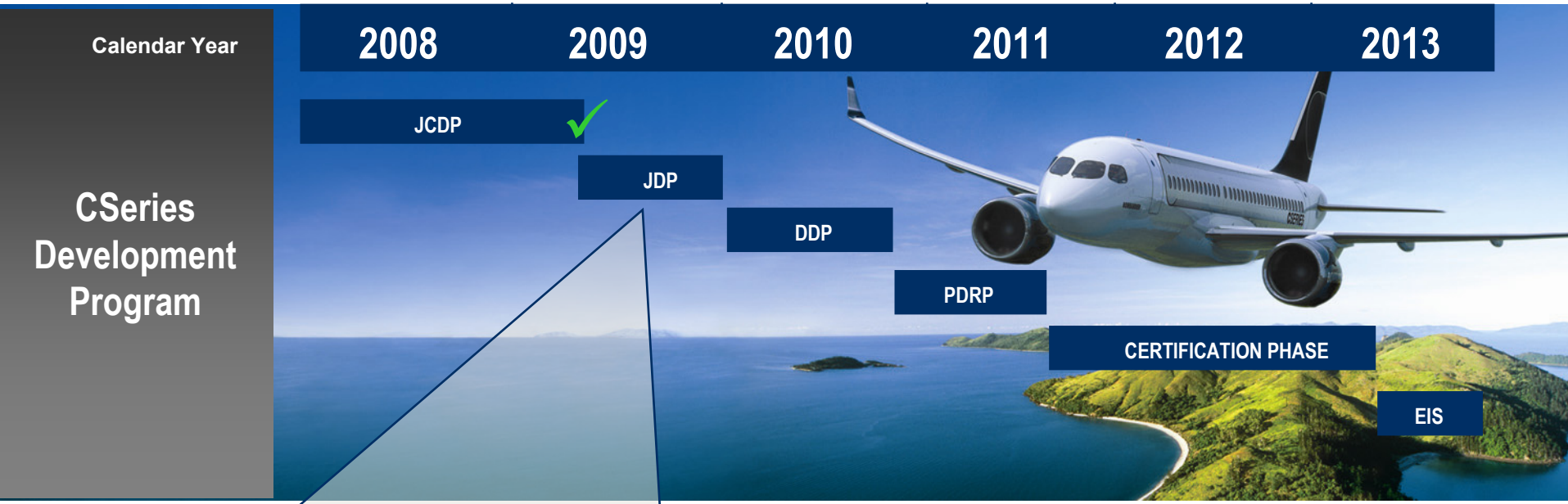
JCDP Focus

- Secure Supply chain
- Start Advanced Aluminum Fuselage Barrel Rig
- Start CFRP Wing Demonstrator Rig
- High Lift Wind Tunnel Test

Complete

JCDP: Joint Conception Definition Phase
JDP: Joint Definition Phase
DDP: Detail Design Phase
PDRP: Product Definition Release Phase
EIS: Entry Into Service
CFRP: Carbon Fiber Reinforced Polymer

CSERIES • Program moving into next phase of development



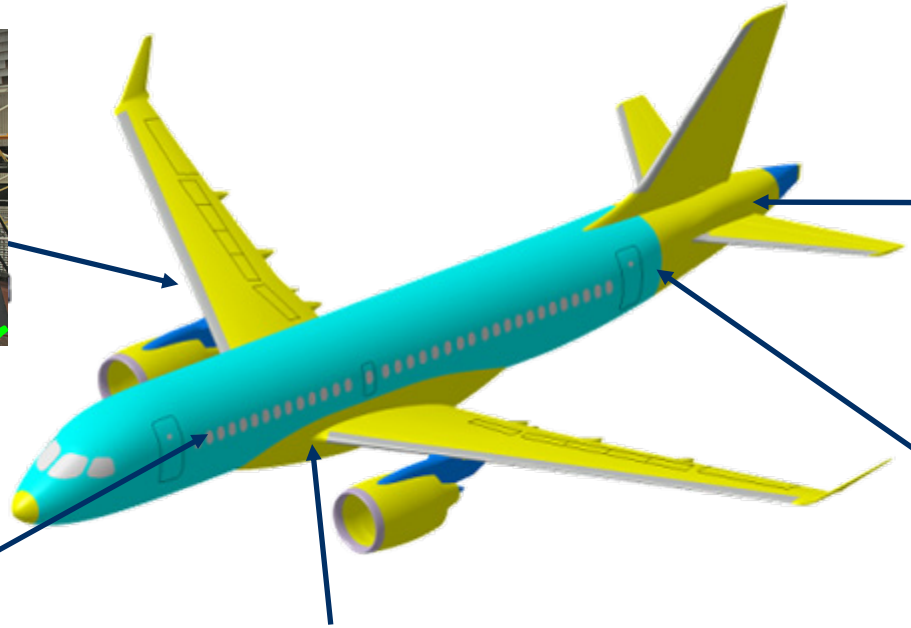
JDP Focus

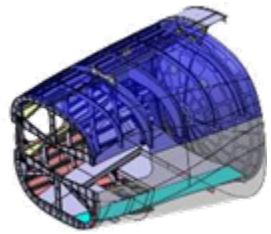
- Ground breaking for *Complete Integrated Aircraft Test* facility
- Complete Advanced Aluminum Fuselage Barrel Demonstrator
- Complete CFRP Wing Demonstrator
- High Speed and Ground Effect Wind Tunnel Tests
- Preliminary Design Review Close-Out

JCDP: Joint Conception Definition Phase
JDP: Joint Definition Phase
DDP: Detail Design Phase
PDRP: Product Definition Release Phase
EIS: Entry Into Service
CFRP: Carbon Fiber Reinforced Polymer

CSERIES • Structural technology demonstrator program for optimum use of new generation materials

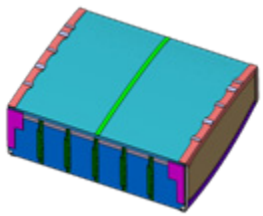
Outer Wing ✓





Rear Fuselage

23 ft Al-Li Fuselage Barrel ✓



Center Wing Box

Pressure Bulkhead ✓

Structural technology demonstrators are under assembly

✓Assembly Started

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C*SERIES* • Demonstrator wing assembly under way with major components - including the upper skin panel

CSERIES • Fuselage technology demonstrator (AL-Li)

Fuselage technology demonstrator arrived in Montréal in August

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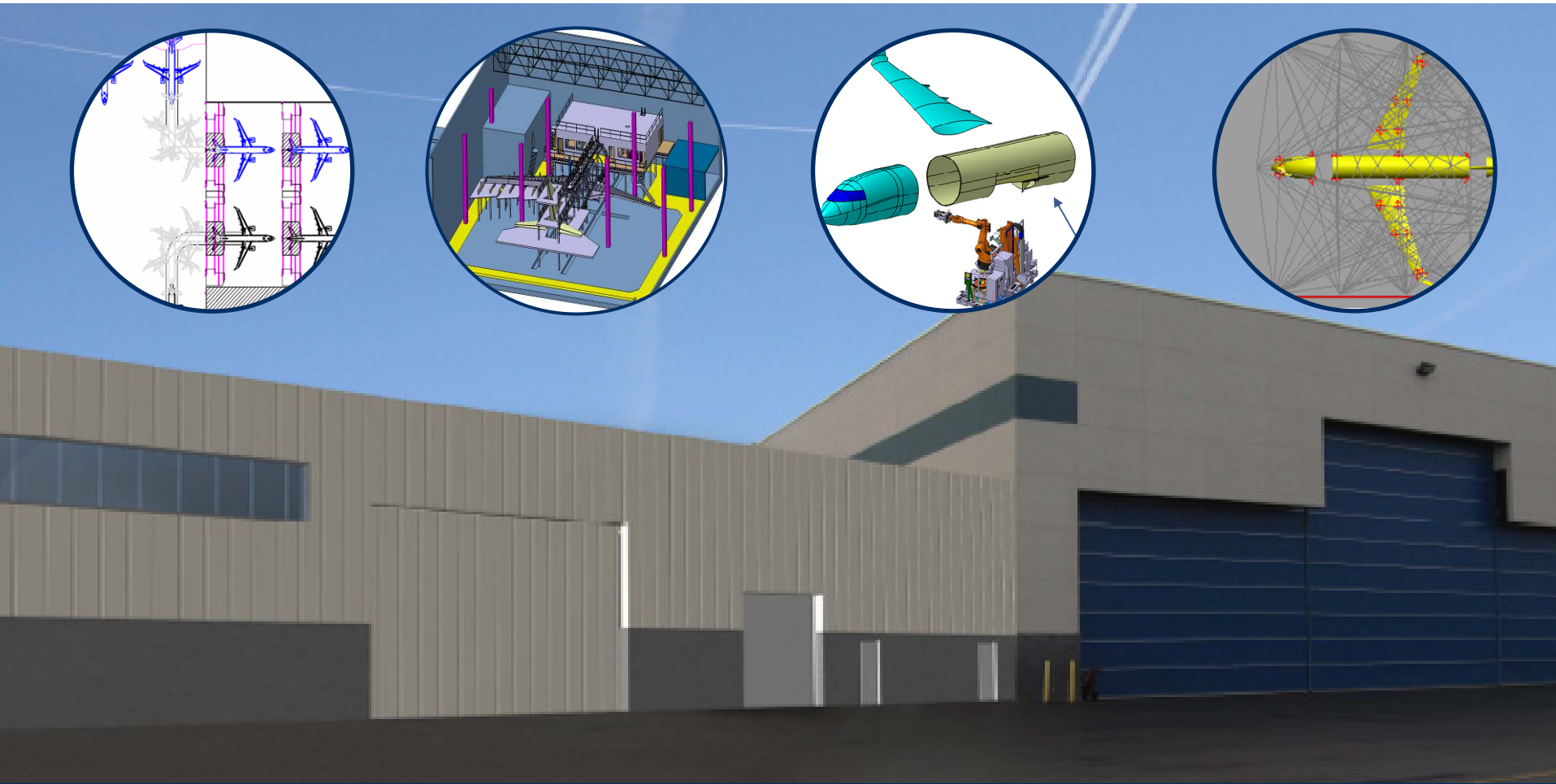
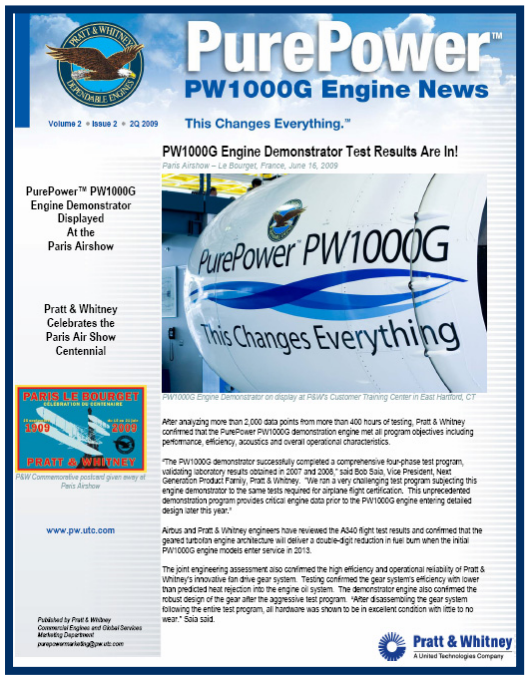
C*SERIES* • New, leading-edge Mirabel assembly plant getting ready to deliver in 2013



Ground breaking in Fall 2009

CSERIES • PW1000G engine demonstrator test results are in!



PurePower™
PW1000G Engine News
Volume 2 • Issue 2 • 2Q 2009
This Changes Everything.™

PW1000G Engine Demonstrator Test Results Are In!

Paris Airshow – Le Bourget, France, June 16, 2009

PurePower™ PW1000G Engine Demonstrator Displayed At the Paris Airshow

Pratt & Whitney Celebrates the Paris Air Show Centennial

PurePower PW1000G This Changes Everything

PW1000G Engine Demonstrator on display at P&W's Customer Training Center in East Hartford, CT

PARIS LE BOURGET 1909 2009 PRATT & WHITNEY

P&W Commemorative postcard given away at Paris Airshow

www.pw.utc.com

After analyzing more than 2,000 data points from more than 400 hours of testing, Pratt & Whitney confirmed that the PurePower PW1000G demonstration engine met all program objectives including performance, efficiency, acoustics and overall operational characteristics.

"The PW1000G demonstrator successfully completed a comprehensive four-phase test program, validating laboratory results obtained in 2007 and 2008," said Bob Saia, Vice President, Next Generation Product Family, Pratt & Whitney. "We ran a very challenging test program subjecting this engine demonstrator to the same tests required for airplane flight certification. This unprecedented demonstration program provides critical engine data prior to the PW1000G engine entering detailed design later this year."

Airbus and Pratt & Whitney engineers have reviewed the A340 flight test results and confirmed that the geared turbofan engine architecture will deliver a double-digit reduction in fuel burn when the initial PW1000G engine models enter service in 2013.

The joint engineering assessment also confirmed the high efficiency and operational reliability of Pratt & Whitney's innovative fan drive gear system. Testing confirmed the gear system's efficiency with lower than predicted heat rejection into the engine oil system. The demonstrator engine also confirmed the robust design of the gear after the aggressive test program. "After disassembling the gear system following the entire test program, all hardware was shown to be in excellent condition with little to no wear," Saia said.

Published by Pratt & Whitney Commercial Engines and Global Services Marketing Department

Pratt & Whitney
A United Technologies Company

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TIME FLIES.
BE READY.
Thank You!
Questions?