# Bombardier Commercial Aircraft
## Market and Product Overview

Barry MacKinnon
Bombardier Commercial Aircraft

RBC Capital Markets
Passport 2008 Transportation Conference
September 10, 2008

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# Forward-looking Statements

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”, “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 Management’s Discussion and Analysis (“MD&A”) sections of the Corporation’s aerospace segment and the Corporation’s transportation segment in the Corporation’s annual report for fiscal year 2008.

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), operational risks (such as risks associated with doing business with partners, risks involved in developing new products and services, product performance warranty, casualty claim losses, risks from regulatory and legal proceedings, environmental risks, risks relating to the Corporation’s dependence on certain customers and suppliers, human resource risks and risks resulting from fixed-term commitments), 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 foreign currency fluctuations, changing interest rates and commodity pricing risk). For more details, see the Risks and Uncertainties section of the MD&A of the Corporation’s annual report for fiscal year 2008. 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.

All amounts are expressed in U.S. dollars unless otherwise stated.

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# Bombardier: Fields of Activity

## Aerospace

**F08 revenues: $9.7 billion**

**55% of total revenues**

**Backlog: $22.7 billion***

**Employees: 28,104***

## Transportation

**F08 revenues: $7.8 billion**

**45% of total revenues**

**Backlog: $30.9 billion***

**Employees: 31,485***

**Order Backlog of $57.2 Billion as of July 31, 2008**

***As of January 31st 2008**

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# BOMBARDIER
# COMMERCIAL AIRCRAFT

New Business Unit Integrating Regional Aircraft
& New Commercial Aircraft Program

Leveraging Existing Experience
and Lessons Learned

Extending Regional Aircraft Market Leadership
to the Single-Aisle Mainline Segment

# Bombardier Is the Market Leader in Regional Aircraft

**CRJ Series Regional Jet**

**1,665 Firm Orders**

**1,498 Delivered**

**60+ Customers**

**Q-Series Turboprop**

**981 Firm Orders**

**868 Delivered**

**100+ Customers**

**Over 2,600 regional aircraft ordered worldwide**

Program Status as of July 31, 2008

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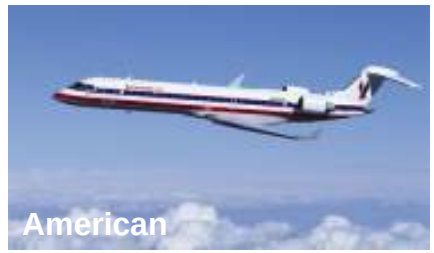
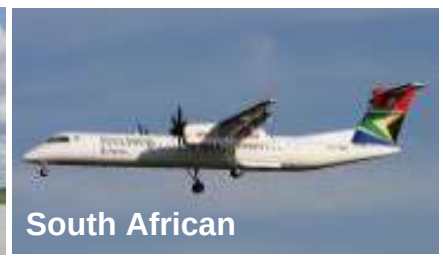
# Bombardier Commercial Aircraft
## Operated By Leading Airlines Worldwide



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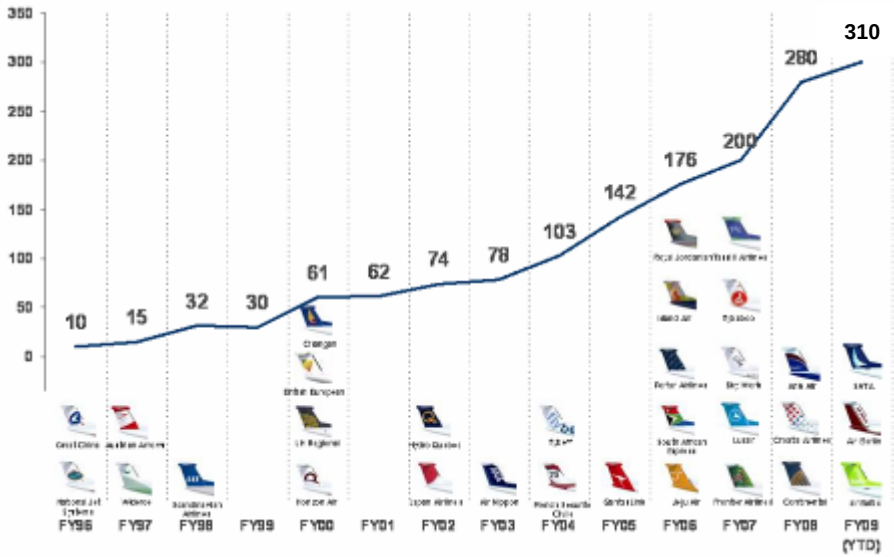
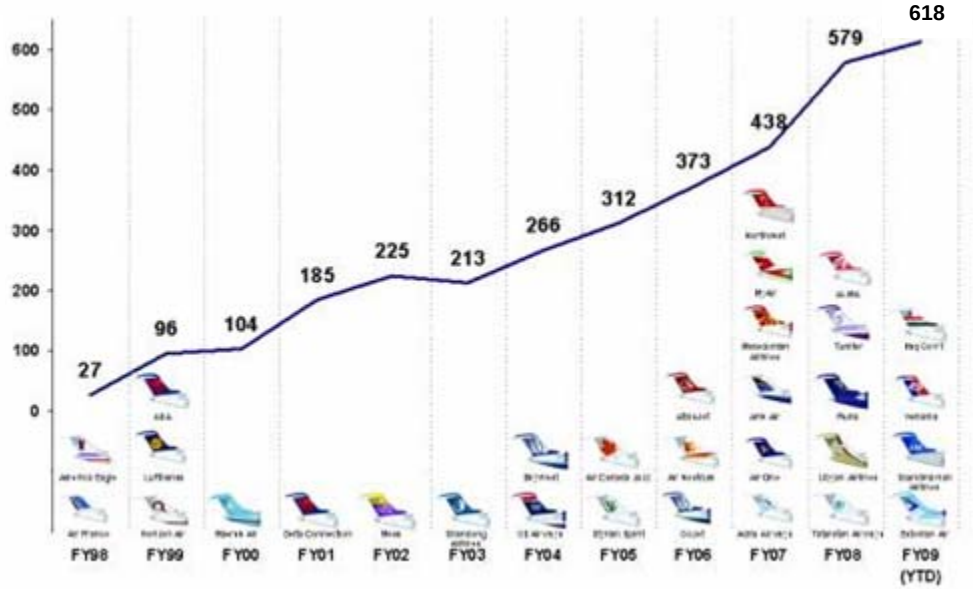
# Market Momentum Behind Our Large Regional Aircraft

## Q400 Order Momentum




## CRJ700/900/1000 Order Momentum




**Q400 and CRJ700/900/1000 Deliver Value for our Customers**

1) New customer orders in a fiscal year are identified via tail logo, 2) Includes Corporate variants as of July 31, 2008

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# Large regional aircraft are experiencing high market growth rates

## Scheduled Seat Growth by Segment

**Total Scheduled Seats (Millions) 20 to 99-seat aircraft**

| Seat Segment | 2006 | 2007 | *Change* |
|---|---|---|---|
| 20-39 Seats | 72.1 | 67.2 | *-6.7%* |
| 40-59 Seats | 229.5 | 232.7 | *1.4%* |
| 60-79 Seats | 108.0 | 118.9 | *10.1%* |
| 80-99 Seats | 46.5 | 52.5 | *12.9%* |

## ASM Growth by Segment

**Total Scheduled ASMs (Billions) 20 to 99-seat aircraft**

| Seat Segment | 2006 | 2007 | *Change* |
|---|---|---|---|
| 20-39 Seats | 15.5 | 14.7 | *-4.6%* |
| 40-59 Seats | 92.3 | 93.5 | *1.3%* |
| 60-79 Seats | 43.1 | 46.6 | *8.0%* |
| 80-99 Seats | 18.9 | 22.4 | *18.0%* |

**Orders for large regional aircraft expected to grow further in late 2008 and 2009**

Sources: Official Airline Guide (OAG) Schedules

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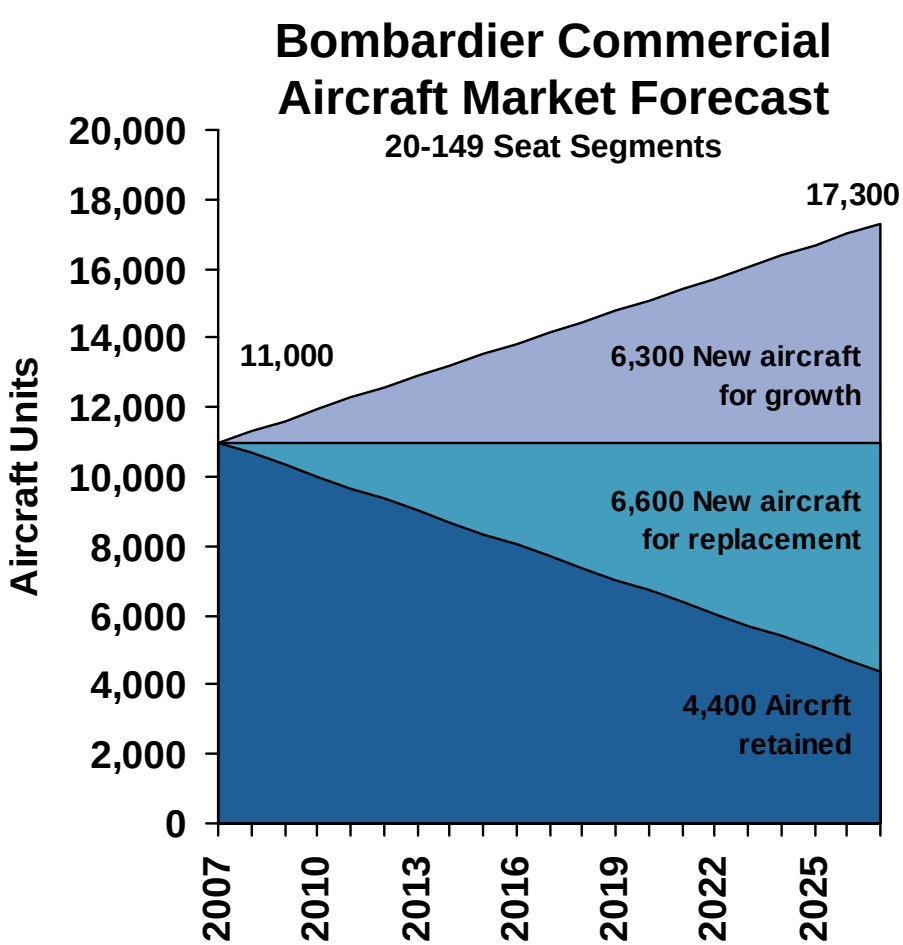
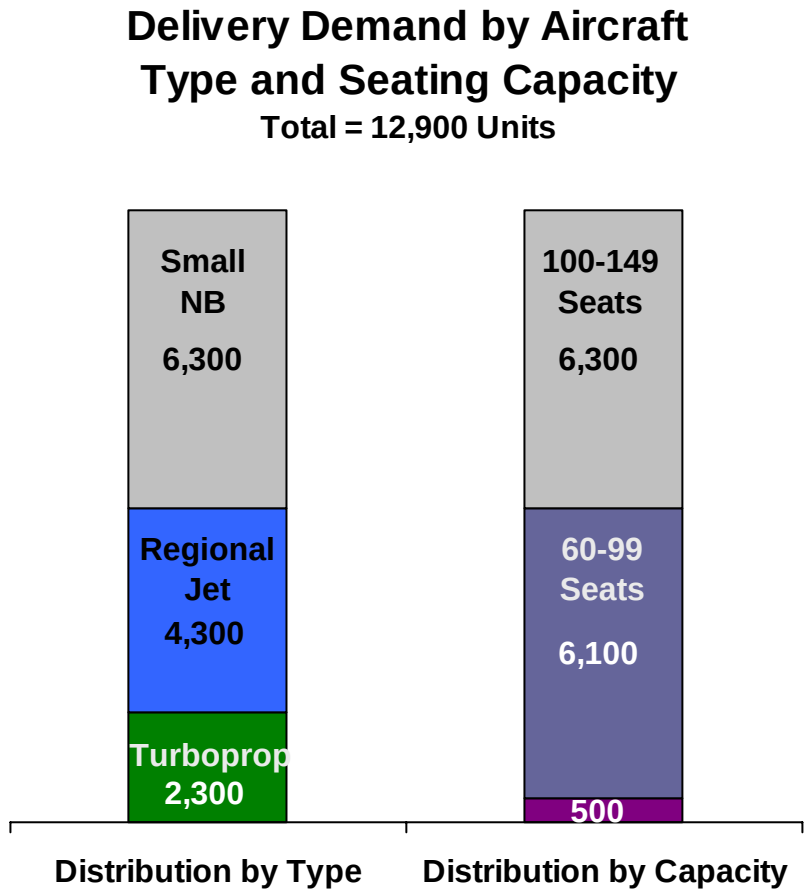
# Forecast Reflects Robust Market Demand for the 60-149 Seat Market Segment




Source: Bombardier Commercial Aircraft Market Forecast – 2008, BACK Aviation

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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**

# OPTIMIZED REGIONAL JET SOLUTION

**Designed for hub expansion and point-to-point services, the CRJ is optimized for medium to long distance routes where traffic volumes are low.**

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# The CRJ Series NextGen Aircraft
# The Best 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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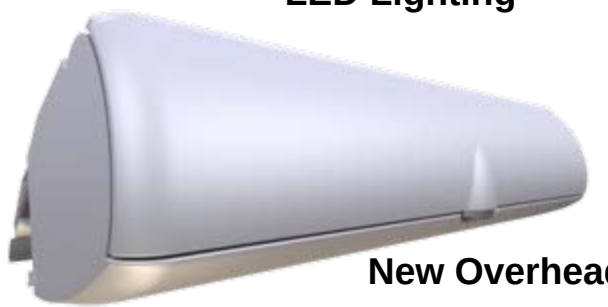
# CRJ NextGen Interior
# Enhancing The Passenger Experience

**LED Lighting**



**New Overhead Bins**

**Larger Windows**

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# OPTIMIZED TURBOPROP SOLUTION

**The optimized aircraft for short-haul services provides the perfect balance of passenger comfort and operating economics with the lowest environmental footprint**

Q400 comfortably greener

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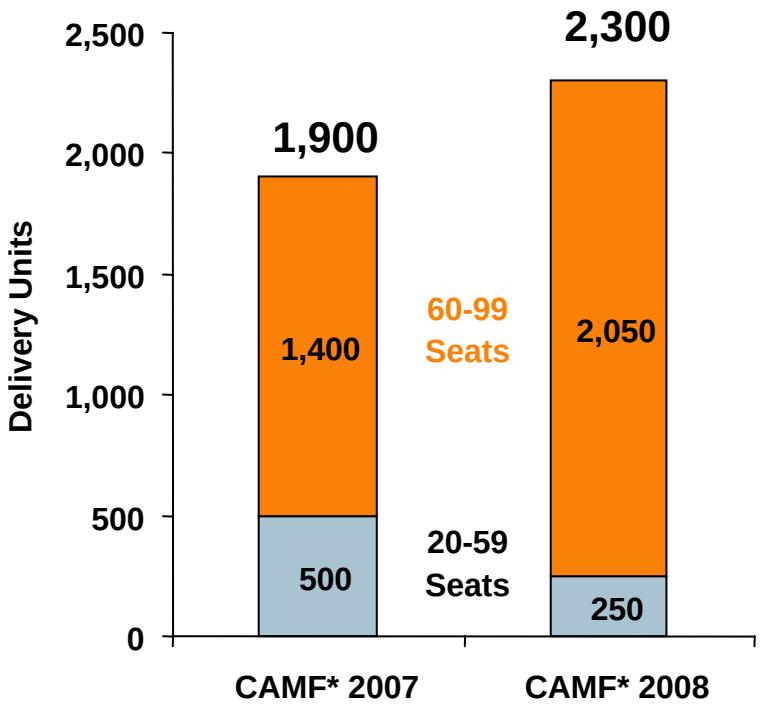
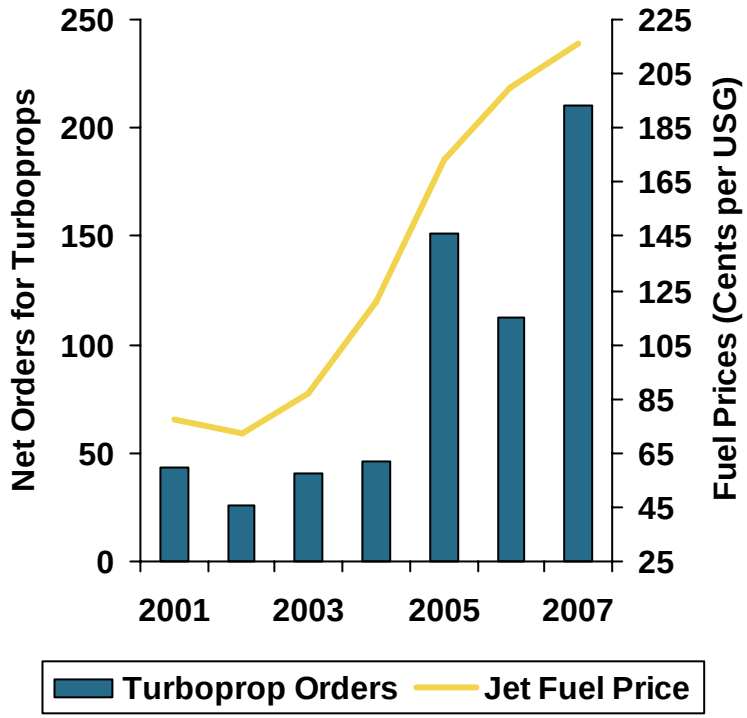
# Demand for Turboprops Will Strengthen Over the Forecast Period

## Forecast Turboprop Deliveries by Segment




## Fuel Prices and Turboprop Orders




* Commercial Aircraft Market Forecast (CAMF)
Source: Bombardier, ATA Website

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# The Q400: The Best Economics Of Any Regional Aircraft

- ✓ 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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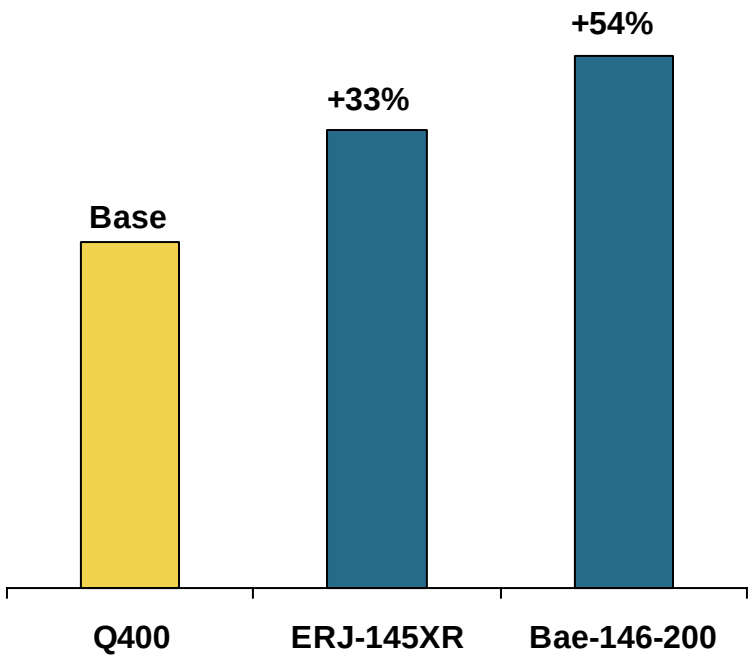
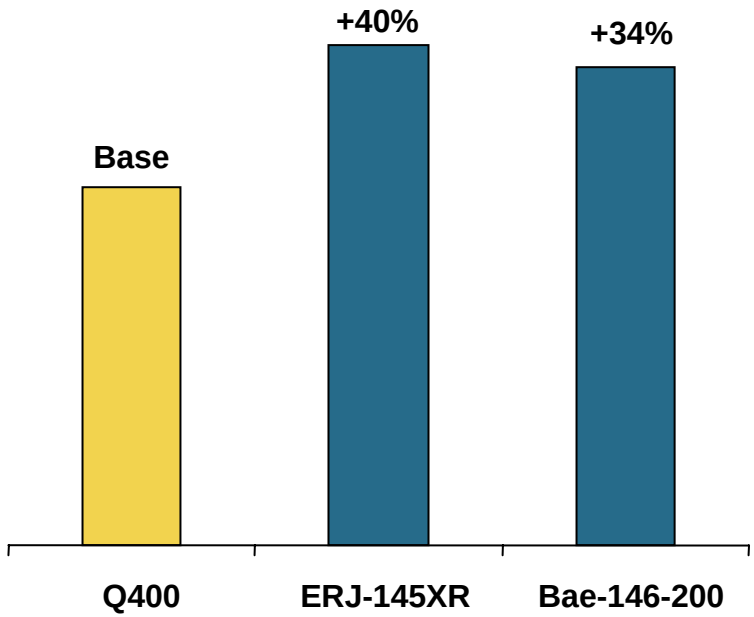
# The Short Haul Economics of the Q400 Are Unbeatable

## Block Fuel Per Seat at 200nm




## Cash Operating Costs Per Seat at 200nm




**Lower overall fuel burn equates to lower carbon emissions and contributes to lower operating costs**

All Aircraft at LRC, Q400 @ 74 Seats, ERJ145XR @ 50 Seats, BAe-146-200 @ 88 Seats

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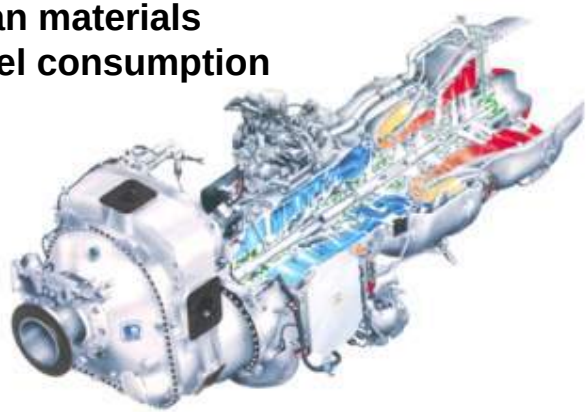
# Q400 is Advanced Technology

## Thales Integrated Cockpit

- 5 LCD, active matrix displays
- Centralized diagnostic system
- Enhanced navigation & display
- Flexibility for growth

## Pratt & Whitney Canada PW150A Engine

- Advanced turbofan materials
- FADEC for low fuel consumption
- Low emissions



## Dowty R408 Propeller

- Prop Electronic Control
- (6) All-Composite Blades
- Low weight, high strength
- High resistance to fatigue
- Damage-tolerant, and easily repairable

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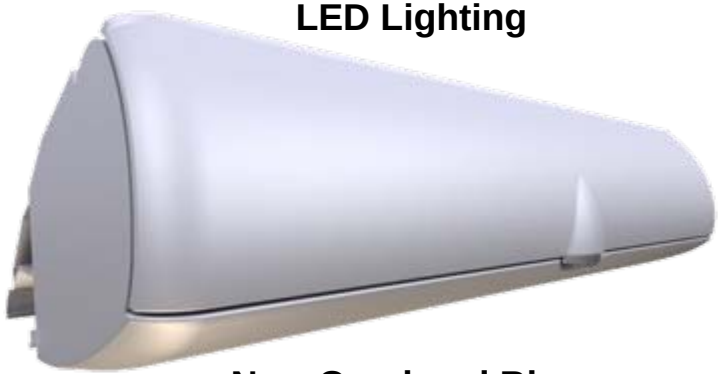
# Q400 NextGen Interior
# LED Lighting, New Overhead Bins And New Sidewalls

**LED Lighting**



**New Overhead Bins**

**New ‘Dished’ Sidewalls**

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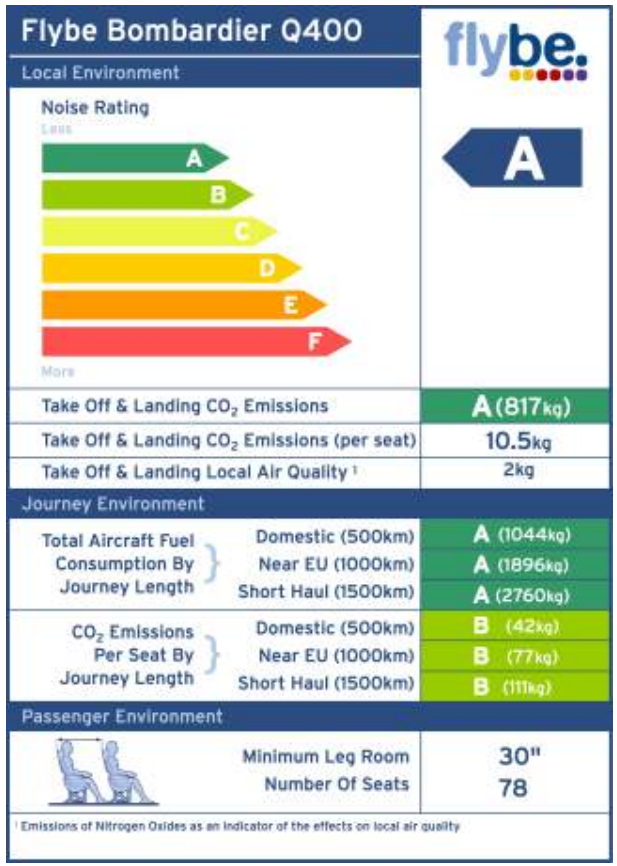
# Eco-friendly Q400 Helps Airlines Achieve Sustainable Development Targets

**Q400 Environmental Benefits at a Glance:**

- **Q400 burns 30% less fuel per trip than a same-size RJ**
- **Less fuel than an economy car on a passenger basis**
- **Q400 emits 30% lower greenhouse gas (CO2) than a same-size RJ**
- **Low noxious emissions**
- **Very low noise levels**
  - **Q is for Quiet**

Q400 comfortably greener




**Flybe's "Ecolabel" for the Q400**

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# OPTIMIZED SINGLE-AISLE SOLUTION

**The CSeries is the only family of aircraft designed specifically for the lower end of the 100- to 149-seat market without compromise—from the ground up. Not stretched, shrunk or reconfigured.**

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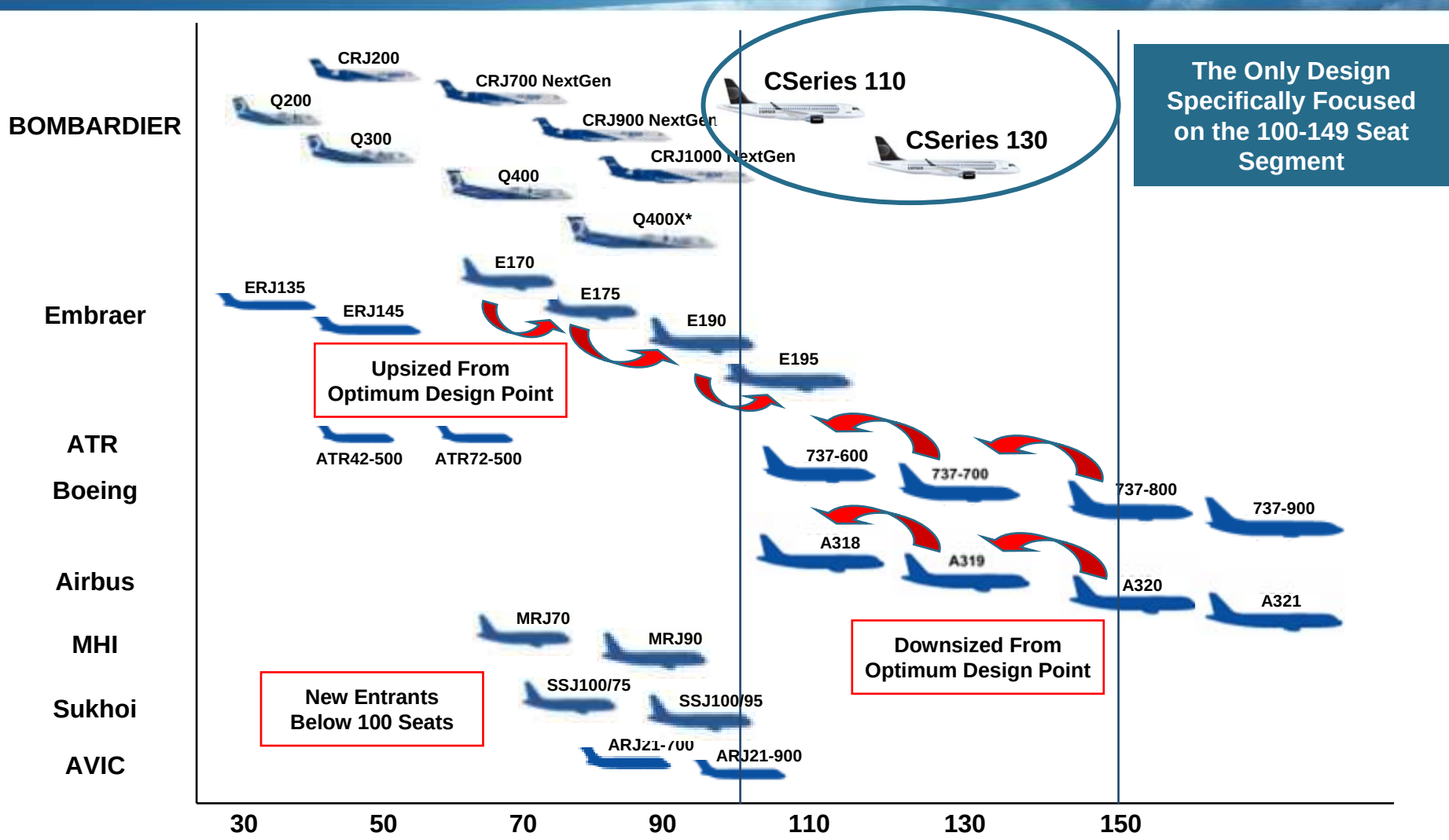
# A New Family Optimized for the 100- to 149-seat Market Segment Is Long Overdue




* Q400X is a product development study

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# C*SERIES* • A Game Changer In Its Class

- ☑ 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

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# C*SERIES* Entry Into Service Is Principally Driven By Technology Optimization for the 100- to 149-Seat Market

| | 2007-2008 | 2008-2013 | 2013 |
|---|---|---|---|
| **Aircraft** | **Confirmation**<br>• Technology<br>• Partner & Supplier Agreements<br>• Customer Orders<br>• Authority to Offer ✓ | **Development**<br> | **Aircraft Entry Into Service** |
| | **LAUNCH July 2008** | | |
| **Engine** | **Engine Partner Selection** ✓ | **Development & Certification by 2012** | |

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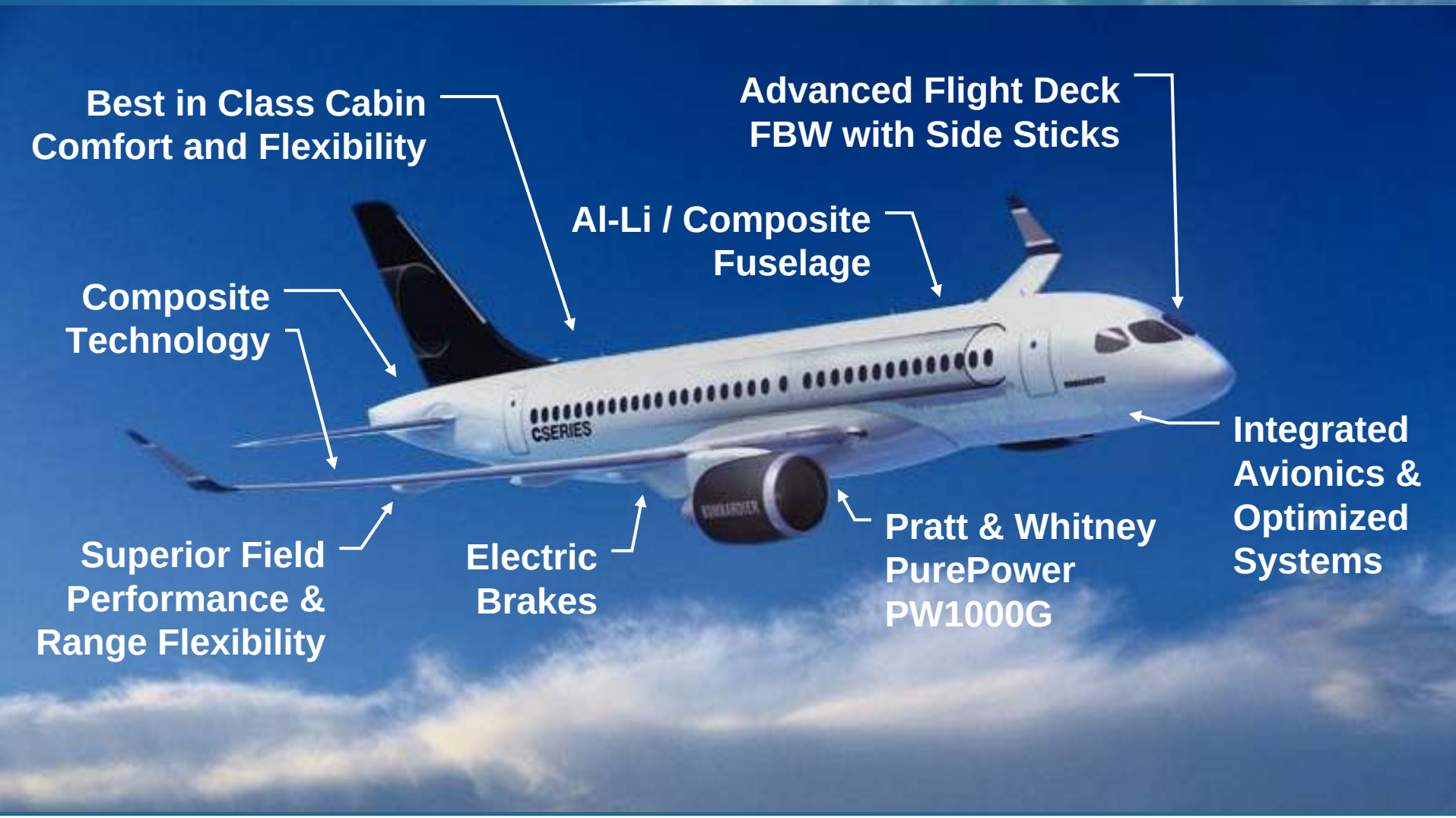
# C*SERIES* Technologies and Design Focused on Delivering Operational Benefits

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# BOMBARDIER CSERIES FAMILY
## OF 110- TO 130-SEAT AIRCRAFT.

**In less than 5 years, the air travel industry will be radically different. New world, new markets, new priorities.**

**The CSeries family of aircraft is here to meet airline needs for 2013 and beyond.**

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# Bombardier Aerospace
## Continuous Innovation in Commercial Aircraft

## Thank You!

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