



FINANCIAL RESULTS FOR THE FIRST QUARTER OF 2017

MAY 11, 2017

BOMBARDIER

STAKEHOLDERS
PRESENTATION

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

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This presentation includes forward-looking statements, which may involve, but are not limited to: statements with respect to the Corporation's objectives, guidance, targets, goals, priorities, market and strategies, financial position, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business outlook, prospects and trends of an 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; the expected impact of the legislative and regulatory environment and legal proceedings on the Corporation's business and operations; available liquidities and ongoing review of strategic and financial alternatives; the impact and expected benefits of the investment by the Government of Québec in the C Series Aircraft Limited Partnership and of the private placement of a minority stake in Transportation by the CDPQ on the Corporation's operations, infrastructure, opportunities, financial condition, access to capital and overall strategy; and the impact of such investments on the Corporation's balance sheet and liquidity position.

Forward-looking statements can generally be identified by the use of forward-looking terminology such as "may", "will", "shall", "can", "estimate", "expect", "intend", "anticipate", "plan", "foresee", "believe", "continue", "maintain" or "align", the negative of these terms, variations of them or similar terminology. By their nature, forward-looking statements require management 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 forecast results set forth in forward-looking statements. While management considers these assumptions to be reasonable and appropriate based on information currently available, there is risk that they may not be accurate.

Certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to, risks associated with general economic conditions, risks associated with the Corporation's business environment (such as risks associated with the financial condition of the airline industry, business aircraft customers, and the rail industry; trade policy; increased competition; political instability and force majeure), operational risks (such as risks related to developing new products and services; development of new business; the certification and homologation of products and services; fixed-price and fixed-term commitments and production and project execution; pressures on cash flows based on project-cycle fluctuations and seasonality; the Corporation's ability to successfully implement and execute its strategy and transformation plan; doing business with partners; product performance warranty and casualty claim losses; regulatory and legal proceedings; the environment; dependence on certain customers and suppliers; human resources; reliance on information systems; reliance on and protection of intellectual property rights; and adequacy of insurance coverage), financing risks (such as risks related to liquidity and access to capital markets; retirement benefit plan risk; exposure to credit risk; substantial existing debt and interest payment requirements; certain restrictive debt covenants and minimum cash levels; financing support provided for the benefit of certain customers; and reliance on government support), market risks (such as risks related to foreign currency fluctuations; changing interest rates; decreases in residual values; increases in commodity prices; and inflation rate fluctuations). For more details, see the Risks and uncertainties section in Other in the Management's Discussion and Analysis (MD&A) of the Corporation's financial report for the fiscal year ended December 31, 2016. For additional information with respect to the assumptions underlying the forward-looking statements made in this presentation, refer to the Guidance and forward-looking statements sections in Overview, Business Aircraft, Commercial Aircraft, Aerostructures and Engineering Services and Transportation in the MD&A of the Corporation's financial report for the fiscal year ended December 31, 2016.

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 management's expectations as at the date of this presentation and are subject to change after such date. Unless otherwise required by applicable securities laws, we expressly disclaim any intention, and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

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All amounts in this presentation are expressed in U.S. dollars unless otherwise indicated.

This presentation should be read in conjunction with the Corporation's first quarter report 2017 Financial Report.

This presentation contains both IFRS and non-GAAP measures. Non-GAAP measures are defined and reconciled to the most comparable IFRS measures in the Corporation's first quarter report 2017 and at the end of this presentation. See Caution regarding non-GAAP measures at the end of this presentation.

	Q1 2016	Q1 2017	Q1 2017 Highlights
REVENUES	\$3.9B	\$3.6B	<ul style="list-style-type: none"> BT 5% organic growth, ex currency Disciplined BBA and BCA production
EBIT before special items ¹	\$130M	\$128M	<ul style="list-style-type: none"> Stable EBIT, increasing earnings power Increasing margins, led by BT and BBA
FCF ¹	\$(750)M	\$(593)M	<ul style="list-style-type: none"> Improving FCF while investing for growth <ul style="list-style-type: none"> ~\$275M mainly for <i>Global 7000</i> ~\$340M towards working capital mainly for <i>C Series</i> and BT project ramp up

Q1 RESULTS ALIGNED TO ACHIEVE 2017 GUIDANCE

1. Non-GAAP measure. See Caution regarding Non-GAAP measures at the end of this presentation. Non-GAAP measures are defined and reconciled to the most comparable IFRS measures in the MD&A of the Corporation's first quarterly report of 2017 Financial Report and at the end of this presentation

	Q1	REVENUES	EBIT ¹	EBIT %	Q1 2017 HIGHLIGHTS
BT	2017	\$1.9B	\$153M	8.0%	<ul style="list-style-type: none"> \$2.2 billion in new orders Book-to-bill 1.1x
	2016	\$1.9B	\$115M	6.1%	
BBA	2017	\$1.0B	\$77M	7.6%	<ul style="list-style-type: none"> 29 deliveries, aligned to markets Mix skewed to light aircraft Lean pre-owned aircraft inventory
	2016	\$1.3B	\$87M	6.7%	
BCA	2017	\$0.5B	\$(55)M	(10.2)%	<ul style="list-style-type: none"> Deliveries <ul style="list-style-type: none"> 14 CRJs and Q400s 3 C Series (1 recognized) Acceleration of deliveries in H2
	2016	\$0.6B	\$(66)M	(10.7)%	
BAES	2017	\$0.4B	\$29M	7.5%	<ul style="list-style-type: none"> Aligned to BBA and BCA production C Series production ramp up
	2016	\$0.5B	\$35M	7.5%	

1. EBIT before special items. Non-GAAP measure. See Caution regarding non-GAAP measures at the end of this presentation and the reconciliation to the most comparable IFRS measure in the MD&A of the Corporation's first quarter report of 2017 and at the end of this presentation



RESUMED GROWTH AT BT

POSITIONED FOR REVENUE ACCELERATION IN 2ND HALF

CONTINUED MARGIN EXPANSION AND IMPROVING FCF TREND

STEADY PROGRAM EXECUTION



SOLID PERFORMANCE HIGHLIGHTS PROGRESS MADE

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GLOBAL 7000 AND GLOBAL 8000 AIRCRAFT PROGRAM DISCLAIMER

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CAUTION REGARDING NON-GAAP MEASURES

This presentation is based on reported earnings in accordance with International Financial Reporting Standards (IFRS). Reference to generally accepted accounting principles (GAAP) means IFRS, unless indicated otherwise. This presentation includes non-GAAP financial measures, including EBIT before special items, EBIT margin before special items, free cash flow and free cash flow usage. These non-GAAP measures are mainly derived from the consolidated financial statements but do not have standardized meanings prescribed by IFRS. The exclusion of certain items from non-GAAP performance measures does not imply that these items are necessarily non-recurring. From time to time, we may exclude additional items if we believe doing so would result in a more transparent and comparable disclosure. Other entities in the Corporation's industry may define the above measures differently than we do. In those cases, it may be difficult to compare the performance of those entities to the Corporation's based on these similarly-named non-GAAP measures. Management believes that providing certain non-GAAP financial measures, in addition to IFRS measures, provides users of this presentation and of the Corporation's interim financial report with enhanced understanding of the Corporation's results and related trends and increases the transparency and clarity of the core results of the Corporation's business. For these reasons, a significant number of users of the Corporations' financial report and of this presentation analyze the Corporation's results based on these financial measures. EBIT before special items excludes items that do not reflect the Corporation's core performance or where their exclusion will assist users in understanding the Corporation's results for the period. The Corporation believe these measures help users of its financial report and of this presentation to better analyze results, enabling better comparability of the Corporation's results from one period to another and with peers.

Refer to the Non-GAAP financial measures section in Overview in the MD&A of the Corporation's financial report for the quarter ended March 31, 2017 for definitions of these metrics and refer below for reconciliations to the most comparable IFRS measures.

RECONCILIATION OF SEGMENT TO CONSOLIDATED RESULTS

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Reconciliation of segment to consolidated results

	Three-month periods ended March 31	
	2017	2016
Revenues		
Business Aircraft	\$ 1,007	\$ 1,303
Commercial Aircraft	540	616
Aerostructures and Engineering Services	388	468
Transportation	1,923	1,880
Corporate and Elimination	(282)	(353)
	\$ 3,576	\$ 3,914
EBIT before special items		
Business Aircraft	\$ 77	\$ 87
Commercial Aircraft	(55)	(66)
Aerostructures and Engineering Services	29	35
Transportation	153	115
Corporate and Elimination	(76)	(41)
	\$ 128	\$ 130
Special Items		
Business Aircraft	\$ 3	\$ 5
Commercial Aircraft	1	—
Aerostructures and Engineering Services	—	20
Transportation	19	92
Corporate and Elimination	—	(43)
	\$ 23	\$ 74
EBIT		
Business Aircraft	\$ 74	\$ 82
Commercial Aircraft	(56)	(66)
Aerostructures and Engineering Services	29	15
Transportation	134	23
Corporate and Elimination	(76)	2
	\$ 105	\$ 56

RECONCILIATION OF NON-GAAP MEASURES

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Reconciliation of EBITDA before special items and EBITDA to EBIT

	Three-month periods ended March 31	
	2017	2016
EBIT	\$ 105	\$ 56
Amortization	78	89
EBITDA	183	145
Special items	23	74
EBITDA before special items	\$ 206	\$ 219

Free cash flow usage

	Three-month periods ended March 31	
	2017	2016
Net loss	\$ (31)	\$ (138)
Non-cash items		
Amortization	78	89
Deferred income taxes	(3)	(4)
Share of income of joint ventures and associates	(32)	(14)
Other	7	(4)
Dividends received from joint ventures and associates	2	46
Net change in non-cash balances	(338)	(431)
Cash flows from operating activities	(317)	(456)
Net additions to PP&E and intangible assets	(276)	(294)
Free cash flow usage	(593)	(750)
Net interest and income taxes paid	(141)	(203)
Free cash flow usage before net interest and income taxes paid	\$ (452)	\$ (547)

See Caution regarding non-GAAP measures at page 7 of this presentation