



# PRESENTATION TO INVESTORS

PIERRE ALARY  
SENIOR VICE  
PRESIDENT & CFO

June 12, 2012

**BOMBARDIER**  
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# FORWARD-LOOKING STATEMENTS

This presentation includes forward looking statements, which may involve, but are not limited to: statements with respect to our objectives, guidance, targets, goals, priorities, markets 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; our competitive position; and the expected impact of the legislative and regulatory environment and legal proceedings on our business and operations. Forward looking statements generally can be identified by the use of forward looking terminology such as “may”, “will”, “expect”, “intend”, “anticipate”, “plan”, “foresee”, “believe”, “continue” or “maintain”, the negative of these terms, variations of them or similar terminology. By their nature, forward looking statements require us to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause our actual results in future periods to differ materially from forecasted results. While we consider our assumptions to be reasonable and appropriate based on information currently 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, refer to the respective Guidance and forward-looking statements sections in Overview, Bombardier Aerospace and Bombardier Transportation sections in the Management’s Discussion and Analysis (“MD&A”) in the Corporation’s annual report for the fiscal year ended December 31, 2011.

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 our business environment (such as risks associated with the financial condition of the airline industry and major rail operators), operational risks (such as risks related to developing new products and services; doing business with partners; product performance warranty and casualty claim losses; regulatory and legal proceedings; to the environment; dependence on certain customers and suppliers; human resources; fixed price commitments and production and project execution), financing risks (such as risks related to liquidity and access to capital markets, exposure to credit risk, certain restrictive debt covenants, financing support provided for the benefit of certain customers and reliance on government support) and market risks (such as risks related to foreign currency fluctuations, changing interest rates, decreases in residual value and increases in commodity prices). For more details, see the Risks and uncertainties section in Other. 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 our 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.

# BOMBARDIER – A GLOBAL MARKET LEADER

**THIRD LARGEST  
CIVIL AIRCRAFT  
MANUFACTURER  
WORLDWIDE**

**GLOBAL  
LEADER IN  
THE RAIL  
INDUSTRY**

- **Diversified revenues of \$18.3 billion\* with customers in more than 100 countries**
- **Net income of \$837 million\* (EPS of \$0.47), with excellent growth potential**
- **A strong backlog of \$53.9 billion\*\* representing ~ 3 years of revenues**
- **70,000 employees, with 76 production and engineering sites in 25 countries**

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\* For the fiscal year ended December 31, 2011

\*\* As at December 31, 2011

# OPERATING IN TWO BROAD INDUSTRIES

## AEROSPACE

A world leader in the design, manufacture and support of innovative aviation products for the business, commercial, specialized and amphibious aircraft markets



- 47% of total revenues\*
- 42% of total EBIT\*
- Backlog: \$22.0 billion\*\*
- Employees: 33,600\*\*

## TRANSPORTATION

World leader in the design, manufacture and support of rail equipment and systems



- 53% of total revenues\*
- 58% of total EBIT\*
- Backlog: \$31.9 billion\*\*
- Employees: 36,200\*\*

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\* For the fiscal year ended December 31, 2011

\*\* As at December 31, 2011

# INVESTMENT THESIS

**PRODUCTS**

**Investing in leading mobility solutions**

**MARKETS**

Well positioned to capture global growth opportunities

**DISCIPLINE**

Strong financial discipline

# 30 AIRCRAFT PROGRAMS LAUNCHED SINCE 1989



CRJ100/200 (1989)



Learjet 31-A (1990)



Learjet 60 (1990)



Bombardier 415 (1991)



Learjet 45 (1992)



Q200 (1992)



Challenger 604 (1993)



Global Express (1993)



Q400 (1995)



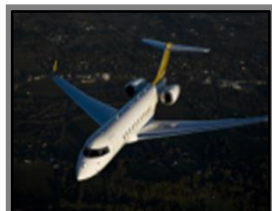
CRJ700 (1997)



Challenger 300 (1999)



CRJ900 (2000)



Global 5000 (2001)



Learjet 45 XR (2002)



Learjet 40 (2002)



Global Express XRS (2003)



Learjet 40 XR (2004)



Challenger 605 (2005)



Learjet 60 XR (2005)



CRJ700 NextGen  
(2007)



CRJ900 NextGen  
(2007)



CRJ1000 NextGen  
(2007)



Learjet 85 (2007)



CS100 et CS300  
(2008)

Global Vision cockpit (launched in 2007), *Global 7000 and Global 8000* (launched in 2010), and Learjet 70 and Learjet 75 not illustrated

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# INVESTMENTS IN NEW PRODUCTS WILL DRIVE \$8 TO \$12 BILLION OF ADDITIONAL REVENUES PER YEAR IN AEROSPACE



- Total market of 7,000 units over 20 years
- Target to capture 50% of global market share in 100 – 149 seat market
- \$5 to \$8 billion of additional annual revenues (including related services)



- Market for large business aircraft forecast at 2,200 units over next ten years
- Target to capture existing market share of 30-35%
- Global 7000/8000: \$1.5 to \$2 billion of additional revenues annually (including related services)



- Market for small business aircraft forecast at 4,600 units over next ten years
- Learjet family targeted to capture 20-25% market share
- Learjet 85: \$1.0 to \$1.5 billion of additional revenues annually (including related services)

# CSERIES IS A GAME CHANGER

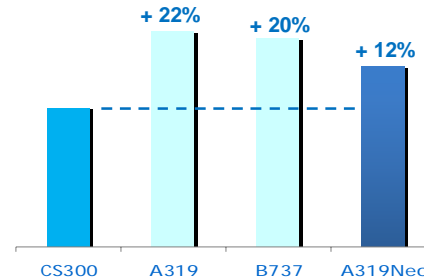


## TRIPLE APPEAL VALUE PROPOSITION

- Environment: At the forefront of technology, e.g. geared turbofan engine – 20% fewer CO<sub>2</sub> emissions
- Airline: Route flexibility and unbeatable economics (20% fuel consumption advantage against in-production aircraft)
- Communities: Low noise signature
- Passenger: Widebody comfort in a single aisle aircraft

## UNBEATABLE ECONOMICS AND FLEXIBILITY FOR AIRLINES

Fuel consumption per seat\*



Range – 5,463 km



## DEVELOPMENT MILESTONES

- Assembly of first test aircraft has started
- First flight expected at the end of 2012
- Entry Into Service (EIS) at the end of 2013

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\* Based on 500 nautical mile trip, North American Environment.



# OUR GROWTH STRATEGY RESTS ON A LEADING PORTFOLIO OF PRODUCTS/SERVICES

BT is responding to changing needs and will continue to lead the rail technology industry by focusing on:



A

Developing innovative & cost-optimized solutions



B

Enabling more integrated networks



C

Building local capabilities & long-term partnerships

A

# INFRASTRUCTURE, URBANIZATION & MOBILITY, AS WELL AS BUDGET CONSTRAINTS WILL CONTINUE TO DRIVE THE NEEDS FOR OUR PRODUCTS



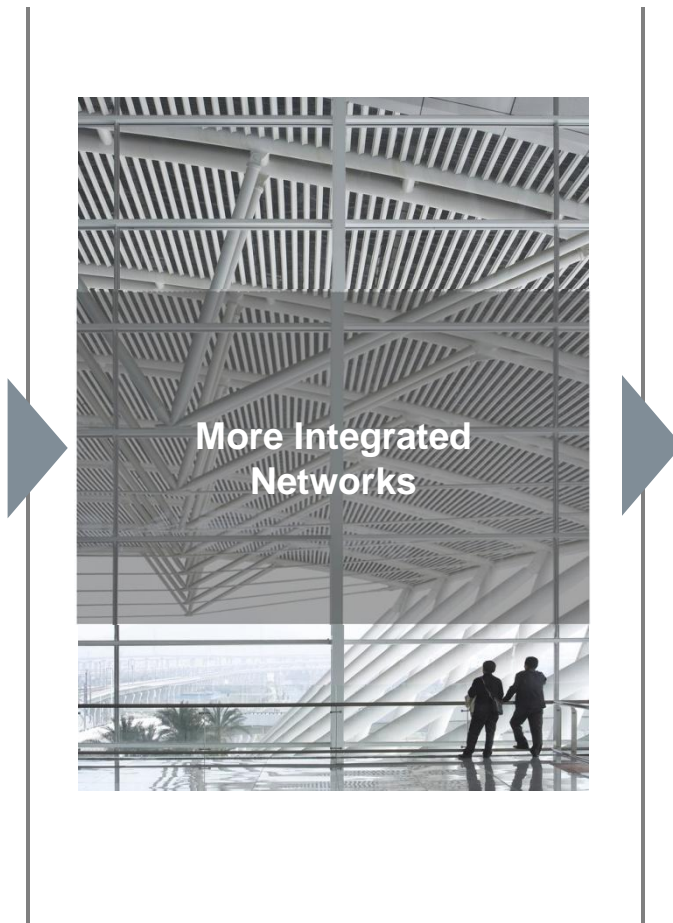
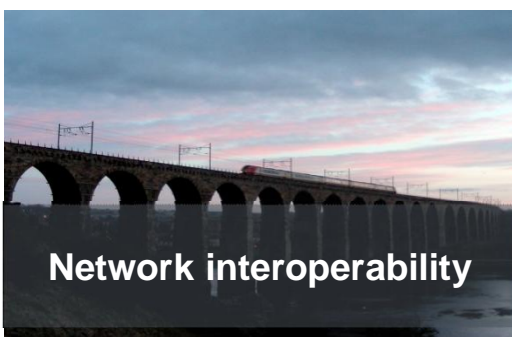
**Maximize use of existing infrastructure**  
*TWINDEXX* double-deck trains  
*TRAXX AC3* locomotives  
*CITYFLO* & *CBTC* signalling

**Reduce energy consumption and life cycle costs**  
*OMNEO* double-deck trains with *ECO4* technologies

**Increase capacity at lower costs with faster implementation**  
*INNOVIA* monorail  
MR-08 trains

B

# REGIONAL INTEGRATION IS DRIVING THE NEED FOR SEAMLESS CONNECTIVITY AND INTEROPERABILITY ACROSS NETWORKS



**Enable cross-border operations**  
*TRAXX MS F140 locomotives*  
*ZEFIRO very high speed train*

**Develop compatible technology**  
*INTERFLO 450 signalling system*

**Design adaptable products**  
*FLEXITY 2 tram*  
*TALENT 2 train*

**Foster intermodal integration**  
*PRIMOVE technology*



# TO MEET MOBILITY NEEDS, GOVERNMENTS AND OPERATORS ARE LOOKING TO THE PRIVATE SECTOR TO IMPROVE RAIL EFFICIENCY



**Build local capabilities,  
& long-term partnerships**

## **Localize production**

*Manufacturing of Delhi metro  
São Paulo assembly in Brazil*

## **Create public private partnerships**

*Gautrain project in South Africa*

## **Provide complete fleet modernization**

*Metro de São Paulo, Brazil*

## **Provide operations & maintenance services**

*UK service facilities  
Worldwide capabilities*

# INVESTMENT THESIS

## PRODUCTS

Investing in leading mobility solutions

## MARKETS

Well positioned to capture global growth opportunities

## DISCIPLINE

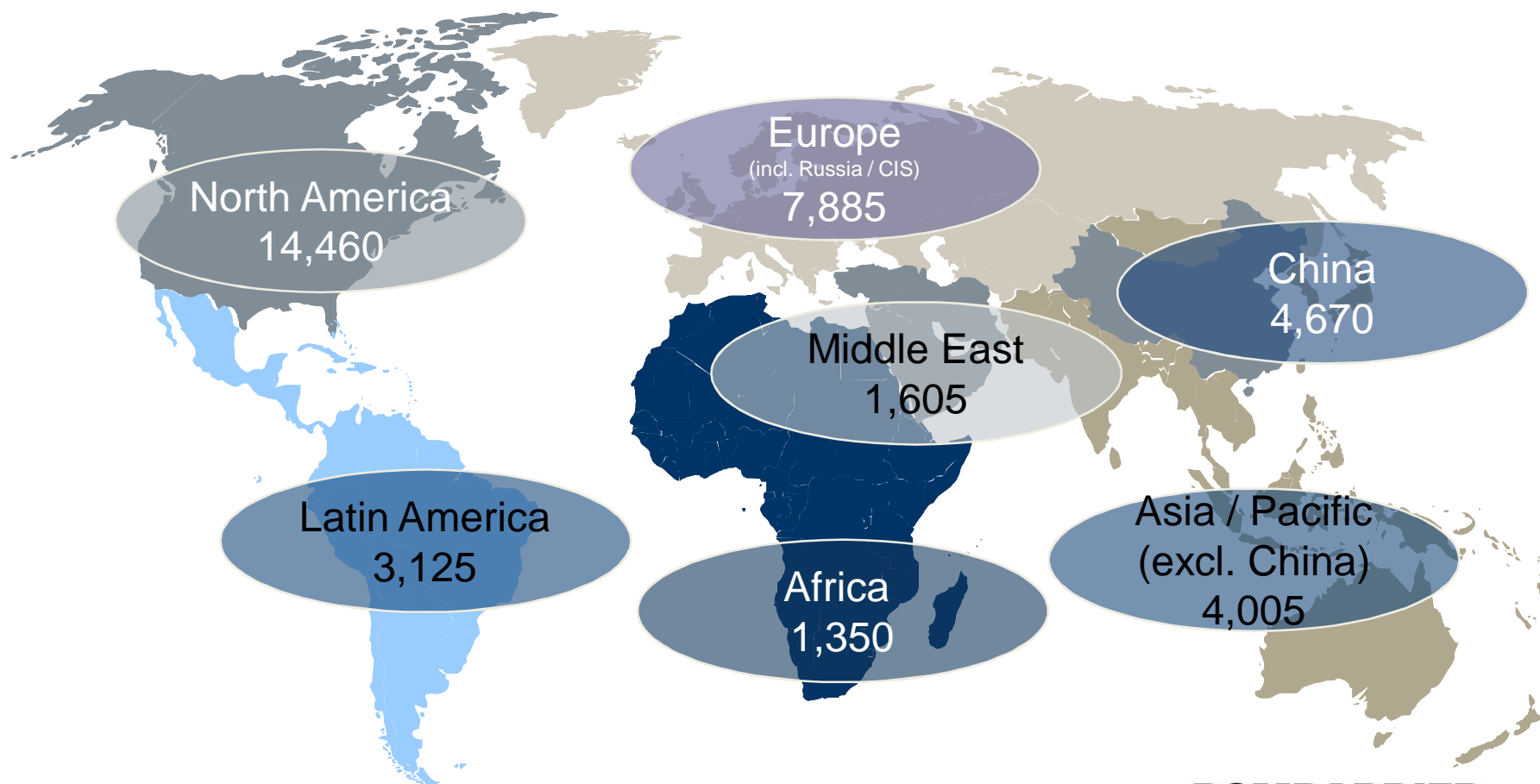
Strong financial discipline



# EMERGING MARKETS EXPECTED TO ACCOUNT FOR SUBSTANTIAL PORTION OF AIRCRAFT DELIVERIES

Expected commercial and business jet aircraft deliveries 2011 – 2030

Total 37,100 deliveries

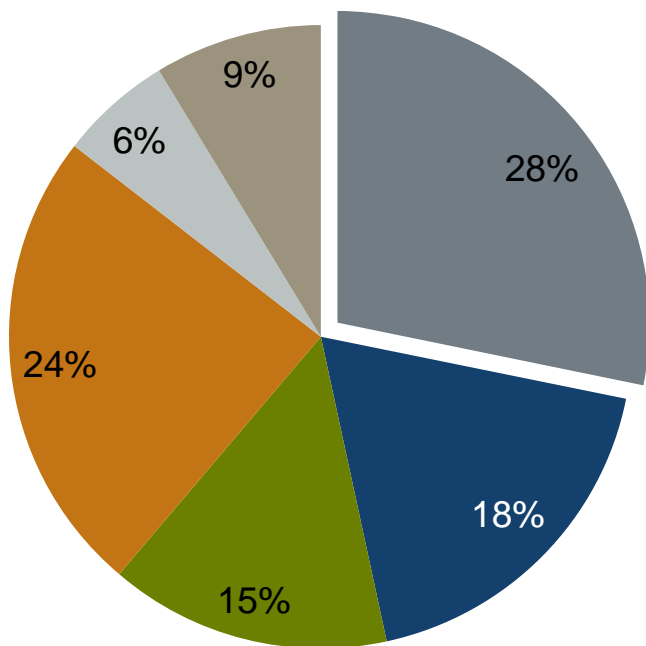


Note: Combined commercial and business aircraft in segments where Bombardier competes (20- to 149-seat segments for Commercial aircraft and excludes very large Corporate Airlines and very light jets categories for business aircraft)  
Source: Bombardier Aerospace Market Forecast 2011 – 2030.

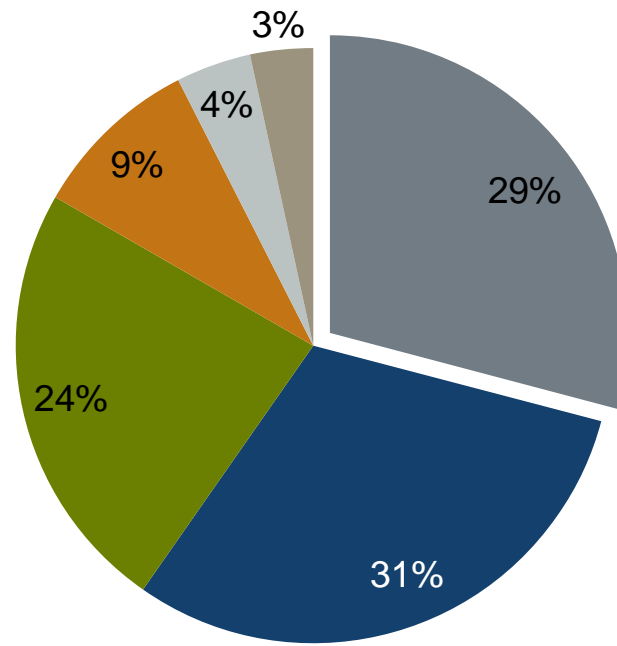
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# BOMBARDIER IS THE MARKET LEADER IN THE BUSINESS AIRCRAFT MARKET...

## Market Shares by Units Delivered



## Market Shares by Revenues



■ Bombardier ■ Gulfstream ■ Dassault ■ Cessna ■ Hawker Beechcraft ■ Embraer

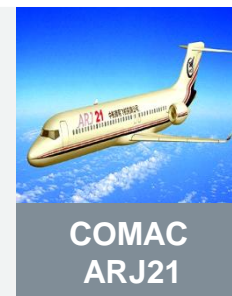
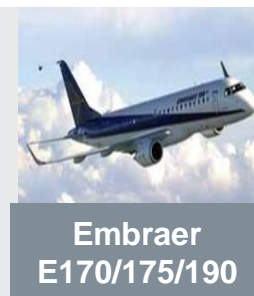
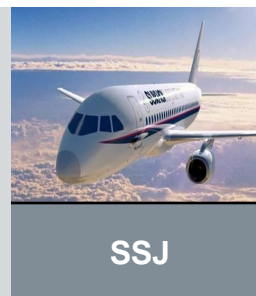
# ... AND VERY WELL POSITIONED IN THE 40-149 SEAT COMMERCIAL AIRCRAFT SEGMENT



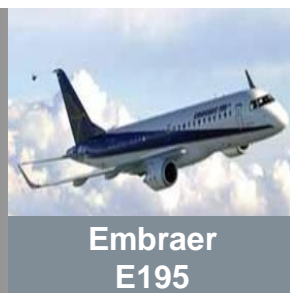
## Turboprops



## Regional Jets



## Single-Aisle Mainline Jets



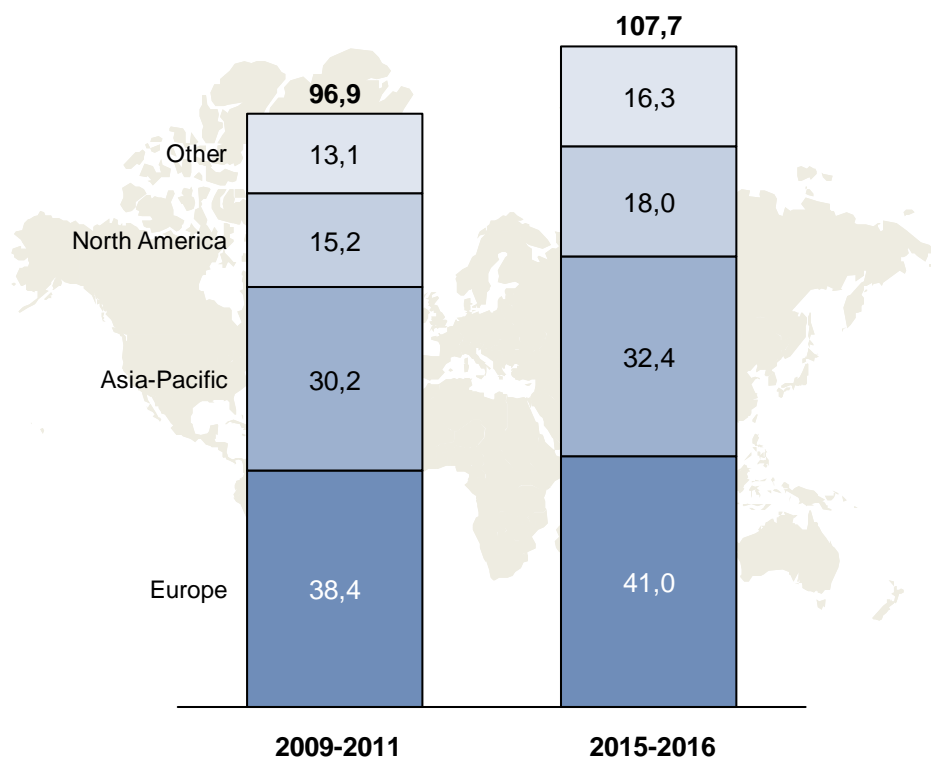
***Bombardier is the leader in the regional aircraft market segment with a market share of 42%\****

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# RAIL TECHNOLOGY MARKET PROVIDES STEADY AND SUSTAINABLE GROWTH WORLDWIDE

## Forecasted accessible market by region <sup>2</sup>

(in billions of dollars)



## Highlights on some key markets

### Asia-Pacific Market

- India and China continue to drive the growth in urban ROS, intercity and freight fleets in line with infrastructure expansions and economic growth
- Development of mass transit in the entire region (e.g. Vietnam, Thailand, Malaysia)
- In Southeast Asia, we are currently developing a new locomotive platform for the region and are participating in mass transit opportunities in Bangkok, in the Klang Valley and in Singapore

### Middle Eastern Market

- Booming market driven by projects in the Arab peninsula - massive investments in integrated projects in Qatar, Saudi Arabia and UAE
- Some potential also exists for one-off projects in Bahrain, Kuwait and Oman
- The region is a strategic market for BT
- We are actively pursuing opportunities and were recently in the bid for the Dusail Light Rail

<sup>1</sup> CAGR calculated based on 2015/16 versus 2007/09.

<sup>2</sup> Source: "World rail market study – status quo and outlook 2020", published by the Association of the European Rail Industry (2010 UNIFE Study).

# BT CONTINUES TO SECURE ORDERS AROUND THE WORLD WITH SIGNIFICANT OPPORTUNITIES IN EMERGING MARKETS

## Across the globe...



OMNEO double-deck trains  
for the SNCF  
\$11B<sup>1</sup> (Feb 2010)

CITYFLO 650 signalling  
for Sao Paulo Metro line 5  
(Sept 2011) \$97M



59 double-deck trains  
for the Swiss Railways  
\$1.6B (June 2010)

Light Rail Transit system  
for Queensland  
(June 2011) \$265M



40 CRH1 HS trains  
for MOR China  
\$373M (July 2010)

CITYFLO 650  
signalling  
for London  
(June 2011) \$577M



INNOVIA Monorail  
for São Paulo  
\$747M (Sept 2010)

200 TRAXX locomotives  
for DB Regio  
(Apr 2011) \$867M<sup>1</sup>



50 V300ZEFIRO VHS  
trains for Trenitalia  
\$889M (Sept 2010)

52 metro trains  
for Montréal  
(Oct 2010) \$715M

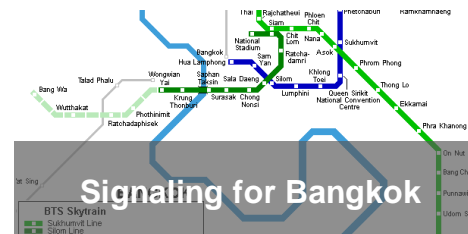


## ...and in the SE Asia region



Singapore Downtown line

LTA of Singapore  
Nov 2008 – \$380M  
Inauguration in June  
2011  
MOVIA metro



BTS Bangkok  
Inauguration in  
September 2011  
120.000pax daily  
CBTC signalling



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# BOMBARDIER TRANSPORTION GLOBAL PRESENCE

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- **62 production and engineering sites in 25 countries**
- **Workforce of 36,200 employees located in 40 countries**
- **Customers in more than 60 countries**

# LOCALIZING OUR PRODUCTION FACILITIES FURTHERED OUR STRATEGIC COMMITMENT IN INDIA AND ENHANCED OUR LOCAL CAPABILITIES



## First wholly-owned rail plant by foreign multinational company in India with system engineering and assembly

- Investment of over \$55M to set up our manufacturing plant in Savli (opened within 18 months) with successful delivery of over 530 metro cars
- Engineering centers and local customer and partner relationships (Indian Railways, Delhi Metro Rail Corporation, and Mumbai's Central and Western Railways)
- Investment in people with comprehensive training creating approximately 1,000 new direct jobs, with over 300 full-time engineers

# INVESTMENT THESIS

## PRODUCTS

Investing in leading mobility solutions

## MARKETS

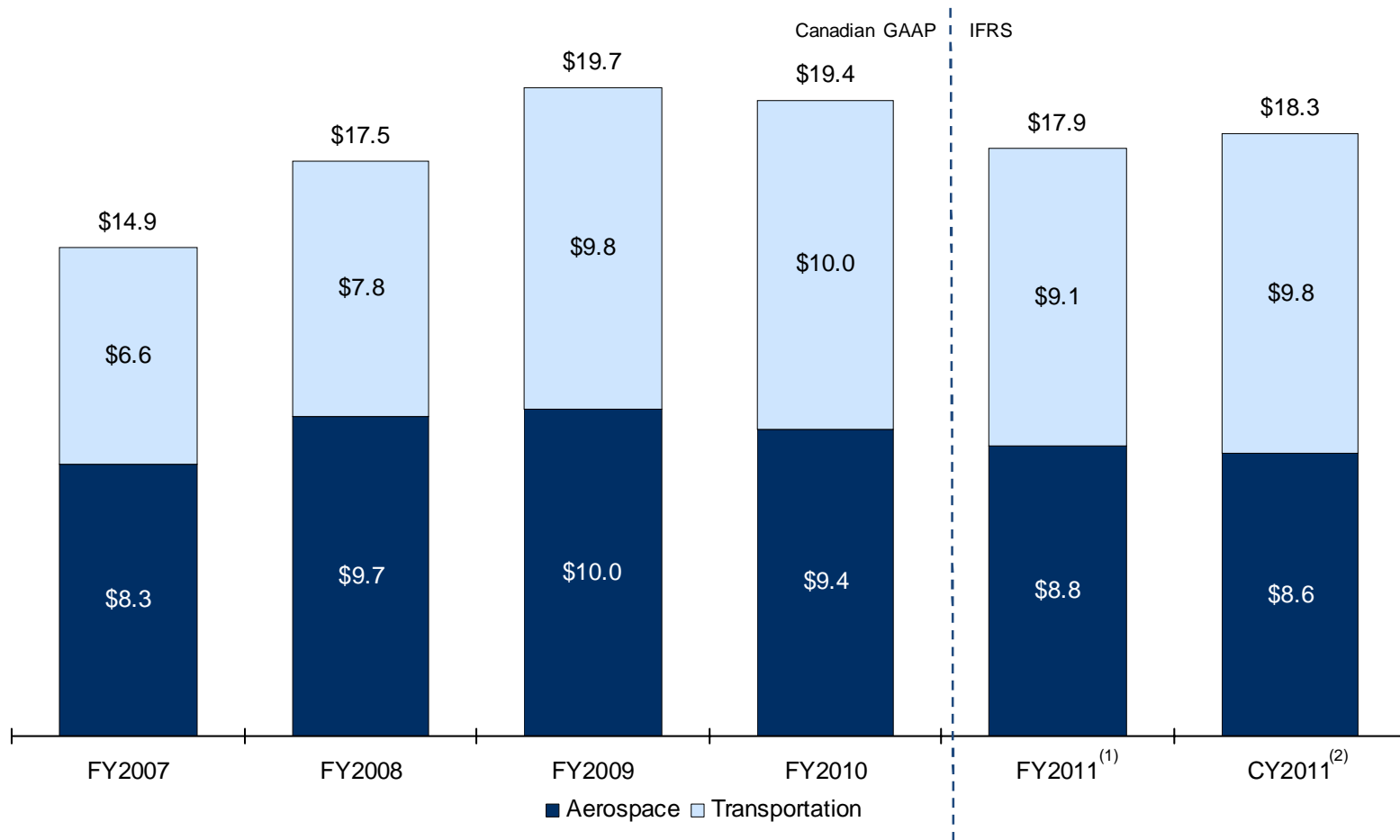
Well positioned to capture global growth opportunities

## DISCIPLINE

Strong financial discipline

# STABLE REVENUES EVEN THROUGH CHALLENGING ENVIRONMENTS

## Consolidated Revenues (in billions of dollars)

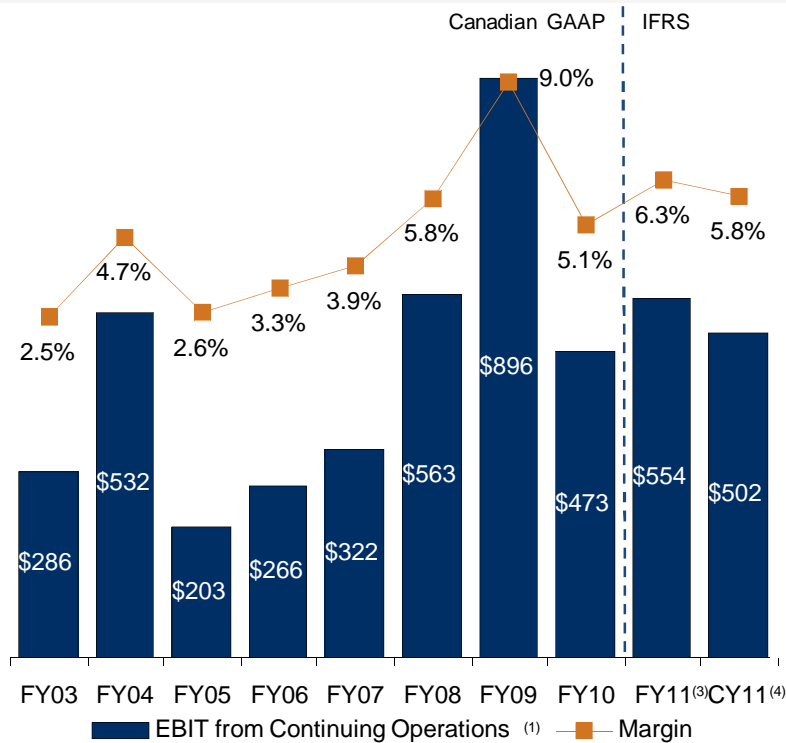


<sup>1</sup> Fiscal year ended January 31, 2011.

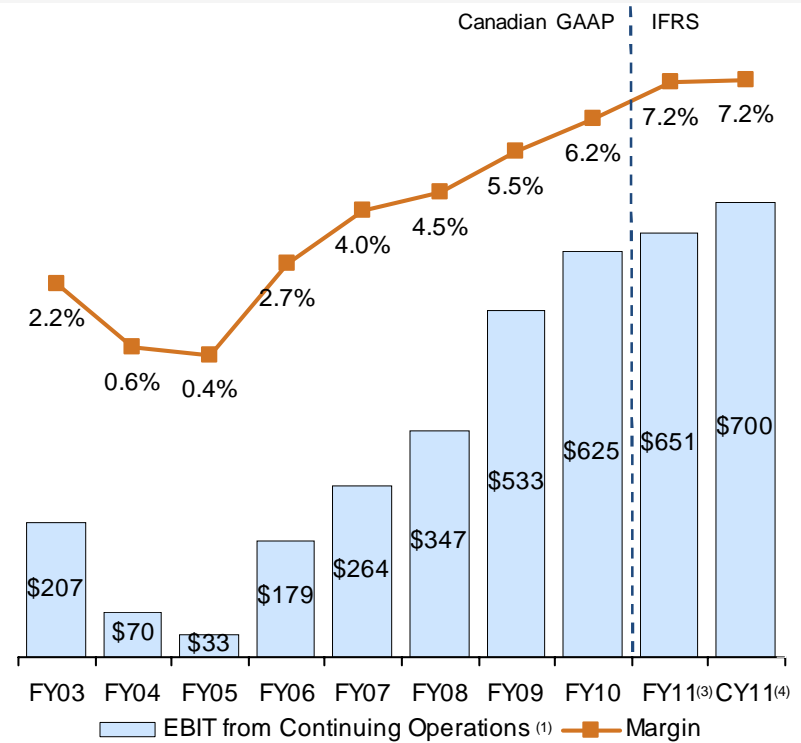
<sup>2</sup> Fiscal year ended December 31, 2011. Comprises 11 months of results from Aerospace and 12 months of results from Transportation.

# STRONG TRACK RECORD OF PROFITABILITY WITH MORE OPPORTUNITY GOING FORWARD

**Aerospace EBIT from continuing operations<sup>1</sup>**  
(in millions of dollars)



**Transportation EBIT from continuing operations<sup>1</sup>**  
(in millions of dollars)



## Profitability can be improved through either increased volume or improvement in execution

- 1 – 2% margin increase opportunity at Transportation<sup>2</sup>
- 5% margin increase opportunity at Aerospace<sup>2</sup>

<sup>1</sup> EBIT from continuing operations before special items.

<sup>2</sup> See forward-looking statements of page 2 of this presentation.

<sup>3</sup> Fiscal year ended January 31, 2011.

<sup>4</sup> Fiscal year ended December 31, 2011. Comprises 11 months of results from Aerospace and 12 months of results from Transportation.



# SEGMENTED INFORMATION

## THREE-MONTH PERIODS ENDED

(in millions of dollars)	MARCH 31, 2012	APRIL 30, 2011
REVENUES		
AEROSPACE	1,499	2,188
TRANSPORTATION	2,006	2,473
<b>TOTAL REVENUES</b>	<b>3,505</b>	<b>4,661</b>
EBIT		
AEROSPACE	91	141
TRANSPORTATION	124	171
<b>TOTAL EBIT</b>	<b>215</b>	<b>312</b>

# FINANCIAL RESULTS OVERVIEW

## THREE-MONTH PERIODS ENDED

(in millions of dollars, except per share amounts)	MARCH 31, 2012	APRIL 30, 2011
REVENUES	3,505	4,661
EBIT	215	312
FINANCING EXPENSE, NET	-	36
EBT	215	276
INCOME TAXES	25	56
NET INCOME	190	220
<b>EPS (in dollars)</b>	<b>0.10</b>	<b>0.12</b>

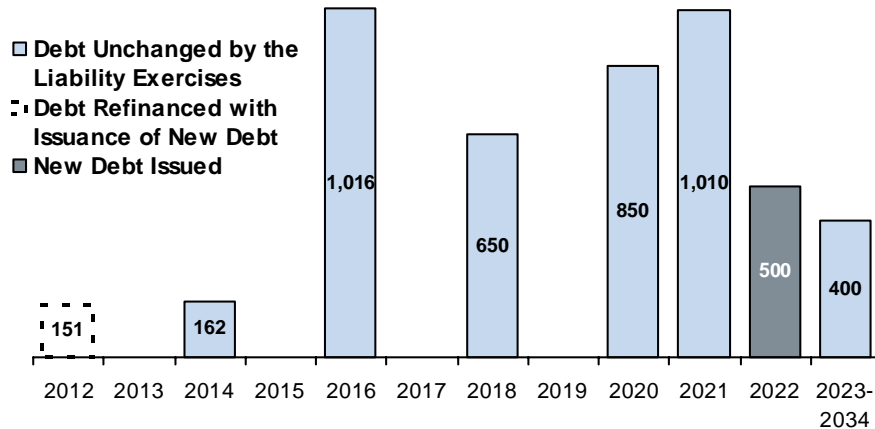
# FREE CASH FLOW

## THREE-MONTH PERIODS ENDED

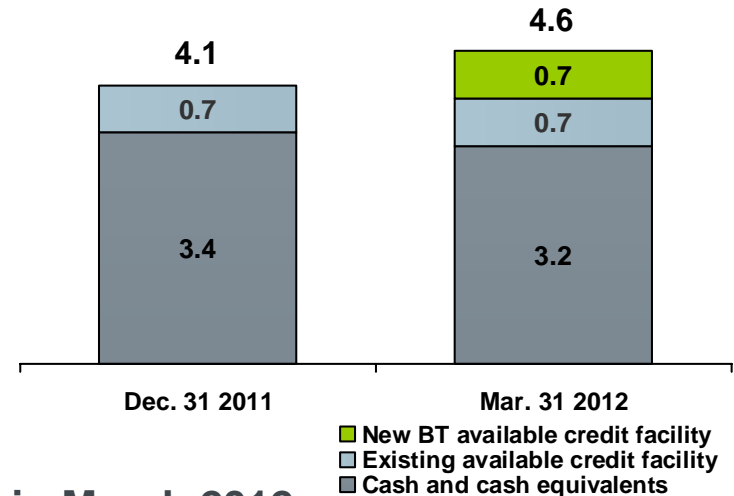
(in millions of dollars)	MARCH 31, 2012	APRIL 30, 2011
<b>AEROSPACE</b>		
Cash flows from operating activities	(200)	122
Net additions to PPE & intangible assets	(372)	(290)
<b>TOTAL AEROSPACE</b>	<b>(572)</b>	<b>(168)</b>
<b>TRANSPORTATION</b>	<b>(100)</b>	<b>(168)</b>
<b>INTEREST AND TAXES</b>	<b>(40)</b>	<b>(73)</b>
<b>FREE CASH FLOW USAGE</b>	<b>(712)</b>	<b>(409)</b>

# WE ARE PROACTIVELY MANAGING OUR LIQUIDITY

**Debt Maturity Profile (notional amount)**  
(as of March 31, 2012 - in millions of dollars)



**Short-term Capital Resources**  
(as at - in billions of dollars)



- Issuance of \$500 million of unsecured notes in March 2012
- New €500 million revolving credit facility for Bombardier Transportation
- Extended the availability periods of our letter of credit facilities (BA and BT) and our revolving credit facility by an additional year

**The notes issue and new revolving credit facility were both oversubscribed, demonstrating the financial market's confidence in our business plan and contingent liquidity strategy**

# WE ARE MAINTAINING OUR OUTLOOK FOR 2012



## Transportation

- Continue to target an 8% EBIT margin by 2013
- Anticipate to generate free cash flow for the year generally in line with profitability
- Level of new orders expected to translate into a book-to-bill ratio of approximately 1



## Aerospace

- Deliveries of approximately 180 business jets and 55 commercial aircraft
- EBIT margin of approximately 5% – with profitability higher in the second half of the year
- Cash flows from operations significant enough to substantially fund our investment in new programs – estimated at \$2 billion



# EVOLUTION IS ALL ABOUT WHAT'S NEXT



TODAY, THE SUCCESS STORY CONTINUES ...



CSeries

TODAY, THE SUCCESS STORY CONTINUES ...



Zefiro

QUESTIONS?