



FINANCIAL RESULTS FOR THE SECOND QUARTER 2019

AUGUST 1, 2019

BOMBARDIER

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

BOMBARDIER

This presentation includes forward-looking statements, which may involve, but are not limited to: statements with respect to our objectives, anticipations and guidance in respect of various financial and global metrics and sources of contribution thereto, targets, goals, priorities, market and strategies, financial position, market position, capabilities, competitive strengths, credit ratings, 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; growth strategy, including in the business aircraft aftermarket business; 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; expectations regarding working capital recovery across late-stage transportation projects; expectations regarding revenue and backlog mix; the expected impact of the legislative and regulatory environment and legal proceedings on our business and operations; strength of capital profile and balance sheet, creditworthiness, available liquidities and capital resources, expected financial requirements and ongoing review of strategic and financial alternatives; the introduction of productivity enhancements, operational efficiencies and restructuring initiatives and anticipated costs, intended benefits and timing thereof; the expected objectives and financial targets underlying our transformation plan and the timing and progress in execution thereof, including the anticipated business transition to growth cycle and cash generation; expectations and objectives regarding debt repayments, expectations and timing regarding an opportunistic redemption of CDPQ's investment in BT Holdco; intentions and objectives for our programs, assets and operations; the anticipated benefits of the formation of Bombardier Aviation and the expected timing of completion thereof and estimated costs associated therewith; the pursuit of a divestiture of our operations in Belfast and Morocco, the anticipated benefits of any divestiture or other transaction resulting therefrom and their expected impact on the Corporation's operations, infrastructure, opportunities, financial condition, business plan and overall strategy; the funding and liquidity of Airbus Canada Limited Partnership (ACLP); and the expected impact and intended benefits of our partnership with Airbus and investment in ACLP and the realization of intended benefits of our acquisition of Triumph Group Inc. (Triumph)'s Global 7500 wing manufacturing operations and assets. As it relates to the sale of the CRJ aircraft program (the Pending Transaction), this presentation also contains forward-looking statements with respect to: the expected terms, conditions, and timing for completion thereof; the respective anticipated proceeds and use thereof and/or consideration therefor, related costs and expenses, as well as the anticipated benefits of such actions and transactions and their expected impact on our guidance and targets; and the fact that closing of these transactions will be conditioned on certain events occurring, including the receipt of necessary regulatory approval.

Forward-looking statements can generally be identified by the use of forward-looking terminology such as "may", "will", "shall", "can", "expect", "estimate", "intend", "anticipate", "plan", "foresee", "believe", "continue", "maintain" or "align", the negative of these terms, variations of them or similar terminology. Forward-looking statements are presented for the purpose of assisting investors and others in understanding certain key elements of our current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of our business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

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 our 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. The assumptions underlying the forward-looking statements made in this presentation in relation to the pursuit of a divestiture of our operations in Belfast and Morocco include the following material assumptions: the identification and successful completion of one or more divestiture(s) or other transactions resulting therefrom on commercially satisfactory terms and the realization of the intended benefits therefrom within the anticipated timeframe. The assumptions underlying the forward-looking statements made in this presentation in relation to the Pending Transaction discussed herein include the following material assumptions: the satisfaction of all conditions of closing and the successful completion of such strategic actions and transaction within the anticipated timeframe, including receipt of regulatory approvals. For additional information with respect to the assumptions underlying the forward-looking statements made in this presentation, refer to the Strategic Priorities and Guidance and forward-looking statements sections in Overview, Business Aircraft, Commercial Aircraft, Aerostructures and Engineering Services and Transportation in the MD&A of our financial report for the fiscal year ended December 31, 2018.

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 our business environment (such as risks associated with "Brexit", the financial condition of the airline industry, business aircraft customers, and the rail industry; trade policy; increased competition; political instability and force majeure events or global climate change), operational risks (such as risks related to developing new products and services; development of new business and awarding of new contracts; book-to-bill ratio and order backlog; the certification and homologation of products and services; fixed-price and fixed-term commitments and production and project execution, including challenges associated with certain Transportation's legacy projects and the release of working capital therefrom; pressures on cash flows and capital expenditures based on project-cycle fluctuations and seasonality; risks associated with our ability to successfully implement and execute our strategy, transformation plan, productivity enhancements, operational efficiencies and restructuring initiatives, including the formation of Bombardier Aviation; doing business with partners; risks associated with our partnership with Airbus and investment in ACLP; risks associated with our ability to continue with our funding plan of ACLP and to fund, if required, the cash shortfalls; risks associated with our ability to successfully integrate our acquisition of Triumph's Global 7500 wing manufacturing operations and assets; inadequacy of cash planning and management and project funding; product performance warranty and casualty claim losses; regulatory and legal proceedings; environmental, health and safety risks; dependence on certain customers, contracts and suppliers; supply chain risks; human resources; reliance on information systems; reliance on and protection of intellectual property rights; reputation risks; risk management; tax matters; 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 MD&A of our financial report for the fiscal year ended December 31, 2018. With respect to the formation of Bombardier Aviation discussed herein specifically, certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to: the expected benefits, costs and timing of the formation of Bombardier Aviation, and the risk it will not be completed within the expected time frame, on the expected parameters, or at all; the realization of synergies and opportunities for growth and innovation and incurrence of related costs and expenses; our ability to ensure we have the skills, technologies and capabilities to realize the anticipated benefits of organizational changes; and negative effects of the announcement or pendency of the formation of Bombardier Aviation on the market price of our shares and on the financial performance of Bombardier. With respect to the pursuit of a divestiture of our operations in Belfast and Morocco discussed herein specifically, certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to: the failure to identify and complete any divestiture or other transaction resulting therefrom within the expected time frame, on commercially satisfactory terms or at all; all or part of the intended benefits therefrom not being realized within the anticipated timeframe, or at all; and the incurrence of related costs and expenses; and negative effects of the announcement or pendency of any such divestiture or other transaction. With respect to the Pending Transaction discussed herein specifically, certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to: the failure to receive or delay in receiving regulatory approvals, or otherwise satisfy the conditions to the completion of the transaction or delay in completing and uncertainty regarding the length of time required to complete such transactions, and the funds and benefits thereof not being available to Bombardier in the time frame anticipated or at all; alternate sources of funding that would be used to replace the anticipated proceeds and savings from such strategic actions and transactions, as the case may be, may not be available when needed, or on desirable terms. Accordingly, there can be no assurance that any divestiture relating to our operations in Belfast and Morocco, or the Pending Transaction will be undertaken or occur, or of the timing or successful completion thereof, or the amount and use of proceeds therefrom, or that the anticipated benefits will be realized in their entirety, in part or at all. There can also be no assurance as to the completion, the form, or the timing of any BT Holdco buy-back. For more details, see the Risks and uncertainties section in Other in the MD&A of our financial report for the fiscal year ended December 31, 2018.

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. Other risks and uncertainties not presently known to us or that we presently believe are not material could also cause actual results or events to differ materially from those expressed or implied in our forward-looking statements. The forward-looking statements set forth herein reflect management's expectations as at the date of hereof 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.

All amounts in this presentation are expressed in U.S. dollars, rounded to the nearest decimal, unless otherwise indicated. This presentation should be read in conjunction with the Corporation's Q2 2019 Financial Report. This presentation contains both IFRS and non-GAAP measures. Non-GAAP measures are defined at the end of this presentation and reconciled to the most comparable IFRS measures in the Corporation's Q2 2019 Financial Report. See Caution regarding non-GAAP measures at the end of this presentation.



SOLID MARKET
POSITIONS

INDUSTRY-LEADING
PORTFOLIOS

STRONG
BACKLOGS

LONG TERM
GROWTH DRIVERS

Q2 CONSOLIDATED RESULTS

Three-month period ended June 30	2019	2018	VARIANCE	YEAR TO DATE
REVENUES	\$4.3B	\$4.3B	1%	\$7.8B
ADJUSTED EBITDA ¹	\$312M	\$336M	(7)%	\$578M
EBIT	\$371M	\$191M	94%	\$1.06B
ADJUSTED EBIT ¹	\$206M	\$271M	(24)%	\$377M
CASH FLOW FROM OPERATING ACTIVITIES	\$(289)M	\$(80)M	\$(209)M	\$(1.2)B
FCF ¹	\$(429)M	\$232M	\$(661)M	\$(1.5)B
		INCL. DOWNSVIEW PROCEEDS		
DILUTED EPS	\$(0.04)	\$0.02	\$(0.06)	\$0.04
ADJUSTED EPS ¹	\$(0.04)	\$0.03	\$(0.07)	\$(0.12)

KEY HIGHLIGHTS

- ❑ Revenues feature a healthy 9% organic growth² year-over-year across the portfolio driven by higher aircraft deliveries, aftermarket and progress on rail projects
- ❑ Adjusted EBITDA and Adjusted EBIT driven lower mainly as a result of additional cost pressure on large, late-stage rail projects
- ❑ Reported EBIT includes the \$219 million gain on the sale of the Q Series program
- ❑ Free cash flow usage supports the intense ramp-up of the *Global 7500* and progress on rail projects

Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide refer to our disclosure regarding non-GAAP measures at the end of this presentation.

² Excluding currency translation and divestitures

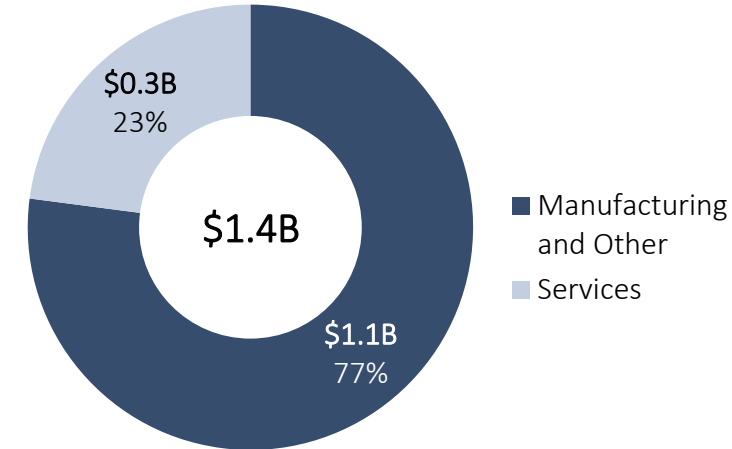
Q2 FINANCIAL RESULTS

Three-month period ended June 30	2019	2018	VARIANCE
REVENUES	\$1.4B	\$1.3B	6%
ADJUSTED EBITDA ¹	\$146M	\$142M	3%
ADJUSTED EBIT ¹	\$97M	\$111M	(13)%
ADJUSTED EBIT MARGIN ¹	7.0%	8.5%	(150) bps
EBIT	\$84M	\$108M	(22)%
EBIT MARGIN	6.1%	8.3%	(220) bps

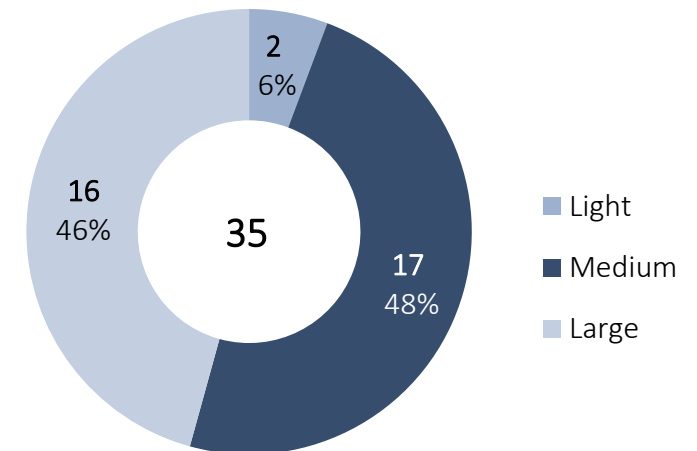
KEY HIGHLIGHTS

- ❑ Revenues increased to **\$1.4 billion** on **35** deliveries, including 2 *Global 7500*
- ❑ Aftermarket revenues grew double-digits when normalizing for the sale of the training activities earlier in the year
- ❑ Adjusted EBITDA is stable year-over-year while adjusted EBIT is lower mainly as a result of higher amortization associated with *Global 7500* deliveries
- ❑ Backlog increased by **\$1.0 billion** year-to-date, reaching an industry-leading **\$15.3 billion**

REVENUES



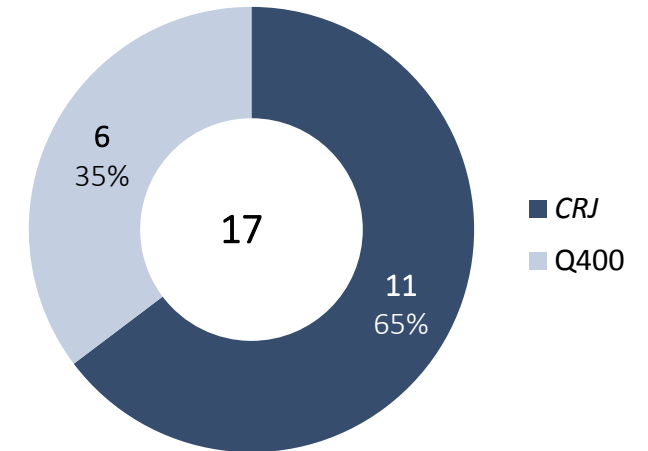
DELIVERIES



Q2 FINANCIAL RESULTS

Three-month period ended June 30	2019	2018	VARIANCE
REVENUES	\$516M	\$616M	(16)%
ADJUSTED EBITDA ¹	\$17M	\$(61)M	128%
ADJUSTED EBIT ¹	\$12M	\$(66)M	118%
ADJUSTED EBIT MARGIN ¹	2.3%	(10.7)%	1300 bps
EBIT	\$226M	\$(668)M	134%
EBIT MARGIN	43.8%	(108.4)%	nmf

DELIVERIES



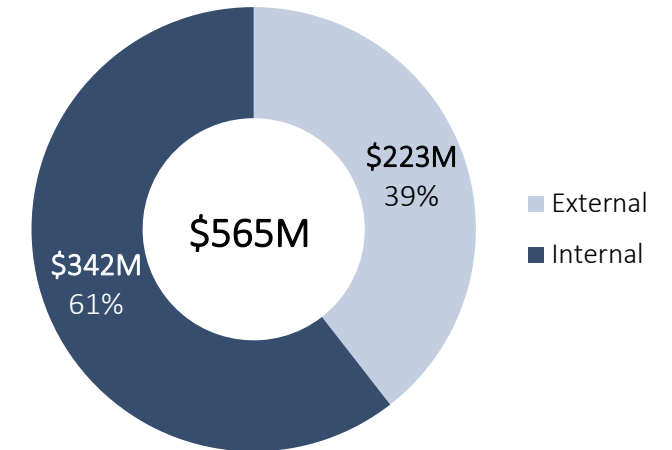
KEY HIGHLIGHTS

- ❑ Revenues reached **\$516** million on 17 deliveries, including 6 Q400 (prior to program sale completion on May 31st) and 11 *CRJ* aircraft
- ❑ Adjusted EBIT of **\$12M** includes \$21 million contribution from commercial aircraft programs, offset by \$9 million share of net loss in ACLP
- ❑ Reported EBIT of **\$226** million is largely driven by the \$219 million gain on the sale of the Q Series aircraft program to Longview
- ❑ Entered into a definitive agreement with Mitsubishi Heavy Industries (MHI) for the sale of *CRJ* program

Q2 FINANCIAL RESULTS

Three-month period ended June 30	2019	2018	VARIANCE
REVENUES	\$565M	\$455M	24%
ADJUSTED EBITDA ¹	\$50M	\$69M	(28)%
ADJUSTED EBIT ¹	\$37M	\$57M	(35)%
ADJUSTED EBIT MARGIN ¹	6.5%	12.5%	(600) bps
EBIT	\$25M	\$65M	(62)%
EBIT MARGIN	4.4%	14.3%	(990) bps

REVENUES



KEY HIGHLIGHTS

- ❑ Revenues grew **24%** year-over-year as a result of the ramp up of the *Global 7500* and A220 programs
- ❑ Adjusted EBIT margin of **6.5%** reflects the ongoing ramp-up of the *Global 7500* and A220. Reported EBIT margin is **4.4%**

		2018					2019		
		Q1	Q2	Q3	Q4	FY	Q1	Q2	H1
BUSINESS AIRCRAFT	REVENUES	\$1,110	\$1,307	\$1,083	\$1,494	\$4,994	\$970	\$1,382	\$2,352
	ADJUSTED EBIT ¹	98	111	89	122	420	74	97	171
	ADJUSTED EBIT %	8.8%	8.5%	8.2%	8.2%	8.4%	7.6%	7.0%	7.3%
COMMERCIAL AIRCRAFT	REVENUES	\$463	\$616	\$256	\$421	\$1,756	\$241	\$516	\$757
	ADJUSTED EBIT ¹	(73)	(66)	(9)	(9)	(157)	22	12	34
	LESS: ACLP EQUITY PICKUP	N/A	N/A	(13)	(27)	(40)	1	(9)	(8)
	ADJUSTED EBIT ¹ EXCLUDING ACLP	(73)	(66)	4	18	(117)	21	21	42
AEROSTRUCTURES & ENGINEERING SERVICES	REVENUES	\$446	\$455	\$430	\$622	\$1,953	\$470	\$565	\$1,035
	ADJUSTED EBIT ¹	47	57	36	48	188	66	37	103
	ADJUSTED EBIT %	10.5%	12.5%	8.4%	7.9%	9.6%	14.0%	6.5%	10.0%
ELIMINATIONS	REVENUES	\$(344)	\$(375)	\$(265)	\$(395)	\$(1,379)	\$(271)	\$(343)	\$(614)
	ADJUSTED EBIT ¹	(18)	3	-	(4)	(19)	(17)	(4)	(21)
BOMBARDIER AVIATION	REVENUES	\$1,675	\$2,003	\$1,504	\$2,142	\$7,324	\$1,410	\$2,120	\$3,530
	ADJUSTED EBIT ¹	54	105	129	184	472	144	151	295
	ADJUSTED EBIT %	3.2%	5.2%	8.6%	8.6%	6.4%	10.2%	7.1%	8.4%

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide refer to our disclosure regarding non-GAAP measures at the end of this presentation

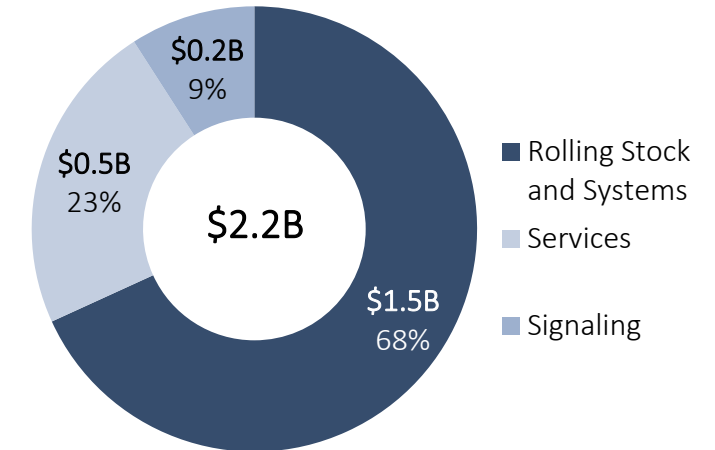
Q2 FINANCIAL RESULTS

Three-month period ended June 30	2019	2018	VARIANCE
REVENUES	\$2.2B	\$2.3B	(3)%
ADJUSTED EBITDA ¹	\$146M	\$232M	(37)%
ADJUSTED EBIT ¹	\$111M	\$207M	(46)%
ADJUSTED EBIT MARGIN ¹	5.1%	9.2%	(410) bps
EBIT	87M	163M	(47)%
EBIT MARGIN	4.0%	7.2%	(320) bps

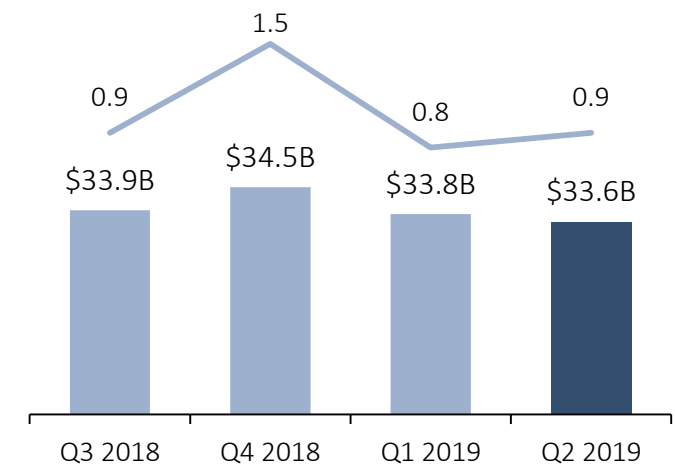
KEY HIGHLIGHTS

- ❑ Revenues totaled **\$2.2 billion**, delivering **2%** organic growth year-over-year, excluding unfavorable currency impacts
- ❑ Revenues year to date are in line with the revised production schedule and consistent with full year guidance of **\$8.75 billion**
- ❑ Adjusted EBIT margin of **5.1%** includes additional cost pressure on large, late-stage projects, mainly in the U.K., Germany and Switzerland. Reported EBIT margin is **4.0%**
- ❑ Full-year adjusted EBIT margin guidance is now expected at approximately **5.0%**
- ❑ Backlog of **\$33.6 billion** reflects book-to-bill² of 0.9 during the quarter

REVENUES



BACKLOG AND BOOK-TO-BILL²



Note: Chart data may not be to scale. Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.

¹ Non-GAAP measure. For further information on non-GAAP measures used on this slide refer to our disclosure regarding non-GAAP measures at the end of this presentation.

² Ratio of new orders over revenues

	PREVIOUS 2019 GUIDANCE	UPDATED 2019 GUIDANCE
Business Aircraft	~\$6.25B	} BOMBARDIER AVIATION
Commercial Aircraft	~\$1.15	
Aerostructures	\$2.25 – 2.50	
REVENUES AVIATION		~8.0B
TRANSPORTATION	~\$8.75	~\$8.75B
CONSOLIDATED	~\$17.0B ¹	\$16.5 – 17.0B

KEY HIGHLIGHTS

- ❑ Aviation revenues remain largely in line with the original guidance range, net of fewer *CRJ* deliveries
- ❑ Combined Aviation deliveries at 175-180 aircraft, including 15-20 *Global 7500*
 - Previously Business aircraft deliveries of 150 – 155 and Commercial aircraft deliveries of ~30
- ❑ Transportation revenues remain unchanged

	PREVIOUS 2019 GUIDANCE	UPDATED 2019 GUIDANCE
Business Aircraft	~7.5%	BOMBARDIER AVIATION
Commercial Aircraft	~\$(125) ¹	
Aerostructures	~7.5%	
AVIATION		~7.0%
TRANSPORTATION	~8.0%	~5.0%
CONSOLIDATED	\$1.0 – 1.15B ²	\$700 – 800M
ADJUSTED EBITDA³	\$1.50 – 1.65B ²	\$1.20 – 1.30B
FREE CASH FLOW	BREAKEVEN +/- \$250M	~\$(500)M

KEY HIGHLIGHTS

- ❑ Aviation adjusted EBIT remains within the original range
- ❑ Transportation adjusted EBIT margin reflects additional investments and costs of \$250 to \$300 million required to complete legacy projects and protect the schedule (BT Action Plan)
- ❑ FCF Guidance for the year of ~\$(500)M accounts for Transportation's Action Plan, and reflects cash flow timing risk of some key rail projects with delivery milestones near the end of the year

Refer to our disclosure on forward-looking statements and assumptions at the beginning of this presentation.

¹The previous 2019 guidance for Commercial aircraft included losses of approximately \$100 million related to the Corporation's equity pick-up of ACLP results. Under the new structure the Corporation's interest in ACLP will be treated as a corporately held investment and therefore the respective equity pick up is excluded from Aviation figures.

²The previous 2019 guidance for adjusted EBIT and adjusted EBITDA included eliminations in the range of approximately \$20 million to \$40 million related to Aerostructures and Engineering Services Intersegment sales to Business aircraft and Commercial Aircraft. This amount has been included in the new Aviation Guidance.

³Non-GAAP measure. For further information on non-GAAP measures used on this slide refer to our disclosure regarding non-GAAP measures at the end of this presentation



FOCUSING ON
GROWTH PROGRAMS

TRANSITIONING TO A
STRONGER PORTFOLIO

MAINTAINING
FINANCIAL FLEXIBILITY

BOMBARDIER

The Global 5500, Global 6500 and Global 8000 aircraft are currently in development, and as such are subject to changes in family strategy, branding, capacity, performance, design and/or systems. All specifications and data are approximate, may change without notice and are subject to certain operating rules, assumptions and other conditions. This document does not constitute an offer, commitment, representation, guarantee or warranty of any kind.

CAUTION REGARDING NON-GAAP FINANCIAL MEASURES

This presentation is based on reported earnings in accordance with IFRS and on the following non-GAAP financial measures:

Non-GAAP financial measures

Adjusted EBIT	EBIT excluding special items. Special items comprise items which do not reflect the Corporation's core performance or where their separate presentation will assist users of the consolidated financial statements in understanding the Corporation's results for the period. Such items include, among others, the impact of restructuring charges and significant impairment charges and reversals.
Adjusted EBITDA	Adjusted EBIT, amortization and impairment charges on PP&E and intangible assets.
Adjusted net income (loss)	Net income (loss) excluding special items, accretion on net retirement benefit obligations, certain net gains and losses arising from changes in measurement of provisions and of financial instruments carried at FVTP&L and the related tax impacts of these items.
Adjusted EPS	EPS calculated based on adjusted net income attributable to equity holders of Bombardier Inc., using the treasury stock method, giving effect to the exercise of all dilutive elements.
Free cash flow (usage)	Cash flows from operating activities less net additions to PP&E and intangible assets.

Non-GAAP financial 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. Other entities in our 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 ours based on these similarly-named non-GAAP measures.

Prior to the first quarter of fiscal year 2019, the Corporation reported non-GAAP measures labeled "EBIT before special items" and "EBITDA before special items". Beginning in the first quarter of fiscal year 2019, the Corporation changed the label of these non-GAAP measures to "adjusted EBIT" and "adjusted EBITDA", respectively, without making any change to the composition of these non-GAAP measures. The Corporation believes that this new label aligns better with broad market practice in its industry and better distinguishes these measures from the IFRS measurement "EBIT" and "EBITDA".

Adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS

Management uses adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS for purposes of evaluating underlying business performance. Management believes these non-GAAP earnings measures in addition to IFRS measures provide users of our Financial Report with enhanced understanding of our results and related trends and increases the transparency and clarity of the core results of our business. Adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS exclude items that do not reflect our core performance or where their exclusion will assist users in understanding our results for the period. For these reasons, a significant number of users of the MD&A analyze our results based on these financial measures. Management believes these measures help users of MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

Free cash flow (usage)

Free cash flow is defined as cash flows from operating activities less net additions to PP&E and intangible assets. Management believes that this non-GAAP cash flow measure provides investors with an important perspective on the Corporation's generation of cash available for shareholders, debt repayment, and acquisitions after making the capital investments required to support ongoing business operations and long-term value creation. This non-GAAP cash flow measure does not represent the residual cash flow available for discretionary expenditures as it excludes certain mandatory expenditures such as repayment of maturing debt. Management uses free cash flow as a measure to assess both business performance and overall liquidity generation.

RECONCILIATION OF SEGMENT TO CONSOLIDATED RESULTS

Reconciliation of segment to consolidated results

	Three-month periods ended June 30		Six-month periods ended June 30	
	2019 ⁽¹⁾	2018	2019 ⁽¹⁾	2018
Revenues				
Business Aircraft	\$ 1,382	\$ 1,307	\$ 2,352	\$ 2,417
Commercial Aircraft	516	616	757	1,079
Aerostructures and Engineering Services	565	455	1,035	901
Transportation	2,194	2,259	4,301	4,614
Corporate and Elimination	(343)	(375)	(615)	(721)
	\$ 4,314	\$ 4,262	\$ 7,830	\$ 8,290
Adjusted EBIT⁽²⁾				
Business Aircraft	\$ 97	\$ 111	\$ 171	\$ 209
Commercial Aircraft	12	(66)	34	(139)
Aerostructures and Engineering Services	37	57	103	104
Transportation	111	207	194	396
Corporate and Elimination	(51)	(38)	(125)	(98)
	\$ 206	\$ 271	\$ 377	\$ 472
Special Items				
Business Aircraft	\$ 13	\$ 3	\$ (507)	\$ 4
Commercial Aircraft	(214)	602	(214)	602
Aerostructures and Engineering Services	12	(8)	12	(7)
Transportation	24	44	24	42
Corporate and Elimination	—	(561)	7	(561)
	\$ (165)	\$ 80	\$ (678)	\$ 80
EBIT				
Business Aircraft	\$ 84	\$ 108	\$ 678	\$ 205
Commercial Aircraft	226	(668)	248	(741)
Aerostructures and Engineering Services	25	65	91	111
Transportation	87	163	170	354
Corporate and Elimination	(51)	523	(132)	463
	\$ 371	\$ 191	\$ 1,055	\$ 392

⁽¹⁾ Refer to Note 2, Changes in accounting policies, to our interim consolidated financial statements, for the impact of the adoption of IFRS 16, *Leases*. Under the modified retrospective approach adopted by the Corporation, 2018 figures are not restated.

⁽²⁾ Non-GAAP financial measure. Refer to the Non-GAAP financial measures section for a definition of this metric.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Reconciliation of adjusted EBITDA to EBIT

	Three-month periods ended June 30		Six-month periods ended June 30	
	2019	2018	2019	2018
EBIT	\$ 371	\$ 191	\$ 1,055	\$ 392
Amortization	106	64	197	126
Impairment charges on PP&E and intangible assets ⁽¹⁾	(4)	9	(4)	11
Special items excluding impairment charges on PP&E and intangible assets ⁽¹⁾	(161)	72	(670)	72
Adjusted EBITDA	\$ 312	\$ 336	\$ 578	\$ 601

⁽¹⁾ Refer to the Consolidated results of operations section for details regarding special items.

Free cash flow (usage)⁽¹⁾

	Three-month periods ended June 30		Six-month periods ended June 30	
	2019 ⁽²⁾	2018	2019 ⁽²⁾	2018
Net income (loss)	\$ (36)	\$ 70	\$ 203	\$ 114
Non-cash items				
Amortization	106	64	197	126
Impairment charges (reversals) on PP&E and intangible assets	(4)	9	(4)	11
Deferred income taxes	105	(29)	309	(23)
Gains on disposals of PP&E and intangible assets	(6)	(560)	(7)	(564)
Losses (gains) on disposals of businesses	(219)	599	(739)	599
Share of income of joint ventures and associates	(23)	(30)	(40)	(50)
Loss on repurchase of long-term debt	4	—	84	—
Share-based expense	14	31	30	47
Dividends received from joint ventures and associates	18	2	19	19
Net change in non-cash balances ⁽³⁾	(248)	(236)	(1,248)	(830)
Cash flows from operating activities	(289)	(80)	(1,196)	(551)
Net (additions to) proceeds from PP&E and intangible assets	(140)	312	(277)	62
Free cash flow (usage)⁽¹⁾	(429)	232	(1,473)	(489)

⁽¹⁾ Non-GAAP financial measures. Refer to the Non-GAAP financial measures section for definitions of these metrics.

⁽²⁾ Refer to Note 2, Changes in accounting policies, to our interim consolidated financial statements, for the impact of the adoption of IFRS 16, Leases. Under the modified retrospective approach adopted by the Corporation, 2018 figures are not restated.

⁽³⁾ Refer to Note 23, Net changes in non-cash balances, to our interim consolidated financial statements for further details.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

BOMBARDIER

Reconciliation of adjusted net income to net income (loss) and computation of adjusted EPS

	Three-month periods ended June 30			
	2019		2018	
	(per share)		(per share)	
Net income (loss)	\$	(36)	\$	70
Adjustments to EBIT related to special items ⁽¹⁾		(165)	\$ (0.07)	80 \$ 0.03
Adjustments to net financing expense related to:				
Net change in provisions arising from changes in interest rates and net loss (gain) on certain financial instruments		29	0.01	(10) 0.00
Accretion on net retirement benefit obligations		15	0.01	15 0.01
Loss on repurchase of long-term debt ⁽¹⁾		4	0.00	— —
Tax impact of special ⁽¹⁾ and other adjusting items		106	0.05	(68) (0.03)
Adjusted net income (loss)		(47)		87
Net income (loss) attributable to NCI		(47)		(2)
Preferred share dividends, including taxes		(7)		(7)
Adjusted net income (loss) attributable to equity holders of Bombardier Inc.	\$	(101)	\$	78
Weighted-average diluted number of common shares (in thousands)		2,375,581		2,552,892
Adjusted EPS (in dollars)	\$	(0.04)	\$	0.03

Reconciliation of adjusted EPS to diluted EPS (in dollars)

	Three-month periods ended June 30	
	2019	2018
Diluted EPS	\$ (0.04)	\$ 0.02
Impact of special ⁽¹⁾ and other adjusting items	—	0.01
Adjusted EPS	\$ (0.04)	\$ 0.03

⁽¹⁾ Refer to the Consolidated results of operations section for details regarding special items.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

BOMBARDIER

Reconciliation of adjusted net income to net income (loss) and computation of adjusted EPS

	Six-month periods ended June 30			
	2019		2018	
	(per share)		(per share)	
Net income	\$	203	\$	114
Adjustments to EBIT related to special items ⁽¹⁾		(678)	\$ (0.29)	80 \$ 0.03
Adjustments to net financing expense related to:				
Net change in provisions arising from changes in interest rates and net gain on certain financial instruments		(50)	(0.02)	(36) (0.01)
Accretion on net retirement benefit obligations		33	0.01	34 0.01
Loss on repurchase of long-term debt ⁽¹⁾		84	0.04	— —
Tax impact of special ⁽¹⁾ and other adjusting items		239	0.10	(70) (0.03)
Adjusted net income (loss)		(169)		122
Net loss attributable to NCI		(91)		(8)
Preferred share dividends, including taxes		(14)		(14)
Adjusted net income (loss) attributable to equity holders of Bombardier Inc.	\$	(274)	\$	100
Weighted-average diluted number of common shares (in thousands)		2,375,223		2,475,425
Adjusted EPS (in dollars)	\$	(0.12)	\$	0.04

Reconciliation of adjusted EPS to diluted EPS (in dollars)

	Six-month periods ended June 30	
	2019	2018
Diluted EPS	\$ 0.04	\$ 0.04
Impact of special ⁽¹⁾ and other adjusting items	(0.16)	—
Adjusted EPS	\$ (0.12)	\$ 0.04

⁽¹⁾ Refer to the Consolidated results of operations section for details regarding special items.