



BOMBARDIER

Annual Information Form

1999

May 19, 1999

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NOTES:

- (1) In this Annual Information Form, all dollar figures are in Canadian dollars, unless indicated otherwise.
- (2) In this Annual Information Form, the asterisk (*) refers to a trade-mark of Bombardier Inc. or one of its subsidiaries.

Item 1 Incorporation

1.1 Incorporation of the Issuer

Bombardier Inc. (the “Corporation”) was incorporated by letters patent under the laws of Canada in 1902 and was continued under the Canada Business Corporations Act by a certificate of continuance dated June 23, 1978, which was subsequently the subject of certain amendments.

On August 5, 1988, the Corporation amalgamated with Bombardier Aero Inc. and Canadair Inc., two wholly-owned subsidiaries. The amalgamation was evidenced by a certificate of amalgamation dated August 5, 1988, and by articles of amalgamation which were amended three times to reflect stock splits in January 1992, July 1995 and July 1998. On February 1, 1997, the Corporation amalgamated with Bombardier Real Estate Ltd., Bois-Franc Real Estate Ltd. and Club Challenger-Aero Inc., three wholly-owned subsidiaries. On February 2, 1998, the Corporation amalgamated with de Havilland Inc. and de Havilland Holdings Inc., two wholly-owned subsidiaries.

The articles of the Corporation authorize it to issue shares consisting of (i) an unlimited number of preferred shares without nominal or par value issuable in series (the “Preferred Shares”), of which the following have been authorized (a) one series consisting of 12,000,000 Series 2 Cumulative Redeemable Preferred Shares (the “Series 2 Preferred Shares”) and (b) one series consisting of 12,000,000 Series 3 Cumulative Redeemable Preferred Shares (the “Series 3 Preferred Shares”); (ii) 896,000,000 Class A Shares (Multiple Voting) (the “Class A Shares”) and (iii) 896,000,000 Class B Shares (Subordinate Voting) (the “Class B Subordinate Voting Shares”).

The Class A Shares and the Class B Subordinate Voting Shares are special shares (within the meaning of the relevant Canadian regulations respecting securities) in that they do not carry equal voting rights. In the event of a ballot, each Class A Share carries ten votes and each Class B Subordinate Voting Share carries one vote.

Each Class B Subordinate Voting Share carries a non-cumulative preferential dividend at the rate of \$0.003125 per annum.

Each Class A Share is convertible, at any time, at the option of the holder, into one Class B Subordinate Voting Share. Each Class B Subordinate Voting Share shall become convertible into one Class A Share in the event that an offer to purchase Class A Shares is accepted by the majority shareholder, namely the Bombardier family, or in the event that the majority shareholder ceases to hold over 50% of the outstanding Class A Shares of the Corporation.

Each Series 2 Preferred Share is convertible at the option of the holder, subject to certain conditions, into a Series 3 Preferred Share on August 1, 2002 and on August 1 every fifth year thereafter. In addition, on August 1, 2007 and on August 1 every fifth year thereafter, each Series 3 Preferred Share may be reconverted at the option of the holder, into a Series 2 Preferred Share, subject to certain conditions.

The registered office of the Corporation is located at 800 René-Lévesque Boulevard West, Montréal, Québec H3B 1Y8.

In this Annual Information Form, the term “Bombardier” means, as required by the context, the Corporation and its subsidiaries collectively or the Corporation or one or more of its subsidiaries.

1.2 Subsidiaries

The activities of the Corporation are conducted either directly or through subsidiaries. A description of the Corporation’s corporate structure is provided below with the description of each business group.

Item 2 General Development of the Business

2.1 General

Bombardier is engaged in design, development, manufacture and marketing activities in the aerospace, recreational product and transportation equipment industries. In addition, Bombardier offers support, maintenance and training services, as well as operations management in the public and private sectors. Through various subsidiaries, the Corporation is engaged in financial services and one division of the Corporation is involved in the development of Bombardier real estate interests earmarked for new uses. Bombardier operates plants in Canada, Mexico, the United States, Austria, Belgium, the Czech Republic, Finland, France, Germany, Switzerland and the United Kingdom. Bombardier is also seeking to expand into non-traditional markets outside North America and Western Europe where its presence is currently limited. Over ninety percent of its revenues are generated outside Canada.

2.2 History

Until 1973, Bombardier's operations consisted mainly of the manufacture and distribution of snowmobiles, a vehicle invented by the founder, Joseph-Armand Bombardier, in 1959. In the early 1970s, as part of a program of vertical integration, Bombardier acquired Rotax (now Bombardier-Rotax GmbH), which today manufactures two-stroke and four-stroke engines in Gunskirchen, Austria.

In the 1970s and 1980s, Bombardier began diversifying its operations, branching out in the mass transit industry. In December 1986, the Corporation began to diversify into the aerospace industry by acquiring Canadair Limited, a large Québec-based aerospace corporation, which became Canadair Inc. in 1987 and amalgamated with the Corporation on August 5, 1988.

During the last five years, the Corporation continued its growth and completed the transactions described below:

On April 3, 1995, Bombardier acquired all of the share capital of transportation equipment manufacturer Waggonfabrik Talbot GmbH & Co. KG (now Talbot GmbH & Co. KG) of Aachen, Germany.

On December 6, 1996, through Bombardier Completion Centre Inc., the Corporation acquired the business aircraft completion division of Innotech Aviation Ltd.

On February 4, 1997, through Bombardier Capital Inc., Bombardier acquired NorRail, Inc. (now Bombardier Capital Rail Inc.), a railcar leasing and asset management firm based in Buffalo, Minnesota, and servicing customers in Canada, the United States and Mexico.

On December 11, 1997, Short Brothers plc acquired the shares of Specialist Aviation Services Limited, a U.K.-based company specialized in the supply of helicopter services to police forces and emergency medical services.

On December 15, 1997, AMR Combs BJS Inc. agreed to dispose of its interest in JetSolutions L.L.C., a limited liability company owned by Bombardier and AMR Combs BJS Inc. that manages aircraft for the FlexJet* program, a fractional ownership program which permits individuals or companies to purchase a share of a Bombardier business jet and business jet charter brokerage program. The FlexJet program is offered through the Bombardier Aerospace Business JetSolutions unit. On April 1, 1998, JetSolutions, L.L.C., transferred its FlexJet management services program to Bombardier Aerospace Corporation. On August 14, 1998, JetSolutions, L.L.C., Bombardier Aerospace Corporation, Botana & Company, L.L.C., and AMR Combs BJS Inc. entered into an Agreement whereby AMR Combs BJS Inc. transferred to Botana & Company, L.L.C. its interest in JetSolutions, L.L.C.

In December 1997, the Corporation entered into an agreement with Prévost Car Inc., a subsidiary of AB Volvo of Sweden, under which the Corporation's interest in Nova Bus Corporation, a manufacturer of city buses, was sold to Prévost Car Inc.

At the end of the 1997-98 financial year, the Corporation acquired Deutsche Waggonbau AG (now DWA Deutsche Waggonbau GmbH) of Berlin, Germany, a producer of a wide range of railway equipment and products, including subway cars, urban and regional railway cars, diesel or electrical multiple-unit trains and special purpose freight wagons.

On March 4, 1998, Bombardier Transportation formed a strategic alliance with, and concluded an agreement to acquire a 26% interest in the share capital of, Vienna-based ELIN EBG Traction GmbH. This alliance gives Bombardier Transportation the opportunity to extend its knowledge of propulsion technologies.

On March 27, 1998, the Corporation announced the creation of Bombardier International, a business group whose mandate is to pursue growth opportunities in markets outside North America and Western Europe and accelerate the Corporation's growth in Asia, Eastern Europe and Latin America.

On May 4, 1998, Bombardier announced plans to form a joint venture with The Greenbrier Companies, Inc., a leading supplier of railroad freight cars, to build railroad freight cars at Bombardier-Concarril, S.A. de C.V.'s existing facilities in Sahagún, Mexico. The joint venture, in which each of Bombardier and The Greenbrier Companies, Inc. holds a 50% interest, serves the North American marketplace with a focus on conventional freight cars. Under the terms of the joint venture, which were finalized in September 1998, The Greenbrier Companies, Inc. provides marketing and engineering expertise and Bombardier provides manufacturing know-how and facilities.

On November 20, 1998, Bombardier, Power Corporation of Canada and China National Railways Locomotive and Rolling Stock Industrial Corporation (LORIC) of the People's Republic of China announced the creation of a joint venture to manufacture rail passenger cars in China at the plant of Sifang Locomotive and Rolling Stock Works, a LORIC subsidiary, located in Jihongtan, Shandong Province. The joint venture will use Bombardier technology to manufacture, among others, deluxe intercity rail passenger cars. This joint venture, which was established with the Chinese government authority's approval, follows a Memorandum of Understanding signed in November 1997.

On January 27, 1999, the Corporation announced that the activities of the Bombardier Services operating group would be integrated into the Bombardier Aerospace and Bombardier Recreational Products operating groups.

Item 3 Narrative Description of the Business

3.1 Structure and Management

Bombardier's operations are organized into three manufacturing groups, one financial service group and one business group.

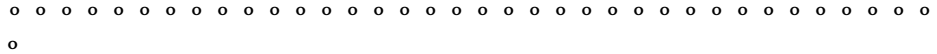
Bombardier Aerospace is responsible for all aerospace operations; it also engages in support, maintenance and training service activities and private and public sector operations management. Bombardier Recreational Products is engaged in the recreational products segment. Bombardier Transportation includes all the operations in the transportation equipment segment including maintenance services. Bombardier Capital oversees operations in the financial services and real estate segments. Bombardier International is responsible for Bombardier's expansion into geographic markets outside North America and Western Europe where its presence is currently limited.

The three industrial groups and the financial services group are constituted as follows:

<i>Bombardier Aerospace</i>	<ul style="list-style-type: none">• Business Aircraft• Regional Aircraft• Amphibious Aircraft• Component Manufacturing• Canadair• de Havilland• Learjet Inc.• Short Brothers plc• Shorts Missile Systems Limited• Defense Services
<i>Bombardier Recreational Products</i>	<ul style="list-style-type: none">• Snowmobiles and Watercraft• All Terrain Vehicles• Sport Boats• Neighborhood Vehicles• Engines• Utility Vehicles
<i>Bombardier Transportation</i>	<ul style="list-style-type: none">• Mass Transit – North America• Transit Systems• Bombardier-Concarril, S.A. de C.V.• BN S.A.• Société ANF-Industrie S.A.• Bombardier-Wien Schienenfahrzeuge AG• Prorail Limited• Talbot GmbH & Co. KG• DWA Deutsche Waggonbau GmbH• Gunderson-Concarril, S.A. de C.V.• Vevey Technologies S.A. Villeneuve• Vagónka Ěeská Lipa a.s.
<i>Bombardier Capital</i>	<ul style="list-style-type: none">• Inventory Finance• Commercial and Industrial Finance• Consumer Finance• Technology Management and Finance• Mortgage Finance• Real Estate Services

The operations of each of these groups and the activities of Bombardier International are described hereafter under separate headings.

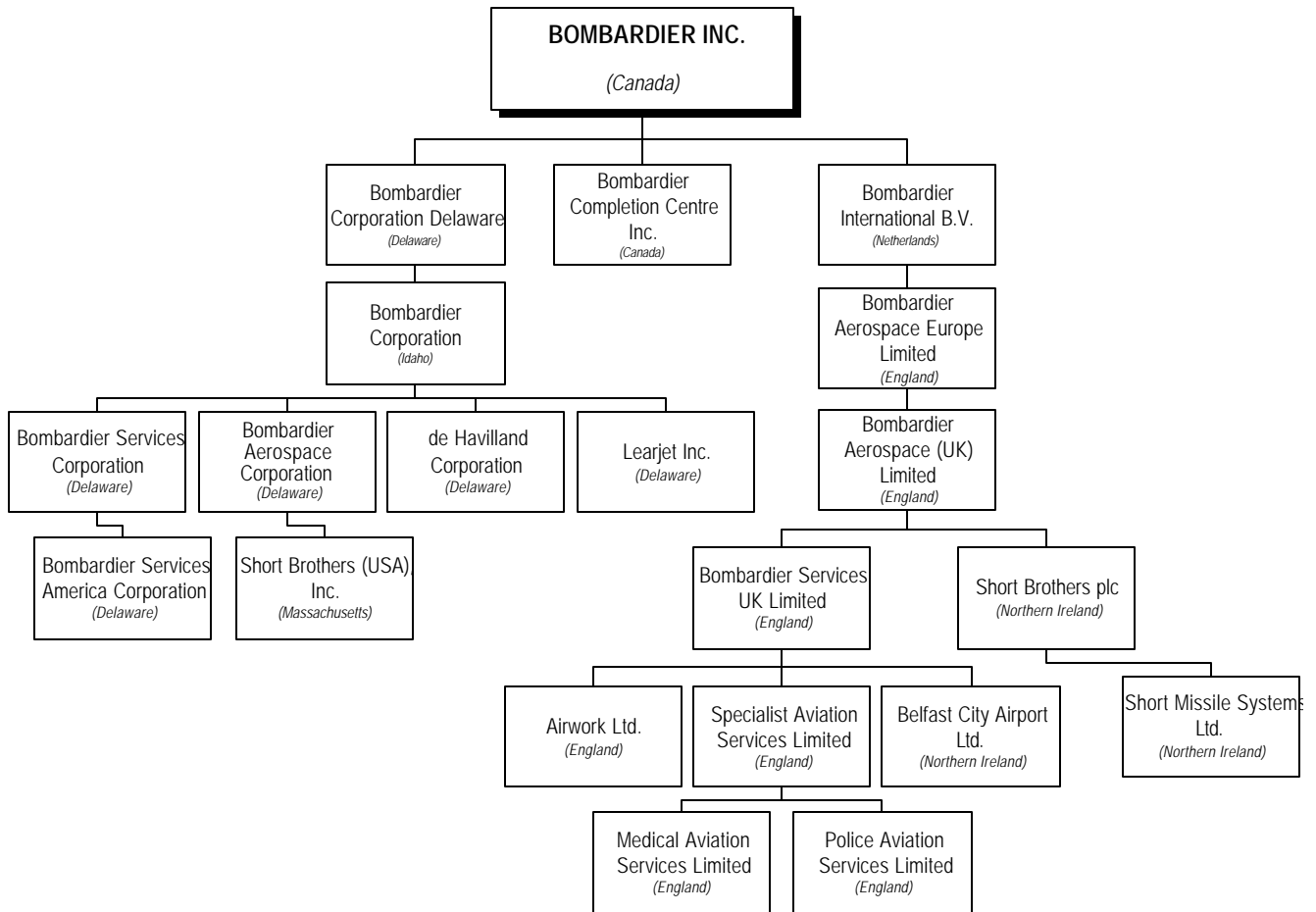
BOMBARDIER AEROSPACE



Bombardier Aerospace includes the operations of the Business Aircraft, Regional Aircraft, and Amphibious Aircraft divisions as well as Component Manufacturing and Defence Services.

The administrative centre of Bombardier Aerospace is located in Dorval, Québec, Canada.

This chart provides the name and jurisdiction of incorporation of the active, direct or indirect subsidiaries of the Corporation, as at January 31, 1999, which fall within Bombardier Aerospace. Bombardier holds 100% of the voting shares of such companies, unless otherwise indicated. There are no other classes of securities of such companies outstanding.



The following table shows the principal operation centres owned by the Corporation or one of its subsidiaries, as the case may be, unless indicated otherwise, and forming part of Bombardier Aerospace. The table also lists the type of operations conducted or products manufactured at these facilities.

Manufacturing Facilities	Area (square metres)	Products
Dorval, Québec, Canada ⁽¹⁾	53,745	Assembly of Challenger* and Canadair Regional Jet aircraft
Dorval, Québec, Canada ⁽²⁾	10,839	Pre-flight activities for the Challenger and the Canadair Regional Jet
Mirabel, Québec, Canada ⁽³⁾	28,114	Engineering support activities for CF-18 military aircraft and for other aircraft, including an annex for the painting and interior finishing of the Canadair Regional Jet aircraft
Saint-Laurent, Québec, Canada	204,031	Parts, components and spare parts for various aircraft, including Challenger, Canadair Regional Jet, Global Express and Canadair 415* aircraft; structural components for other aircraft builders such as Boeing and Aerospatiale; complete wing and fuselage assembly for the Canadair 415 aircraft
Southport, Manitoba, Canada ⁽⁴⁾	19,044	Canadian Forces pilot training and related aircraft and parts storage and maintenance
Downsview, Ontario, Canada	156,388	Manufacture and final assembly of Dash 8 aircraft, including spare parts and components for Dash 8 aircraft, manufacture of components and final assembly of Global Express aircraft and assembly of wings for the Learjet 45 and assembly of the CL 415 nacelle
North Bay, Ontario, Canada	3,716	Final assembly and final test for Canadair 415 aircraft
Wichita, Kansas, United States	112,922	Manufacture of the Learjet line of aircraft and flight test centre for aircraft manufactured by Bombardier Aerospace
Bridgeport, West Virginia, United States ⁽⁵⁾	12,744	Aircraft heavy maintenance centre for regional aircraft and aircraft modifications
Castlereagh and Crossgar, Northern Ireland, United Kingdom ⁽⁶⁾	30,199	Components for guided missile systems
Dunmurry and Newtownabbey, Belfast, Northern Ireland, United Kingdom ⁽⁶⁾	27,223	Composite components either for Bombardier Aerospace or under contracts with Boeing and Lockheed
Queen's Island, Belfast, Northern Ireland, United Kingdom ⁽⁶⁾	178,493	Aircraft components, engine nacelles and nacelle components and spare parts either for Bombardier Aerospace or under contracts with Boeing, BMW Rolls-Royce GmbH, British Aerospace plc, Rohr Inc., Rolls-Royce plc, AlliedSignal, International Aero Engines and Gamesa

(1) The Corporation owns the buildings built on land leased to the Corporation under a lease with Aéroports de Montréal. The lease is for a 49-year term from August 1, 1992; the buildings erected on the leased land will become the property of Aéroports de Montréal upon expiration of the lease.

- (2) Facilities occupied under a lease from Air Canada expiring on October 31, 2001.
- (3) The Corporation owns the buildings built on land leased to Bombardier under a lease with Aéroports de Montréal for an initial term of 40 years with an option to renew for an additional period of 20 years; the buildings erected on the leased land will become the property of Aéroports de Montréal upon expiration of the lease.
- (4) Facilities occupied pursuant to lease and use agreements with Southport Aerospace Center Inc. renewed for a period of ten years from September 1, 1997 through August 31, 2007.
- (5) Facility leased from Harrison Aviation Services, Inc. The lease will expire on December 31, 1999.
- (6) Short Brothers plc or its subsidiaries own all the buildings they occupy, except for those at Crossgar and storage facilities at Newtownards. Lands at Queen's Island are owned by the Belfast Harbour Commissioner with whom a 125-year lease was negotiated with effect as of October 4, 1989. Lands at Castlereagh and Dunmurry are owned by the Industrial Development Board of Northern Ireland and are leased to Short Brothers plc on a 999-year term.

In addition, service centres located in Tucson, Arizona; Denver, Colorado; Windsor Locks, Connecticut; Fort Lauderdale, Florida; Indianapolis, Indiana; and Wichita, Kansas (United States) and Berlin (Germany) are part of a service network called Bombardier Aviation Services. An airport located in Downsview, Ontario (Canada) is owned by the Corporation and used to support Bombardier's manufacturing activities. There is also a worldwide network of authorized Challenger and Learjet aircraft service facilities that are independently owned.

Marketing of the products of Bombardier Aerospace is provided by marketing and sales offices. In North America, marketing and sales offices are located in Canada (in Montréal, Ottawa and Toronto) and the United States (in the states of Arizona, California, Connecticut, Georgia, Kansas, Illinois, Pennsylvania, Texas and Virginia, and in Washington, D.C.). In Europe, marketing is effected through offices in Germany, the United Kingdom and Switzerland. In Asia, such offices are maintained in Dubai, the United Arab Emirates; Hong Kong; Malaysia; the People's Republic of China and Singapore. Finally, Bombardier Aerospace maintains a marketing office in Australia.

Business Aircraft

The Business Aircraft division is responsible for all operations related to marketing, sales and customer support for the Challenger 604 large intercontinental business jet, the Canadair Special Edition and Corporate Jetliner aircraft (two corporate variants of the Canadair Regional Jet), the Bombardier Global Express ultra long-range aircraft, the Bombardier Continental business jet, a new entrant in the "super-midsize" category, as well as the Learjet family of light, super-light and mid-size jets (Learjet 31A, 45 and 60, respectively).

Aircraft ordered by customers are manufactured on behalf of the Business Aircraft division by the manufacturing facilities of Bombardier Aerospace. The raw materials and the various components and systems required to manufacture the aircraft are sourced around the world and this sourcing varies from product to product; however, most such materials, components and systems are provided by Canadian and U.S. suppliers with which Bombardier generally has long-term contracts.

● Challenger 604 Aircraft

The Challenger 604 aircraft is a large, twin-engine intercontinental business jet capable of non-stop flights of over 4,000 nautical miles. The Challenger 604 aircraft is the fifth generation of the proven widebody Challenger design, the previous models being the Challenger 600, 601, 601-3A and 601-3R.

Main competitors of the Challenger 604 aircraft vary from transaction to transaction based on specific customer needs and brand loyalty, but they often include the Falcon 2000 and Falcon 900C manufactured by Dassault, as well as the Gulfstream IV-SP.

● Canadair Special Edition and Corporate Jetliner Aircraft

The Canadair Special Edition and the Canadair Corporate Jetliner aircraft are derived from the same platform as the Canadair Regional Jet aircraft. The Canadair Special Edition aircraft offers a large executive cabin and a transcontinental range of about 3,000 nautical miles, sufficient to fly non-stop between key city

pairs such as New York and Los Angeles. No other business jet manufacturer offers an aircraft similar in price, range and cabin size to the Canadair Special Edition aircraft.

● **Bombardier Global Express Aircraft**

The Bombardier Global Express aircraft is the world's fastest ultra long-range business jet, and the only one that will cover distances of up to 6,500 nautical miles at Mach 0.80 without stopping. Designed as a completely new aircraft to meet the increasing travel needs of global organizations, the Global Express aircraft is setting new industry standards for "top-of-the-line" business jets.

Analysts have estimated total demand for ultra long-range business jets at 500 to 800 units. The Global Express aircraft is competing in this new segment against the Gulfstream V and, to a much lesser extent, the Boeing Business Jet and the Airbus A319CJ. First deliveries of the Gulfstream V took place in December 1996 while those of the Boeing Business Jet took place in November 1998. Certification of the Global Express was achieved in July 1998 and the first customer delivery occurred in November 1998. The Global Express backlog stood at 66 units at the end of the 1998-99 financial year following the beginning of deliveries to customers. Actual market share figures are not meaningful at this stage due to differences in program timing.

● **Bombardier Continental Aircraft**

In October 1998, plans for the development of the Bombardier Continental Business Jet, a new entrant in the fast-growing "super-midsize" category, were unveiled. It will be capable of every-day non-stop transcontinental missions with 8 passengers, even out of short 5,000-foot runways. The Continental will offer a wide-body, standup cabin with eight individual seats, a full-size galley and lavatory and a large 120 cu.ft. baggage compartment.

● **Learjet Products**

The Business Aircraft division is also responsible for all operations related to sales, marketing and customer support for the Learjet line of light, super-light and mid-size business jets. The main competitors for the Learjet 31A, Learjet 45 and Learjet 60 aircraft are the models manufactured by Cessna and Raytheon Aircraft.

The Learjet 31A light jet is a derivative of the renowned Learjet 35A model. The Learjet 60 mid-size jet, the first new Learjet product launched since Learjet Inc. became a subsidiary of Bombardier, is a derivative of the Learjet 55 aircraft. Finally, the new Learjet 45 super-light jet is positioned between the 31A and 60 models in terms of price and range capability. The aircraft received FAA-type certification in September 1997. The first deliveries of the Learjet 45 aircraft began in the spring of 1998 following a program of post-certification improvements.

● **Bombardier Business JetSolutions**

Bombardier Business JetSolutions is one of three organizations pioneering the concept of fractional ownership of new business aircraft in North America with its FlexJet program. This concept lowers the entry cost of business jet ownership by allowing customers to purchase a fraction of an aircraft, typically in multiples of 1/8. It also eliminates the "hassle factor" of operating a highly technical aircraft. The vast majority of Bombardier Business JetSolutions customers have never owned a business jet before. Hence, this concept has in fact stimulated demand for business jets. The largest player in this segment is Executive Jet, founded in 1986 and operating through two different subsidiaries respectively called EJA (Executive Jet Aviation) and EJI (Executive Jet International). As an independent organization, Executive Jet has typically purchased new aircraft from different manufacturers, such as Gulfstream, Cessna and Raytheon, on a case-by-case basis. Business JetSolutions, launched in May 1995 as a joint venture with AMR Corporation, is the second largest firm in this segment. The third player, Travel Air, was launched by Raytheon Aircraft in June 1997. A handful of small organizations have also been launched over the last year to apply the concept of fractional ownership to used aircraft or non-jet aircraft. The fast rate of growth experienced by this segment is expected to continue

for some time, as more and more businesses become familiar with the concept of fractional ownership and realize how affordable it is.

● **Aviation Services**

The Business Aircraft division provides the industry's most comprehensive range of aviation services, including worldwide charter operations, aircraft maintenance, top-rated customer support, pilot training and interior completions through several of its organizations.

Bombardier is moving rapidly toward seamless worldwide business charter service through a network of strategic alliances. In North America, Business JetSolutions offers one of the largest and most diverse charter fleets in the world through the Alliance Plus program.

Aviation maintenance capabilities include a network of seven factory service facilities in six U.S. locations and in Berlin, Germany.

Business Aircraft Customer Support provides technical and total product support for operators of all Bombardier business aircraft, including fractional owners. A modern training facility in Montréal has recently added a full-motion Global Express simulator alongside the Challenger 604 simulator for comprehensive pilot training program. This marks the first time in the industry that a simulator has been in place before customers take delivery of their aircraft. This will allow pilots to be fully proficient with their aircraft at delivery. Learjet training will be provided at a new facility in Dallas beginning next spring. Spare parts depots are located in Montréal, London and Singapore, and in Memphis, Wichita and Newark in the United States.

Bombardier has established a network of completion facilities to provide operators with superior quality, cost-effective service. The Bombardier Completion Center located in Tucson specializes in delivering customized interiors and conducting interior refurbishment for Learjet 31A, Learjet 60 and Challenger 604 aircraft. The new Bombardier Completion Centre located in Montréal provides added capacity, capability and flexibility to meet growing market demand, particularly for the new Global Express aircraft in which this facility specializes. Learjet 45 factory completions are being conducted on-site, in another new facility, at Bombardier's Wichita Learjet site.

Regional Aircraft

The Regional Aircraft division markets and supports the Canadair Regional Jet aircraft family and the de Havilland Dash 8 turboprop aircraft family. This division offers a full range of jet and turboprop regional aircraft to airline companies and provides material management and maintenance services to regional airlines.

The Canadair Regional Jet aircraft, the Canadair Corporate Jetliner Shuttle and the Canadair Special Edition aircraft, which are modified versions of the Canadair Regional Jet aircraft, are manufactured at the Canadair facilities. Raw materials and equipment are procured from suppliers in Canada, the United States and Europe with which the Corporation generally has long-term contracts.

The Canadair Regional Jet family consists of the 50-passenger Series 100 and Series 200 aircraft and the 70-passenger Series 700 aircraft. The Canadair Regional Jet Series 100 and Series 200 aircraft are currently in service with some 26 operators in 14 countries. The Canadair Regional Jet Series 700 aircraft program was launched in January 1997. Certification of this new aircraft is planned before the end of the year 2000 with first deliveries shortly thereafter.

The de Havilland Dash 8 family of turboprops manufactured at the de Havilland facilities consists of the 37-passenger Series 100 and Series 200 aircraft, the 50-passenger Series 300 aircraft and the 70-passenger Series 400 aircraft. The Dash 8 Series 100, 200 and 300 are currently in service with some 75 operators in 34 countries. The Dash 8 Series 400 program was launched in June 1995 and the first aircraft flew on January 31, 1998. Certification is expected during the second quarter of the 1999-2000 financial year and will be closely followed by the initial customer deliveries.

The Canadair Regional Jet aircraft family faces two competitors: Embraer Empresa Brasileira De Aeronautica S.A. (“Embraer”) of Brazil, which produces the EMB-145, a 50-passenger jet, and has recently launched the 30-passenger jet EMB-135, while British Aerospace of the United Kingdom markets a family of large regional jets, namely the BAe RJ85 (85 passengers) and the BAe RJ100 (100 passengers). In addition, Fairchild-Dornier of the United States markets a 30-passenger jet, the DO-328J.

The main products in competition with the de Havilland Dash 8 aircraft family come from the following companies:ATR (a consortium consisting of Aerospatiale of France and Alenia of Italy), Saab Aircraft of Sweden, Embraer of Brazil, and Fairchild-Dornier of the United States. The Dash 8 Series 100 and 200 aircraft face competition from the Fairchild-Dornier 328 and the Embraer 120. The Dash 8 Series 300 aircraft faces competition from the ATR 42. The Dash 8 Series 400 faces competition from the ATR 72.

Amphibious Aircraft

The Amphibious Aircraft division is currently marketing the Canadair 415 turboprop amphibious aircraft. This aircraft is in service in Canada, Croatia, France, Italy and Greece. In addition to its traditional role of aerial firefighting, the Canadair 415 can be configured for other specialized missions, including maritime surveillance, search and rescue and utility transport.

Component Manufacturing

Bombardier Aerospace is involved in the design, development, manufacture, supply and support of airframe components, aircraft engine nacelles and nacelle components.

The Canadair Saint-Laurent facility supplies airframe components for the Airbus A330/A340 programs as well as for the Boeing 737, 747 and 767 programs.

Short Brothers plc manufactures various airframe components for the Canadair Regional Jet series, the Learjet 45, the Dash 8 Series 400 and the Global Express aircraft. Short Brothers plc also produces airframe components for most of the Boeing airliners as well as for the Lockheed C-130 aircraft and the Apache helicopter selected by the United Kingdom Ministry of Defence. It has particular expertise in the innovative use of composite materials to produce lightweight nacelle components. In addition, it manufactures components or complete nacelle sets for the General Electric CF34, BMW Rolls-Royce BR710, International Aero Engines V2500, Rolls-Royce RB211 Trent, Pratt & Whitney 150A and AlliedSignal LF507 engines.

Shorts Missile Systems Limited

Shorts Missile Systems Limited is a joint venture between Short Brothers plc and Thomson-CSF of France in the field of very-short-range air defence systems. The current products are the Starburst* and Starstreak* missile systems, the Aspice* vehicle-based automatic firing post and the Samantha* and Clara* early-warning and command and control systems.

It also markets and produces aerial targets for missile and gunnery practice and small arms simulation equipment. In particular, it markets the Stiletto aerial target system, the S1 small arms training system and the Bristol Aerospace of Canada range of land, sea and aerial targets.

Defence Services

Bombardier Aerospace is involved in the worldwide market for support, maintenance and training services as well as operations management in the public and private sectors. Its Defence Services activities are centered around the following six business areas: Military Aircraft Services, Military Flying Training, Aircraft Modifications and Completions, Police and Medical Air Services, Base Support Services and Unmanned Systems.

The activities of the Defence Services division are conducted through main offices in Mirabel, Canada; Bournemouth, the United Kingdom; and Bridgeport, West Virginia, in the United States.

● **Military Aircraft Support**

Defence Services provides integrated engineering support for the Canadian Forces fleet of CF-18 fighter jets.

Defence Services also supplies logistic support, aircraft and equipment servicing or maintenance for the United Kingdom's Ministry of Defence, particularly in the area of aviation support services, including the provision of maintenance and integrated logistics support to the RAF fleet of Tucano turboprops. Defence Services also provides technical and support staff to the Air Forces of Abu Dhabi, Kuwait and Oman. These activities include first to third line aircraft maintenance and technical training of the Royal Air Forces and the Royal Army of Oman personnel.

The U.S. subsidiary Bombardier Services Corporation also provides logistics support for the C-23 aircraft fleet of the United States Army National Guard.

● **Military Flying Training**

Defence Services manages the Canadian Aviation Training Centre ("CATC") in Southport, Manitoba. The Canadian Forces flying training and support contract was awarded to the Corporation in 1991. In 1998-99, 234 students graduated from the CATC in primary, helicopter and multi-engine pilot training for the Canadian Forces. Since the start of the CATC, a total of 1,552 students have undergone training.

On November 4, 1997, the Government of Canada awarded Bombardier a 20-year contract to provide fully serviced aircraft, training material, flight simulators, airfield and site support services for the training of military jet pilots of the Canadian Armed Forces and the Air Forces of other NATO members. This contract was awarded in the context of the NATO Flying Training in Canada Program ("NFTC"), a co-operative government-industry initiative which includes the privatization of support for military undergraduate flying training at Moose Jaw, Saskatchewan, and follow-up tactical jet flying training at Cold Lake, Alberta.

Defence Services is also responsible for providing aircraft and associated services for the UK Royal Air Force elementary flying requirements. As well, the division provides flying grading for the UK Royal Navy.

● **Aircraft Modifications and Completions**

Defence Services performs fatigue modifications on Tucano aircraft for the United Kingdom's Ministry of Defence and mission conversion of Challenger aircraft for the Canadian and other Air Forces. As well, Defence Services is responsible for the painting and interior completions of all Canadair Regional Jet Series 100 and 200 aircraft.

● **Police and Medical Air Services**

Defence Services extended its aviation services activities to other sectors with the December 1997 acquisition of Specialist Aviation Services Limited (SAS), a United Kingdom company incorporating Police Aviation Services Limited (PAS) and Medical Aviation Services Limited (MAS). SAS remains the overall market leader in providing all aspects of air support to United Kingdom police and ambulance services.

PAS are currently contracted to 14 Police Authorities, representing 20 individual forces and MAS to three Ambulance Trusts. PAS recently introduced into service the first United Kingdom certified Boeing MD 902 Explorer helicopter.

● **Base Support Services**

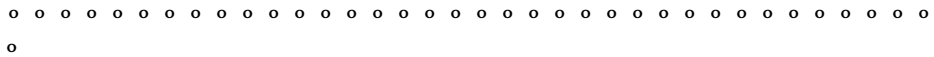
Defence Services also maintains communications equipment for the Royal Army of Oman and maintains other military equipment in Oman and Bahrain. It is also responsible for providing air traffic control and associated services at locations throughout the United Kingdom.

● **Unmanned Systems**

Defence Services is involved in the design, development, manufacturing and marketing of airborne unmanned surveillance systems. Although delivery of the final CL-289 unmanned surveillance system to Germany was completed in 1994, Defence Services continues to provide technical and engineering support to Germany and France during the utilization phase of the system.

Defence Services also offers an off-the-shelf Unmanned Aerial Vehicle (“UAV”), the CL-327 Guardian* Vertical Take-Off and Landing (“VTOL”) UAV, an upgraded version of the CL-227 Sentinel*.

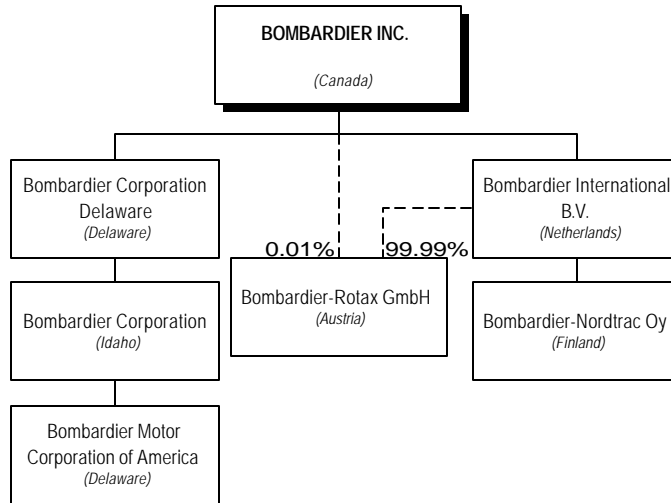
BOMBARDIER RECREATIONAL PRODUCTS



The operations of Bombardier Recreational Products are conducted through six divisions, namely, Snowmobiles and Watercraft, All Terrain Vehicles, Sport Boats, Neighborhood Vehicles, Engines and Utility Vehicles.

The administrative centre of Bombardier Recreational Products is located in Montréal, Québec, Canada.

This chart provides the name and jurisdiction of incorporation of the active, direct or indirect subsidiaries of the Corporation, as at January 31, 1999, which fall within Bombardier Recreational Products. Bombardier holds 100% of the voting shares of such companies, unless otherwise indicated. There are no other classes of securities of such companies outstanding.



The following table shows the principal operation centres owned by the Corporation or one of its subsidiaries, as the case may be, unless indicated otherwise, and forming part of Bombardier Recreational Products. The table also shows products manufactured or operations conducted at such facilities, as the case may be.

Manufacturing Facilities	Area (square metres)	Products
Sherbrooke, Québec, Canada	35,302	Manufacture of the Bombardier neighborhood vehicle (NV)

Manufacturing Facilities	Area (square metres)	Products
Valcourt, Québec, Canada	86,917	Manufacture of Ski-Doo* snowmobiles and Sea-Doo* watercraft and manufacture of related components
Benton, Illinois, United States	32,515	Manufacture of Sea-Doo sport boats
Gunskirchen, Austria	52,953	Manufacture of engines and engine components for Ski-Doo and Lynx* snowmobiles, Sea-Doo watercraft and boats, small and ultra-light aircraft, motorcycles and scooters, as well as engines for special applications
Rovaniemi, Finland	5,574	Manufacture of Lynx, Tundra* and Skandic* Wide Track snowmobiles and manufacture of snowmobile components
Granby, Québec, Canada	12,978	Manufacture and servicing of specialized tracked vehicles used for grooming alpine ski hills and snowmobile and cross-country trails

Distribution of the products manufactured by Bombardier Recreational Products is carried out through distribution centres located in the provinces of Alberta and Québec, in Canada, in the states of Colorado, Illinois, Nevada, Utah and Wisconsin, in the United States of America, and in Finland. Marketing of the products manufactured by Bombardier Recreational Products is carried out through its divisions' and subsidiaries' marketing or sales offices located in Canada, the United States, Austria, Finland, France, Russia and Singapore and through a network of authorized distributors and dealers.

Snowmobiles and Watercraft

● **Snowmobiles**

Bombardier Recreational Products develops, manufactures and markets a complete line of snowmobiles which are distributed worldwide under the trade-names Ski-Doo and Lynx. Bombardier is one of the world's largest manufacturers of snowmobiles. The engines for Bombardier snowmobiles are manufactured by its subsidiary Bombardier-Rotax GmbH. Since snowmobiles were developed and introduced by Bombardier in 1959, they have undergone major technical improvements. Their use is specifically regulated in most Canadian provinces and American states as well as in Europe and Scandinavia. Snowmobile replacement sales represent a substantial proportion of total sales.

The line of snowmobiles offered by Bombardier in 1998-99 consists of 35 Ski-Doo models in seven different categories and 16 Lynx models in six different categories.

Ski-Doo snowmobiles are sold in North America through a network of some 815 authorized dealers with which Bombardier deals either directly or through authorized distributors. In Europe, Ski-Doo and Lynx snowmobiles are sold through independent authorized distributors and agents, except in Sweden and Norway, where Bombardier sells to authorized dealers through wholly-owned subsidiaries.

Bombardier competes in various snowmobile markets with American and Japanese manufacturers, namely, Arctic Cat, Polaris and Yamaha.

● **Watercraft**

Under the Sea-Doo brand name, Bombardier develops, manufactures and markets a full product line of watercraft of the "sit-down" type.

The product line of “sit-down” watercraft offered by Bombardier in 1999 consists of nine Sea-Doo models.

With a distribution network now covering approximately 90 countries, Bombardier is well positioned to take advantage of its international potential while consolidating and enhancing its leadership position in Canada and the United States, where there are nearly 900 authorized Sea-Doo watercraft dealers. Bombardier continues to explore opportunities for extending this network to other regions of the world where there are emerging markets.

Four manufacturers currently compete with Bombardier in the watercraft industry, namely, Arctic Cat, Kawasaki, Polaris and Yamaha.

All Terrain Vehicles

In February 1998, Bombardier Recreational Products entered the ATV market with the introduction of the Traxter* model. The breakthrough innovations on the Traxter include a new Rotax engine built specifically for ATV, and the industry’s first “step-through” design for easy mounting and dismounting.

The first Traxter unit was sold in the fall of 1998. The Traxter has a future full of promise, in a market that just keeps growing.

Six manufacturers compete with Bombardier in the ATV market, namely, Honda, Polaris, Yamaha, Suzuki, Arctic Cat and Kawasaki.

Sport Boats

With a product line of four boats in 1999, Bombardier is the market leader in this relatively new segment which offers interesting growth potential. Bombardier’s main competitors are Yamaha and Sugar Sand Marine.

Neighborhood Vehicles

The Neighborhood Vehicles division designs, manufactures, markets and sells the Bombardier NV* which was launched in Arizona in 1996. This two-passenger electric neighborhood vehicle is designed and marketed for low-speed and short-distance use in closed communities and in other areas where its use is allowed by law. The first units were delivered to customers in January 1997. The Bombardier NV is expected to be the first large-scale production vehicle in its category.

Engines

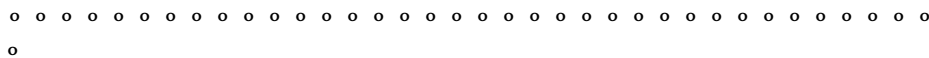
The subsidiary Bombardier-Rotax GmbH develops, manufactures, markets and sells two-stroke and four-stroke engines under the Rotax* brand name at its plant in Günskirchen, Austria. The engines are used in Ski-Doo and Lynx snowmobiles, in Sea-Doo personal watercraft and boats and in the new Bombardier ATV. It also supplies motorcycle and scooter engines to European vehicle manufacturers as well as engines which are distributed worldwide for small and ultra-light aircraft through independent distributors.

Utility Vehicles

Bombardier Recreational Products also designs, manufactures, sells and services snowgrooming equipment and utility vehicles for municipal use and specialized utility work.

The principal operation centres owned by the Corporation or one of its subsidiaries and related to Utility Vehicles are located in Granby, Québec (Canada) with distribution centres located in Canada in the provinces of Québec and Alberta, in the United States in the states of Colorado, Nevada and Utah and in Europe in Austria, France and Switzerland.

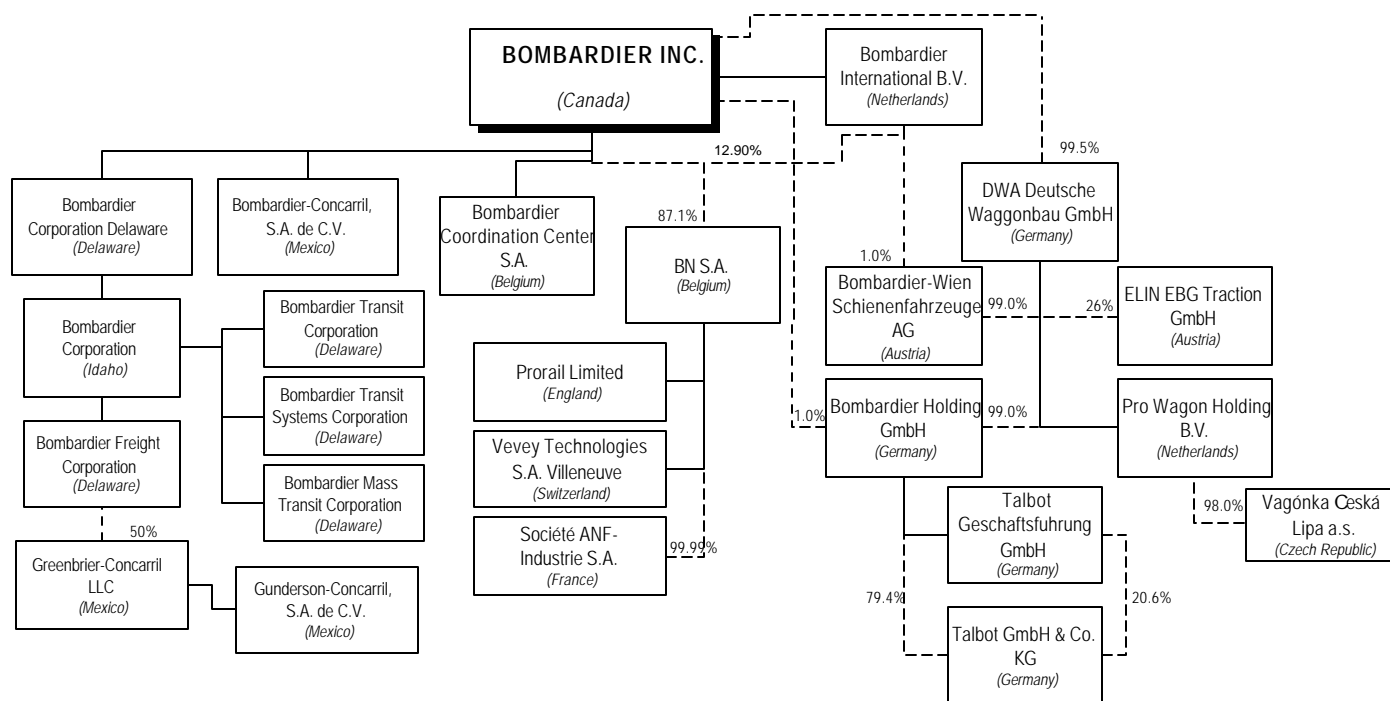
BOMBARDIER TRANSPORTATION



Bombardier Transportation has the technology and know-how to produce a range of vehicles that meet most of the needs and requirements of mass transit markets while pursuing research and development activities to create new products for future market needs. The operations of Bombardier Transportation comprise, among other things, the design, manufacture and sale of vehicles for urban, suburban and intercity rail-passenger transportation, as well as integrated rail transit systems for turnkey projects. Bombardier Transportation is also able to undertake the refurbishment of vehicles as well as to provide a full range of maintenance services.

The administrative centre of Bombardier Transportation is located in Saint-Bruno-de-Montarville, Québec, Canada.

This chart provides the name and jurisdiction of incorporation of the active, direct or indirect subsidiaries of the Corporation, as at January 31, 1999, which fall within Bombardier Transportation. Bombardier holds 100% of the voting shares of such companies, unless otherwise indicated. There are no other classes of securities of such companies outstanding.



The following table shows the principal operation centres owned by the Corporation or one of its subsidiaries, as the case may be, unless indicated otherwise, and forming part of Bombardier Transportation. The table also lists the type of operations conducted or products manufactured at these facilities.

Manufacturing Facilities	Area (square metres)	Products
La Pocatière, Québec, Canada	52,403	Mass transit vehicles
Millhaven (Kingston), Ontario, Canada	15,387	Mass transit vehicles

Manufacturing Facilities	Area (square metres)	Products
Thunder Bay, Ontario, Canada	53,278	Mass transit vehicles
Plattsburgh, New York, United States ⁽¹⁾	12,262	Mass transit vehicles
Barre, Vermont, United States ⁽²⁾	9,996	Mass transit vehicles
Sahagún, Mexico	106,322	Mass transit vehicles and freight cars Refurbishment of rail passenger cars
Vienna, Austria	23,234	Mass transit vehicles
Brugge, Belgium	135,600	Mass transit vehicles Railway equipment
Manage, Belgium	40,800	Railway equipment
Èeská Lipa, Czech Republic	42,551	Railway equipment
Crespin, France	178,000	Mass transit vehicles Railway equipment Bogies
Aachen, Germany	79,730	Mass transit vehicles Bogies Intermodal freight equipment
Bautzen, Germany	79,262	Mass transit vehicles
Berlin, Germany	10,384	Electrical components
Görlitz, Germany	91,289	Mass transit vehicles
Halle, Germany	90,476	Mass transit vehicles
Niesky, Germany	47,349	Freight cars
Vetschau, Germany	11,478	Bogies
Villeneuve, Switzerland	17,981	Mass transit vehicles
Wakefield, Yorkshire, England, United Kingdom	32,400	Mass transit vehicles Refurbishment of rail passenger cars Tank bodies for tank trailers

(1) Leased under an operating lease with Plattsburgh City LDC Inc. for a period of ten years commencing February 1995, with an option to renew for an additional five years.

(2) Leased under a capital lease.

Marketing of the products manufactured by Bombardier Transportation is carried out through marketing or sales offices. In North America, these marketing or sales offices are located in Canada (in Saint-Bruno-de-Montarville, Québec, and Millhaven (Kingston), Ontario), the United States (in the states of California, Florida, New York and Pennsylvania, and in Washington, D.C.) and Mexico. In Europe, marketing is effected through offices in Austria, Belgium, France, Germany, Russia, Switzerland and the United Kingdom. Finally, in Asia, such offices are located in China, Indonesia, Malaysia, Taiwan and Thailand. Bombardier leases these marketing or sales offices, with the exception of the office in Saint-Bruno-de-Montarville, Québec, and those in Austria, Belgium, Germany, Switzerland and the United Kingdom, which it owns.

Mass Transit – North America

The Mass Transit – North America division includes the operations of the plants at La Pocatière, Québec, Millhaven (Kingston) and Thunder Bay, Ontario, Plattsburgh, New York and Barre, Vermont, where it manufactures a wide range of vehicles for urban, suburban and intercity rail-passenger transportation.

Transit Systems

The Transit Systems division is responsible for the marketing, engineering and project management of turnkey transportation systems. In connection with international contracts for transportation systems projects, the Transit Systems division is responsible for system integration, supply of the automatic train controls, system commissioning, trial running and start-up services.

Bombardier-Concarril, S.A. de C.V.

Located in Sahagún in the state of Hidalgo, 70 kilometres north-east of Mexico City, the facilities of Bombardier-Concarril, S.A. de C.V. are equipped to produce a full range of rail transportation equipment, including rubber-tired and steel-wheeled subway cars, light rail vehicles, passenger coaches and freight cars. These manufacturing facilities also perform vehicle refurbishment.

BN S.A.

BN S.A., with manufacturing facilities at Manage and Brugge, in Belgium, is a manufacturer of railway equipment and urban and suburban transit equipment. Its range of products includes passenger rail cars, self-propelled vehicles, light and heavy subway cars, low-floor tramways and TGV (high-speed train) equipment.

Société ANF-Industrie S.A.

The operations of Société ANF-Industrie S.A. are located at its plant in Crespin, in the north of France. It has developed the ability to supply a whole range of railway products: tramways, subway cars, commuter cars, main line and TGV (high-speed train) coaches, double-deck self-propelled vehicles and turbotrains. It also offers a whole range of mechanically welded bogies.

Bombardier-Wien Schienenfahrzeuge AG

Bombardier-Wien Schienenfahrzeuge AG, whose plant is in Vienna, Austria, manufactures special-purpose and light rail vehicles and has developed expertise in the manufacture of train modules for the other European divisions of Bombardier Transportation.

Prorail Limited

Prorail Limited, from manufacturing facilities in Wakefield, England, is engaged in the manufacture of single-deck self-propelled vehicles and the refurbishment of subway cars and the design and production of bogies. The company also builds and refurbishes rail passenger carbodies and locomotive body structures mainly for the U.K. market.

Talbot GmbH & Co. KG

Talbot GmbH & Co. KG, based in Aachen, Germany, is engaged in the design and manufacture of single and double-deck rail passenger vehicles, bogies for passenger and freight applications, as well as intermodal freight equipment. Its principal markets are in Germany, the Netherlands, Scandinavia and Switzerland.

DWA Deutsche Waggonbau GmbH

DWA Deutsche Waggonbau GmbH, based in Berlin, Germany, manufactures rail transportation equipment including subway cars, commuter train and intercity rail passenger train cars, diesel and electrical motorized rail passenger cars and specialized freight cars. It is one of the most important suppliers to Deutsche Bahn AG and has a strong presence in the East and Central European markets as well as in Russia.

Gunderson-Concarril, S.A. de C.V.

Gunderson-Concarril, S.A. de C.V. is a subsidiary of Greenbrier-Concarril LLC, the joint venture in which each of Bombardier and The Greenbrier Companies, Inc. holds a 50% interest. Gunderson-Concarril,

S.A. de C.V. manufactures railroad freight cars for Greenbrier-Concarril LLC at Bombardier-Concarril, S.A. de C.V.'s facilities in Sahagún, Mexico. The freight cars are sold by Greenbrier-Concarril LLC on the North American market.

Vevey Technologies S.A. Villeneuve

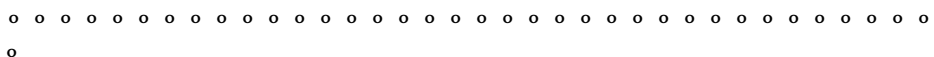
Vevey Technologies S.A. Villeneuve, based in Villeneuve, Switzerland, is a production site for light rail vehicles and is engaged in the conception and manufacturing of rolling stock: low-floor light rail tramways, city-metros and automated vehicles, multiple units, bogies, maintenance and refurbishment.

Vagónka Ěeská Lipa a.s.

Vagónka Ěeská Lipa a.s., based in Ěeská Lipa, the Czech Republic, is a production site for steel subassembly for rail freight and passenger vehicles.

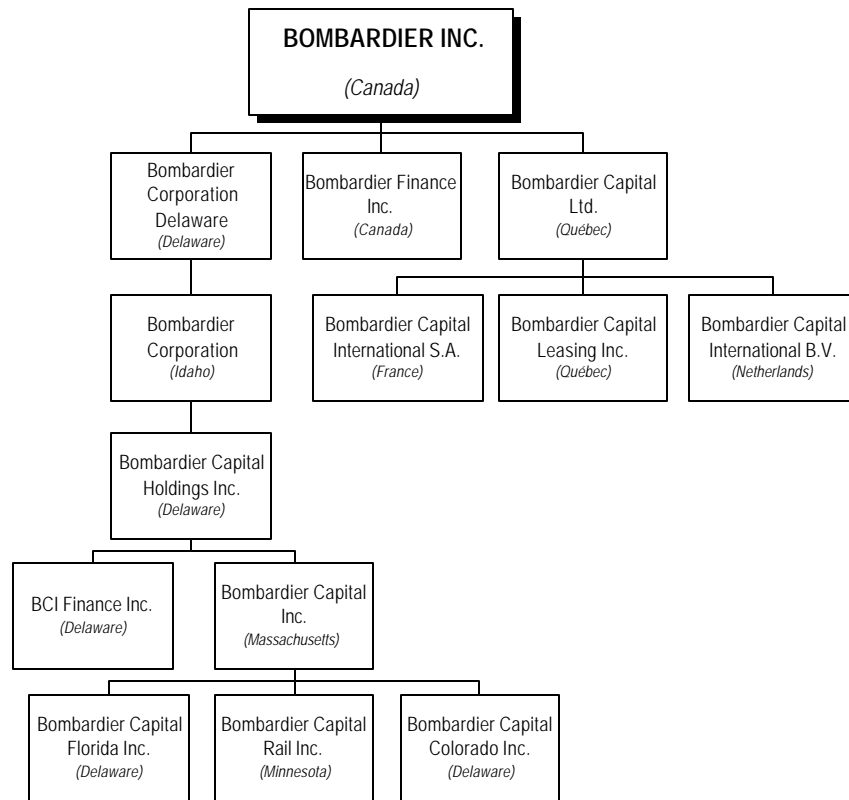
BOMBARDIER

CAPITAL



The administrative centre of Bombardier Capital is located in Jacksonville, Florida, the United States.

The following chart provides the name and jurisdiction of incorporation of the active, direct or indirect subsidiaries of the Corporation, as at January 31, 1999, which fall within Bombardier Capital. Bombardier holds 100% of the voting shares of such companies, unless otherwise indicated. There are no other classes of securities of such companies outstanding.



Financial Services

Bombardier Capital’s traditional core businesses are (i) to originate and manage secured purchase money inventory financing for dealers and distributors of recreational and consumer products, (ii) to provide domestic and international lending, leasing and asset management services to businesses in connection with a range of business aircraft and other commercial and industrial products and (iii) to provide factoring of accounts receivable and other financial services to Bombardier. These activities are conducted by two divisions of Bombardier Capital, namely, Inventory Finance, and Commercial and Industrial Finance.

Consumer financing operations in both the recreational products and manufactured housing markets and commercial leasing activities such as computer and telecommunications hardware and software and railcar leasing are conducted through three divisions since 1997: Consumer Finance, Technology Management and Finance, and Mortgage Finance.

Bombardier Capital’s core mission is to provide sales financing and services support to Bombardier. Although Bombardier Capital has progressively diversified its financing activities outside of the Bombardier group of companies, financing of captive Bombardier products remains an integral part of its strategy and will continue to represent an important part of its business. Accordingly, Bombardier Capital continues to provide innovative financing solutions for Bombardier, while concurrently benefiting from its financing expertise to pursue and grow in non-Bombardier niche markets.

● Inventory Finance

The Inventory Finance divisions (U.S., Canada and International) provide inventory financing, on a secured basis, principally to dealers located in the United States and Canada for the purchase of recreational, consumer and commercial products from specified manufacturers and distributors. The principal market segments for which Bombardier Capital currently provides inventory financing include (i) Bombardier recreational products, (ii) marine products, other than Bombardier products, (iii) manufactured housing,

(iv) recreational motor vehicles, and (v) consumer electronics and appliances, business products, lawn and garden products and auto rentals.

As at January 31, 1999, Bombardier Capital was providing inventory financing to approximately 4,600 dealers located throughout the United States and in Canada. It also had financing arrangements with approximately 600 manufacturers and distributors.

In addition, Bombardier Capital International B.V., a wholly-owned subsidiary of Bombardier Capital Ltd. operating in Finland, provides inventory financing to Scandinavian dealers. Also, Bombardier Capital International S.A., a subsidiary of Bombardier Capital Ltd., operating in France, provides inventory financing to French dealers. During the current financial year, Bombardier Capital has expanded its international operations to several additional European countries.

The Inventory Finance division operates from offices located in Colchester, Vermont and Valcourt, Québec. International operations are located in Paris, France and Rovaniemi, Finland.

● **Commercial and Industrial Finance**

The Commercial and Industrial Finance division provides asset-based financing to commercial customers chiefly in the United States and Canada. This includes (i) financing provided to third parties with respect to various commercial and industrial equipment, (ii) loan and lease financing provided to third party customers of Bombardier with respect to new business aircraft manufactured by Bombardier and by others, (iii) financing open account and trade receivables of Bombardier, principally associated with the supply of parts and services for Bombardier manufactured aircraft, (iv) loan and lease financing made on an interim basis to customers purchasing commercial aircraft manufactured by Bombardier, (v) inventory financing for Bombardier with respect to trade-in business aircraft held in the inventory of Bombardier and (vi) inventory financing for certain U.S.-based business aircraft dealers.

The principal office of the Commercial and Industrial Finance division is located in Colchester, Vermont. It also operates sales offices in Brossard, Québec, Atlanta, Georgia, Garden City, New York, Fort Lauderdale, Florida and Toronto, Ontario. Its railcar leasing and management firm, Bombardier Capital Rail Inc., has operations located in Buffalo, Minnesota, with sales offices in Tinley Park, Illinois, Bala Cynwyd, Pennsylvania and Kansas City, Missouri.

● **Consumer Finance**

The Consumer Finance division offers financial products that enable consumers to acquire recreational products and services. It continues to focus on financing products manufactured by Bombardier, including Ski-Doo snowmobiles, Sea-Doo personal watercraft and boats, and on products sold by the existing dealers of the Inventory Finance division. In order to serve the needs of the target market segments, the Consumer Finance division offers a diverse line of financial products.

The Consumer Finance division operates from offices in Jacksonville, Florida, Colorado Springs, Colorado and Brossard, Québec.

● **Technology Management and Finance**

The Technology Management and Finance division provides leasing and technology management services primarily to investment grade businesses for computer and telecommunications equipment. The Technology Management and Finance division provides operating leases, capital leases and sale and leaseback arrangements for personal computers, mini and mainframe computers, networks, software and telecommunications and audiovisual equipment.

The Technology Management and Finance division operates from offices in Jacksonville, Florida, Colchester, Vermont, and Brossard, Québec.

● **Mortgage Finance**

The Mortgage Finance division offers consumer lending services in the manufactured housing market. Mortgage Finance offers a variety of retail financing services to purchasers of manufactured homes. The mortgage loans originated or purchased by this division are exclusively U.S.-based, although entry into the Canadian market is planned.

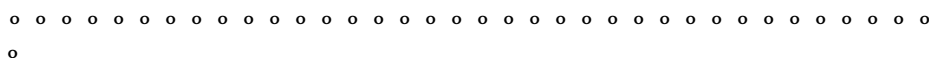
The Mortgage Finance division generates manufactured housing financings through a network of dealers. The dealers are retailers who sell manufactured homes to consumers, most often under retail instalment sale contracts.

The Mortgage Finance division operates from offices in Jacksonville, Florida and Colorado Springs, Colorado.

Real Estate Services

The Real Estate Services division's activities consist of developing real estate assets owned by Bombardier that are earmarked for new uses and meeting the real estate needs of the Corporation's groups and subsidiaries. The Real Estate Services division's other activity is the Bois-Franc project, which involves the development of an urban residential community with integrated commercial and service infrastructures on land adjacent to the Canadair facilities in Saint-Laurent, Québec. During the year, the Real Estate Services division continued the development of phase 1 of the Bois-Franc project, which was launched in 1993 and calls for approximately 1,200 residential units, through the sale of land to real estate developers.

BOMBARDIER INTERNATIONAL



Bombardier International is responsible for identifying opportunities in non-traditional markets for the Corporation's products, technologies and competencies; to develop appropriate and integrated country strategies in close collaboration with the other business groups; to explore opportunities for acquisitions and strategic alliances and pursue them when judged appropriate; and, to act as the key interface between Bombardier and government authorities, potential partners and decision-makers in targeted countries.

The Corporation's representative office located in Beijing has been brought under the Bombardier International umbrella.

3.2 Segmented Disclosure

For information respecting Bombardier's sales by industry and geographic segments, reference is made to note 23 of the notes to the consolidated financial statements for the financial years ended January 31, 1999 and January 31, 1998, which consolidated financial statements and accompanying notes, appearing on pages 67 to 69 of the Corporation's Annual Report for the 1998-99 financial year, are incorporated herein by reference.

3.3 Agreements Relating to the Use of Certain Technologies

Some operations of Bombardier are conducted under agreements which allow it to use certain technical data and information relating to products or technologies developed by others. The most important of such agreements are summarized below.

GEC-Alstom/TGV

Under a framework agreement renewed in August 1995 with the Franco-British company GEC-Alstom, Bombardier has the exclusive right to use the high-speed train technology generally known as TGV for purposes of marketing and manufacture in Canada, the United States and Mexico. The agreement is for five years commencing on July 1, 1995; however, each of the parties has reserved the right to terminate it after a period of four years, should certain specified events occur. Unless the parties terminate the agreement, it will be renewed automatically for an additional period of five years. The agreement provides that Bombardier will pay GEC-Alstom a royalty equal to 4% of the sales price of the transportation equipment manufactured and delivered by Bombardier as part of TGV projects in North America.

Cartierville Financial Corporation Inc./Challenger Aircraft

Under an agreement signed on December 22, 1986 with Cartierville Financial Corporation Inc. ("CFC") (a wholly-owned subsidiary of Canada Development Investment Corporation, in turn wholly owned by the Canadian federal government), Canadair Limited obtained a licence granting it the exclusive and absolute right to use and exploit all the technology relating to the design of the Challenger aircraft and to use and incorporate that technology in the manufacture, development, testing, sale, distribution and maintenance of Challenger aircraft and any other related product worldwide. The initial term of the agreement is 21 years; however, the Corporation (as successor in interest to Canadair Limited) has an option to renew this agreement for three additional consecutive periods of 21 years each. In consideration for the rights thus granted to it, the Corporation paid CFC a lump sum of \$20 million in 1988, less an amount equal to certain royalties already paid, in lieu of the royalties provided for under the agreement.

3.4 Research

Every year Bombardier commits a portion of its revenues to research. The total sums spent for this purpose appear in note 14 to the consolidated financial statements for the financial years ended January 31, 1999 and January 31, 1998 appearing on page 61 of the Corporation's Annual Report. These investments reinforce the skills and know-how of the engineers and technicians who currently make up Bombardier's design and engineering force.

3.5 Environment

During the 1998-99 financial year, the manufacturing operations of Bombardier continued to be in compliance with the applicable laws and regulations. Certain cases of non-compliance identified during environmental audits completed during the year were or are being corrected. In all such cases, corrective action measures were identified, brought to the attention of the government authorities and incorporated into an action plan for implementation. The cost of the corrective measures, taken singly or together, does not or will not have any material effect on the performance of Bombardier.

One notice for non-compliance was issued against one German manufacturing facility. Corrective measures will be implemented during the 1999-2000 financial year. No other legal proceedings were undertaken against the Corporation or its subsidiaries regarding the ongoing environmental impact of their activities during the 1998-99 financial year.

In previous years, Bombardier had reported that it had been identified as potentially liable for the contamination of several sites in the United States. The resulting management and decontamination activities continued during the 1998-99 financial year. The costs associated with these activities were not material during the period. The probable total costs associated with these activities are still not known, but for the time being they are not considered to be material for Bombardier. The anticipated costs of site decontamination during the coming period are not material.

As part of the integration process regarding DWA Deutsche Waggonbau GmbH, Bombardier was informed or acquired knowledge of certain environmental conditions of the properties owned by DWA. Such conditions may result in remediation activities being continued or initiated at certain acquired DWA locations. Various levels of the German Federal or State government have recognized and accepted responsibility for historical soil and groundwater contamination. Formal documents recognizing such responsibility were received from the German Federal or State authorities during the period. The need to undertake new remediation work has not yet been clearly established. The costs related to such undertakings are not known. The costs associated with the continuation of ongoing remediation programs are not material to DWA or to Bombardier.

3.6 Human Resources

The following table shows the number of employees of Bombardier as at January 31, 1999, compared with January 31, 1998:

	Number of employees as at January 31	
	1999	1998
Bombardier Aerospace ⁽¹⁾	31,194	28,746
Bombardier Recreational Products ⁽¹⁾	4,691	5,369
Bombardier Transportation.....	15,496	12,799
Bombardier Capital.....	1,174	766
Corporate Office	145	98
Total	52,700	47,778

(1) The numbers are adjusted to include former Bombardier Services employees.

In North America, at the end of the 1998-99 financial year, 13,979 employees of Bombardier were represented by certified associations under 16 separate collective agreements. These agreements expire at various dates ranging from May 31, 1999 to September 30, 2003.

In Europe, there are more than 15 collective agreements in force. National unions represent employees in subsidiaries or divisions and national and sectoral bargaining generally takes place every one or two years depending on the country (Austria, Belgium, the Czech Republic, Finland, France, Germany, Switzerland and the United Kingdom). These agreements expire at various dates ranging from December 31, 1998 to June 30, 2003.

Bombardier considers that its relations with its employees are satisfactory.

Item 4 Selected Consolidated Financial Information

Consolidated financial information for the last five financial years ended January 31⁽¹⁾

(millions of Canadian dollars, except per share amounts)	1999	1998	1997	1996 restated ⁽²⁾	1995 restated ⁽²⁾
Revenues	11,500.1	8,508.9	7,975.7	7,123.4	5,943.0
Net income	554.0	420.2	406.2	158.0 ⁽⁵⁾	247.3
Total assets	14,272.2	10,575.2	7,950.3	6,392.6	5,461.8
Long-term debt	2,575.9	1,639.6	1,524.2	1,311.4	1,185.5
Convertible notes – equity component.....	180.5	165.8	152.3	139.9	128.6
Series 1 Redeemable Preferred Shares ⁽⁶⁾	---	---	30.9	30.9	31.5
Series 2 Redeemable Preferred Shares ⁽⁷⁾	300.0	300.0	---	---	---
Earnings per share ⁽³⁾⁽⁴⁾					
Basic	0.77	0.59	0.59	0.22 ⁽⁵⁾	0.36
Fully diluted	0.76	0.58	0.58	0.22	0.35
Dividends per share					
Series 1 Redeemable Preferred.....	---	0.77955	1.87500	1.87500	1.87500
Series 2 Redeemable Preferred.....	1.37500	0.95120	---	---	---
Class A ⁽³⁾⁽⁴⁾	0.17000	0.15000	0.10000	0.10000	0.07500
Class B Subordinate ⁽³⁾⁽⁴⁾	0.17313	0.15313	0.10313	0.10313	0.07813

- (1) At the end of the financial year 1997-98, Bombardier acquired Deutsche Waggonbau AG and posted its accounts in the Balance Sheet as at January 31, 1998 without including its results for the year ending at the same date. The consolidated results for the financial year ended January 31, 1997 include the results of the business jet completion division of Innotech Aviation Ltd. for a period of two months. The consolidated results for the financial year ended January 31, 1996 include the results of Talbot GmbH & Co. KG for a period of nine months. The consolidated results for the financial year ended January 31, 1995 include the results of Nova Bus Corporation for a period of one month.
- (2) On February 1, 1996, the Corporation adopted the new recommendations of the Canadian Institute of Chartered Accountants concerning financial instruments. Accordingly, the Corporation retroactively changed its accounting policy regarding the presentation of the convertible notes. Under this new accounting policy, the present value of interest payments on the convertible notes is recorded as long-term debt whereas the present value of the principal is recorded in shareholders' equity. The equity component of the convertible notes increases until October 1999 as a result of charges against retained earnings to reach an amount equal to the nominal value of the convertible notes. The interest on the debt component of the convertible notes is included in inventories in accordance with the Corporation's accounting policies.
- (3) The figures have been adjusted to reflect the two-for-one stock splits which took place on July 10, 1998.
- (4) The figures have been adjusted to reflect the two-for-one stock splits which took place on July 7, 1995.
- (5) The effect of the write-down of investment in Eurotunnel share units on the net income amounts to \$155.0 million (\$0.24 per common share). Exclusive of this write-down, the net income would then be \$313.0 million (\$0.46 per common share).
- (6) Series 1 Preferred Shares were redeemed and cancelled on June 30, 1997.
- (7) Series 2 Preferred Shares were issued on May 22, 1997.

Quarterly consolidated financial information (unaudited)

(millions of Canadian dollars, except per share amounts)	1998-99			
	<u>4th qtr.</u>	<u>3rd qtr.</u>	<u>2nd qtr.</u>	<u>1st qtr.</u>
Revenues	4,044.2	2,620.0	2,488.3	2,347.6
Net income	193.7	125.5	122.7	112.1
Earnings per share				
Basic ⁽³⁾	0.27	0.17	0.17	0.16
Fully diluted ⁽³⁾	0.27	0.17	0.16	0.16
Dividends per share				
Series 2 Redeemable Preferred ⁽²⁾	0.34375	0.34375	0.34375	0.34375
Class A ⁽³⁾	0.04250	0.04250	0.04250	0.04250
Class B Subordinate ⁽³⁾	0.04250	0.04250	0.04250	0.04563
(millions of Canadian dollars, except per share amounts)	1997-98			
	<u>4th qtr.</u>	<u>3rd qtr.</u>	<u>2nd qtr.</u>	<u>1st qtr.</u>
Revenues	2,761.5	2,126.5	1,959.5	1,661.4
Net income	150.6	98.3	87.8	83.5
Earnings per share				
Basic ⁽³⁾	0.21	0.14	0.12	0.12
Fully diluted ⁽³⁾	0.20	0.14	0.12	0.12
Dividends per share				
Series 1 Redeemable Preferred ⁽¹⁾	---	---	0.31080	0.46875
Series 2 Redeemable Preferred ⁽²⁾	0.34375	0.34375	0.26370	---
Class A ⁽³⁾	0.03750	0.03750	0.03750	0.03750
Class B Subordinate ⁽³⁾	0.03750	0.03750	0.03750	0.04063

(1) Series 1 Preferred Shares were redeemed and cancelled on June 30, 1997.

(2) Series 2 Preferred Shares were issued on May 22, 1997.

(3) The figures have been adjusted to reflect the two-for-one stock splits which took place on July 10, 1998.

Pursuant to various financing agreements to which they are parties, Bombardier Capital Ltd., Bombardier Capital Inc. and Learjet Inc. are subject to certain restrictions as to payment of dividends. The Corporation, as intervenor, is also subject to certain restrictions as to the receipt of dividends from these subsidiaries. These subsidiaries have undertaken to maintain certain financial ratios or a minimum level of net worth, which may have the indirect effect of restricting payment of dividends by these subsidiaries.

Item 5 Management's Discussion and Analysis

A discussion and analysis by management of the financial condition and results of operations for the financial years ended January 31, 1999 and January 31, 1998 is presented under the item "Management's Discussion and Analysis" on pages 9 to 36 of the Corporation's Annual Report for the 1998-99 financial year, which item is incorporated herein by reference. To complement the financial discussion and analysis, reference is made to the consolidated financial statements for the financial years ended January 31, 1999 and January 31, 1998, the summary of significant accounting policies and the notes to the consolidated financial statements on pages 49 to 67 of the Corporation's Annual Report for the 1998-99 financial year, which consolidated financial statements, summary and notes are incorporated herein by reference.

Item 6 Market for the Securities of the Issuer

The Class A Shares, the Class B Subordinate Voting Shares and the Series 2 Preferred Shares of the Corporation are listed for trading on the Montréal and Toronto stock exchanges. The Class B Subordinate Voting Shares are also listed for trading on the Frankfurt Stock Exchange in Germany and on the Brussels Stock Exchange in Belgium.

Item 7 Dividends

The Corporation declared the dividends indicated below on its outstanding shares during the financial years ended January 31, 1999 and January 31, 1998.

(millions of dollars, except per share amounts)	Financial years ended January 31			
	1999		1998	
	Total	Per share	Total	Per share
Series 1 Redeemable Preferred Shares	---	---	1.0	0.77955 ⁽¹⁾
Series 2 Redeemable Preferred Shares	15.4	1.37500	11.4	0.95120 ⁽²⁾
Class A Shares	30.0	0.17000	26.6	0.15000 ⁽³⁾
Class B Subordinate Voting Shares	87.3	0.17313	76.5	0.15313 ⁽³⁾

- (1) The Series 1 Preferred Shares were redeemed on June 30, 1997. The dividend amount indicated represents the dividend paid on such shares for the period from February 1, 1997 to June 30, 1997.
- (2) The Series 2 Preferred Shares were issued by the Corporation on May 22, 1997. The dividend amount indicated above represents the dividends declared by the Board of Directors on such shares for the period from May 22, 1997 to January 31, 1998 prior to gross-up for tax purposes.
- (3) The figures have been adjusted to reflect the two-for-one stock splits which took place on July 10, 1998.

The articles of the Corporation stipulate that no dividends may be paid on the Class A Shares or the Class B Subordinate Voting Shares unless all accrued and unpaid dividends on the Series 2 Preferred Shares have been declared and paid or set aside for payment, or all the outstanding Series 2 Preferred Shares have been called for redemption and the redemption price of such shares has been deposited in the manner set out in the articles of the Corporation.

The holders of Class B Subordinate Voting Shares are entitled, in preference to the holders of Class A Shares, to a non-cumulative dividend at the rate of \$0.003125 per share per annum; when a dividend on the Class B Subordinate Voting Shares at the rate of \$0.003125 per share per annum is declared and paid or set aside for payment in any financial year, the Class A Shares and the Class B Subordinate Voting Shares participate equally, share for share, with respect to any additional dividend which may be declared, paid or set aside for payment during said financial year.

In general, the Corporation's policy is to set the total amount of its dividends for a financial year at approximately 30% of the consolidated net income for the previous financial year. The Board of Directors of the Corporation reserves the right to modify this policy at any time.

Item 8 Directors and Officers

The names of the directors and officers of the Corporation, their municipality of residence, the positions held by the directors and officers within the Corporation, the principal occupations of the directors, the period during which each director has exercised his mandate, as well as the number of Class A Shares, Class B Subordinate Voting Shares or Series 2 Preferred Shares, as the case may be, of the Corporation that the directors, as at April 19, 1999, owned beneficially or over which they exercised control or direction, are indicated below:

<i>Directors</i>	Period of service as a director	Approximate number of shares of the Corporation owned beneficially by a director or over which the director exercised control or direction as at April 19, 1999		
		Class A Shares	Class B Subordinate Voting Shares	Series 2 Preferred Shares
YVAN ALLAIRE Westmount, Québec Executive Vice-President of the Corporation and Chairman of Bombardier Capital	1998 to date	4,864	115,145	0
LAURENT BEAUDOIN, C.C., FCA ^{(1)(a)(c)} Westmount, Québec Chairman of the Board and of the Executive Committee of the Corporation	1975 to date	241,280	1,760,192	0
J.R. ANDRÉ BOMBARDIER ^{(a)(c)} Nuns' Island, Verdun, Québec Vice-Chairman of the Corporation	1975 to date	(2)	34,597	0
JANINE BOMBARDIER Westmount, Québec President and Governor, J. Armand Bombardier Foundation, charitable organization	1984 to date	(3)	0	0
ROBERT E. BROWN Westmount, Québec President and Chief Executive Officer of the Corporation	1999 to date	0	24,143	0
ANDRÉ DESMARAIS ^(c) Westmount, Québec President and Co-Chief Executive Officer, Power Corporation of Canada, holding and management corporation	1985 to date	0	63,200	0
JEAN-LOUIS FONTAINE ^{(4)(a)(b)} Westmount, Québec Vice-Chairman of the Corporation	1975 to date	2,048,736	36,313	0
THE HON. JEAN-PIERRE GOYER, P.C., Q.C. ^(b) Nuns' Island, Verdun, Québec Lawyer and company director	1982 to date	0	13,800	0
PIERRE LEGRAND, Q.C. ^{(a)(b)(c)} Nuns' Island, Verdun, Québec Senior Partner, Ogilvy Renault, barristers and solicitors	1975 to date	3,584	0	0

Directors

	Period of service as a director	Approximate number of shares of the Corporation owned beneficially by a director or over which the director exercised control or direction as at April 19, 1999		
		Class A Shares	Class B Subordinate Voting Shares	Series 2 Preferred Shares
THE HON. PETER LOUGHEED, P.C., C.C., Q.C. Calgary, Alberta Counsel, Bennett Jones, barristers and solicitors	1986 to date	0	3,200	0
DONALD C. LOWE ^(b) Toronto, Ontario Corporate Director and Consultant	1987 to date	0	266,000	0
JEAN C. MONTY Montréal, Québec President and Chief Operating Officer, BCE Inc. Chairman and Chief Executive Officer, Bell Canada	1998 to date	0	5,000	0
PAUL M. TELLIER Westmount, Québec President and Chief Executive Officer, Canadian National, transportation company	1997 to date	0	4,000	0
WILLIAM I.M. TURNER, JR., C.M. ^{(a)(c)} Westmount, Québec Chairman and Chief Executive Officer, Exsultate Inc., holding company	1976 to date	188,000	30,500	0
HUGO UYTERHOEVEN Boston, Massachusetts, U.S.A. Timken Professor of Business Administration Emeritus, Harvard Business School	1983 to date	0	0	0

- (1) Mrs. Claire Bombardier Beaudoin, wife of Mr. Laurent Beaudoin, exercises, through holding corporations which she controls (either directly or in concert with J.R. André Bombardier, Janine Bombardier and Huguette Bombardier Fontaine), control or direction over 35,111,744 Class A Shares of the Corporation.
 - (2) Mr. J.R. André Bombardier exercises, through holding corporations which he controls (either directly or in concert with Claire Bombardier Beaudoin, Janine Bombardier and Huguette Bombardier Fontaine), control or direction over 36,543,744 Class A Shares of the Corporation.
 - (3) Mrs. Janine Bombardier exercises, through holding corporations which she controls (either directly or in concert with Claire Bombardier Beaudoin, J.R. André Bombardier and Huguette Bombardier Fontaine), control or direction over 35,111,744 Class A Shares of the Corporation.
 - (4) Mrs. Huguette Bombardier Fontaine, wife of Mr. Jean-Louis Fontaine, exercises, through holding corporations which she controls (either directly or in concert with Claire Bombardier Beaudoin, J.R. André Bombardier and Janine Bombardier), control or direction over 34,311,744 Class A Shares of the Corporation.
- (a) Member of the Executive Committee.
(b) Member of the Audit Committee.
(c) Member of the Compensation Committee.

Each director remains in office until the following annual shareholders' meeting or until the election of his successor, unless he resigns or his office becomes vacant as a result of his death, removal or any other cause.

Officers who are not Directors

Name and Municipality of Residence	Position held within the Corporation
Pierre Beaudoin Nuns' Island, Verdun, Québec	President and Chief Operating Officer, Bombardier Recreational Products
Yvon Beauregard Brossard, Québec	Vice-President, Occupational Health/Safety and Environment
Richard Bradeen Westmount, Québec	Vice-President, Acquisitions and Strategic Alliances
Roger Carle Town of Mount Royal, Québec	Director, Legal Services and Corporate Secretary
Daniel Desjardins Nuns' Island, Verdun, Québec	Vice-President, Legal Services and Assistant Secretary
Michael S. Graff Montréal, Québec	President and Chief Operating Officer, Bombardier Aerospace
Robert Greenhill Montréal, Québec	Vice-President, Strategic Initiatives
Paul H. Larose ⁽¹⁾ Outremont, Québec	Vice-President, Finance
Jean-Yves Leblanc Outremont, Québec	President and Chief Operating Officer, Bombardier Transportation
François Lemarchand Montréal, Québec	Vice-President and Treasurer
Michel Lord Nuns' Island, Verdun, Québec	Vice-President, Communications and Public Relations
Pierre Lortie St-Lambert, Québec	President and Chief Operating Officer, Bombardier International
Louis Morin ⁽²⁾ Kirkland, Québec	Vice-President, Finance
Michael O'Bree Beaconsfield, Québec	Vice-President, Internal Audit
Barry J. Olivella Franklin Centre, Québec	Vice-President, Special Projects
Ingeborg Rittweiler Île-Bizard, Québec	Vice-President, Six Sigma
Pierre-André Roy Jacksonville, Florida	President and Chief Operating Officer, Bombardier Capital
Jacques Savard Beaconsfield, Québec	Vice-President and Controller
Marie-Claire Simoneau Montréal, Québec	Executive Assistant to the Chairman
Richard T. Sloan Williston, Vermont	Vice-President and General Manager, Structured Finance
Michael P. Tinker Nuns' Island, Verdun, Québec	Vice-President, Human Resources and Organizational Development

(1) Paul H. Larose, who will retire on September 30, 1999, was Vice-President, Finance until April 1, 1999, when he became advisor to Louis Morin.

(2) Louis Morin became Vice-President, Finance of the Corporation effective April 1, 1999.

On April 19, 1999, the directors of the Corporation (other than Mrs. Janine Bombardier and Mr. J.R. André Bombardier) and the officers of the Corporation, as a group, owned beneficially, directly or indirectly, 2,490,820 Class A Shares and 3,666,504 Class B Subordinate Voting Shares, representing 1.41% and 0.72%, respectively, of the outstanding shares of each such class.

The directors and officers of the Corporation who have not occupied their current principal occupation for more than five years have had the following principal occupations during the last five years, except that where a director or officer has held more than one position in the same company or an affiliate of such company, only the date of his appointment to his current position is indicated:

- Yvan Allaire has been Executive Vice-President of the Corporation and Chairman of Bombardier Capital since February 1, 1999. Prior to that date, he was Executive Vice-President, Strategy and Corporate Affairs of the Corporation since May 1, 1996. As the co-founder of a Canadian strategic planning consulting firm, he has been an adviser to the executive management of several large Canadian corporations, including, since 1985, to the Chairman of the Board and of the Executive Committee of the Corporation;
- Laurent Beaudoin has been Chairman of the Board and of the Executive Committee of the Corporation since February 1, 1999; prior to that date, he was President, Chairman and Chief Executive Officer of the Corporation since June 18, 1996 and, before that, he had been Chairman and Chief Executive Officer since April 1978;
- Pierre Beaudoin has been President and Chief Operating Officer of Bombardier Recreational Products, formerly known as the Motorized Consumer Products Group, since May 15, 1996; prior to that date, he had been President of that group since April 1, 1996; he had previously been President of the Sea-Doo/Ski-Doo Division since February 1, 1994;
- Yvon Beauregard has been Vice-President, Occupational Health/Safety and Environment of the Corporation since February 1, 1999; prior to that date, he was Vice-President, Environment of the Corporation since November 1, 1993;
- Richard Bradeen has been Vice-President Acquisitions and Strategic Alliances of the Corporation since February 1, 1999. Prior to that date, he was Vice-President, Acquisitions of the Corporation since August 1, 1997. Prior to that date, he had been a partner of Ernst & Young since 1988;
- Robert Brown has been President and Chief Executive Officer of the Corporation since February 1, 1999; prior to that date, he was President and Chief Operating Officer of Bombardier Aerospace since May 15, 1996 and, before that, he had been President of Bombardier Aerospace – North America since 1992;
- Roger Carle has been Director, Legal Services and Corporate Secretary of the Corporation since September 17, 1996; from June 1996 to September 1996, he was Director, Legal Services and Assistant Secretary of the Corporation; and from April 1, 1996 to June 18, 1996, he had been Director, Legal Services of the Corporation. From July 1993 to April 1, 1996, he had been Director, Legal Services of Bombardier Aerospace – North America;
- Daniel Desjardins has been Vice-President, Legal Services and Assistant Secretary of the Corporation since April 6, 1998; prior to that date, he had been, since February 1986, a partner of Hudon, Gendron, Harris, Thomas;
- André Desmarais has been President and Co-Chief Executive Officer of Power Corporation of Canada since May 10, 1996; prior to that date, he had been President and Chief Operating Officer of the same corporation since May 1991;
- Michael S. Graff has been President and Chief Operating Officer of Bombardier Aerospace since February 1, 1999. Prior to that date, he was President of the Bombardier Aerospace Business Aircraft division since June 1, 1996. Prior to joining the Corporation, he had been a partner at McKinsey & Company Management Consultants;

- Robert Greenhill has been Vice-President, Strategic Initiatives of the Corporation since October 1, 1996; prior to that date, he had been Director, Strategic Planning since May 1995; prior to May 1995, he had held a senior position with the consulting firm of McKinsey & Company;
- Jean-Yves Leblanc has been President and Chief Operating Officer of Bombardier Transportation since May 15, 1996; prior to that date, he had been President, Transportation Equipment Group – North America since March 1992;
- François Lemarchand has been Vice-President and Treasurer of the Corporation since October 1, 1996; prior to that date, he had been Manager and Senior Manager – Corporate Banking, at National Bank of Canada from May 1, 1993 to September 30, 1996;
- Pierre Lortie has been President and Chief Operating Officer of Bombardier International since April 6, 1998; prior to that date, he had been President of the Regional Aircraft division since August 1993;
- Jean C. Monty has been President and Chief Operating Officer of BCE Inc. since October 1, 1997 and Chairman and Chief Executive Officer of Bell Canada since February 28, 1998; previously, he had been President and Chief Executive Officer of Northern Telecom Limited from March 1993 to February 1997 when he had become its Vice-Chairman and Chief Executive Officer;
- Louis Morin has been Vice-President, Finance of the Corporation since April 1, 1999; from March 1, 1997 to March 31, 1999, he was Vice-President, Finance of Bombardier Aerospace; previously, he had been Vice-President and Controller of the Corporation between October 1, 1996 and February 28, 1997 and Vice-President, Financial Management, Aerospace Sector from February 1, 1997 to September 30, 1996;
- Michael O’Bree has been Vice-President, Internal Audit of the Corporation since October 1, 1996; prior to that date, he had been Controller of the Bombardier Regional Aircraft Division from March 1, 1995 to September 30, 1996; and previously he had been Vice-President, Internal Audit of the Corporation since 1989;
- Barry J. Olivella has been Vice-President, Special Projects of the Corporation since February 1, 1999; prior to this date, he was Vice-President, Acquisitions and Strategic Alliances of the Corporation since April 1990;
- Ingeborg Rittweiler has been Vice-President, Six Sigma of the Corporation since April 1, 1999; prior to that date, she had been Vice-President, Six Sigma of Bombardier Aerospace since December 8, 1997; she had previously been Director, Six Sigma of Bombardier Aerospace since February 1, 1997; prior to that date, she had been Director, Quality Assurance of Bombardier Aerospace since March 5, 1994;
- Pierre-André Roy has been President and Chief Operating Officer of Bombardier Capital since May 15, 1996; from February 1, 1995 to May 1996, he had been Vice-President and Treasurer of the Corporation, in addition to being President of Bombardier Capital, which position he had held since November 15, 1993; prior to that date, from May 1992 to November 1993, he had been President of the Amphibious Aircraft division;
- Jacques Savard has been Vice-President and Controller of the Corporation since April 1, 1999; prior to that date, he had been Vice-President, Finance and Information Technologies of Bombardier Recreational Products since March 1, 1997; he had previously been Vice-President, Finance of Bombardier Aerospace since July 1996 after having been Vice-President, Finance of Short Brothers plc since April 4, 1994;
- Marie-Claire Simoneau has been Executive Assistant to the Chairman since February 1, 1999; prior to that date, she was Executive Assistant to the Chief Executive Officer since April 21, 1986;
- Richard T. Sloan has been Vice-President and General Manager, Structured Finance of the Corporation since July 1, 1996; prior to that date, he was Vice-President and General Manager, Structured Finance Unit of Bombardier Capital Inc. since January 1, 1994; and
- Michael P. Tinker has been Vice-President, Human Resources and Organizational Development of the Corporation since April 1, 1997; prior to that date, he had been, since September 1980, a partner of

Deloitte & Touche Consulting Group and its predecessor firms, where he directed the firm's European Change leadership practice, a position which he had also held in Canada since September 1992.

Item 9 Additional Information

Additional information, including remuneration of directors and officers, loans to directors and officers, principal holders of the Corporation's securities, as well as stock options and interest of insiders in material transactions is, where applicable, contained in the Corporation's management proxy circular for its most recent annual meeting of shareholders at which directors were elected. Additional financial information, including comparative consolidated audited financial statements, is provided in the Corporation's Annual Report to shareholders for the financial year ended January 31, 1999. Copies of these documents may be obtained free of charge upon request from the Public Relations Department, 800 René-Lévesque Boulevard West, Montréal, Québec H3B 1Y8.

In addition, when the securities of the Corporation are in the course of a distribution pursuant to a short form prospectus or when a preliminary short form prospectus has been filed, the following documents may be obtained free of charge from the Public Relations Department of the Corporation:

- (i) one copy of the Annual Information Form, together with one copy of any document or portion thereof incorporated by reference therein;
- (ii) one copy of the comparative financial statements of the Corporation for its most recently completed financial year together with the report of the auditors thereon and one copy of any interim financial statements of the Corporation subsequent to the financial statements for its most recently completed financial year;
- (iii) one copy of the Corporation's management proxy circular for its most recent annual meeting of shareholders which involved the election of directors; and
- (iv) one copy of any other document that is incorporated by reference in the preliminary short form prospectus or the short form prospectus.

At any other time, one copy of the documents referred to in subparagraphs (i), (ii) and (iii) above will be provided free of charge upon request to the Public Relations Department or by consulting Bombardier's web site at www.bombardier.com.