



BOMBARDIER

Annual Information Form

2002

April 15, 2002

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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 2 Corporate Structure

2.1 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.

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”), (b) one series consisting of 12,000,000 Series 3 Cumulative Redeemable Preferred Shares (the “Series 3 Preferred Shares”) and (c) one series consisting of 9,400,000 Series 4 Cumulative Redeemable Preferred Shares (the “Series 4 Preferred Shares”); (ii) 1,792,000,000 Class A Shares (Multiple Voting) (the “Class A Shares”) and (iii) 1,792,000,000 Class B Shares (Subordinate Voting) (the “Class B Subordinate Voting Shares”).

The Class A Shares and the Class B Subordinate Voting Shares were the subject of a two-for-one stock split in July 2000, 1998 and 1995.

The Class B Subordinate Voting Shares are restricted 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 \$0.0015625 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.

2.2 Subsidiaries

The activities of the Corporation are conducted either directly or through subsidiaries. The table below lists the principal subsidiaries of each reportable segment of the Corporation as at January 31, 2002, as well as their jurisdiction of incorporation and the percentage of voting shares held by the Corporation. Certain subsidiaries whose total assets did not represent more than 10% of the Corporation’s consolidated assets or whose sales and operating revenues did not represent more than 10% of the Corporation’s consolidated sales and operating revenues as at January 31, 2002 have been omitted. The subsidiaries that have been omitted represent, as a group, less than 20% of the consolidated assets, sales and operating revenues of the Corporation at such date.

Bombardier Inc.

Bombardier Aerospace

North America

Bombardier Aerospace Corporation (Delaware) 100%

Learjet Inc. (Delaware) 100%

Europe

Short Brothers plc (Northern Ireland) 100%

Bombardier Transportation

North America

Bombardier Transportation (Holdings) USA Inc. (Delaware) 100%

Europe

Bombardier Transportation GmbH (Germany) 100%

Bombardier Transportation (Holdings) UK Ltd. (England) 100%

BN S.A. (Belgium) 100%

DWA Deutsche Waggonbau GmbH (Germany) 99.5%

Société ANF-Industrie S.A. (France) 99.9%

Bombardier Recreational Products

North America

Bombardier Motor Corporation of America (Delaware) 100%

Europe

Bombardier-Rotax GmbH & Co. KG (Austria) 100%

Bombardier Capital

North America

Bombardier Capital Inc. (Massachusetts) 100%

Bombardier Capital Ltd. (Québec) 100%

Item 3 General Development of the Business

3.1 General

The Corporation, a diversified manufacturing and services company, is a world leading manufacturer of business jets, regional aircraft, rail transportation equipment and motorized recreational products. It also provides financial services and asset management in business areas aligned with its core expertise. As of January 31, 2002, Bombardier employed some 80,000 people in 24 countries throughout the Americas, Europe and Asia-Pacific.

3.2 History

Until 1973, Bombardier's operations consisted mainly of the manufacture and distribution of snowmobiles. In the 1970s and 1980s, Bombardier began diversifying its operations in the mass transit industry and in 1986, in the aerospace industry.

During the last three years, the Corporation completed the transactions described below.

On February 1, 2000, Bombardier concluded the sale of its 50% interest in Shorts Missile Systems Limited to the French defence electronics corporation, Thomson-CSF.

On June 12, 2000, Bombardier completed the sale of its defence services business in the United Kingdom to subsidiaries of Vosper Thornycroft (UK) Limited of the United Kingdom.

On August 4, 2000, Bombardier signed a sale and purchase agreement with DaimlerChrysler AG ("DaimlerChrysler") of Stuttgart, Germany, to acquire its subsidiary DaimlerChrysler Rail Systems GmbH ("Adtranz"). The acquisition of Adtranz was completed as at May 1, 2001. The sale and purchase agreement is for a cash consideration of US\$725 million, subject to certain adjustments based on the carrying value of the net assets of Adtranz as at April 30, 2001. However, Bombardier announced on February 14, 2002, that discussions with DaimlerChrysler had failed to result in an agreement with respect to those adjustments and that, as a result, it will file a claim against it for damages under the arbitration process of the International Chamber of Commerce in the order of €1 billion (\$1.4 billion) as provided for in the sale and purchase agreement.

On March 9, 2001, the Corporation acquired, through its indirect wholly-owned U. S. subsidiary Bombardier Motor Corporation of America, most of the net assets of the engine manufacturing operations of Outboard Marine Corporation ("OMC"). The acquired assets include the outboard marine engine brands of Johnson* and Evinrude* as well as the Ficht* fuel injection technology.

The Corporation announced on September 26, 2001, its decision with respect to the complete withdrawal of Bombardier Capital from the manufactured housing and consumer finance sectors because of their disappointing results. Accordingly, Bombardier Capital discontinued new loan origination activities in these businesses on November 26, 2001, with the exception of certain consumer finance activities related to the sales of Bombardier recreational products, which will cease when another source of third party financing for those products is identified. Bombardier Capital will continue to service existing accounts as part of a plan to liquidate these portfolios over the next several years.

Item 4 Narrative Description of the Business

4.1 Structure and Management

The Corporation operates in four reportable segments. Each reportable segment offers different products and services, requires different technology and marketing strategies and is headed by a President and Chief Operating Officer.

The Bombardier Aerospace segment manufactures business, regional and amphibious aircraft and provides related services. It offers comprehensive families of regional jet and turboprop commercial aircraft

and a wide range of business jets. It also provides the Bombardier Flexjet business aircraft program, technical services, aircraft maintenance and pilot training.

The Bombardier Transportation segment is a world leader in the manufacturing of passenger rail equipment offering a full range of passenger railcars, as well as complete rail transportation systems. It also manufactures locomotives and freight cars, airport people movers, propulsion and controls and signalling equipment and systems and provides operation and maintenance services.

The Recreational Products segment designs, develops, builds, distributes and markets snowmobiles, watercraft, sport boats, all-terrain vehicles (ATVs), snow grooming equipment and multi-purpose tracked vehicles. It also manufactures Rotax engines that power Bombardier and other manufacturers' products, as well as the Johnson and Evinrude outboard engines.

The Bombardier Capital segment offers secured financing and leasing solutions to manufacturers, retailers and other commercial businesses, primarily in North American markets. It targets industry sectors and asset classes related to its specialized core competencies and those of Bombardier's manufacturing segments.

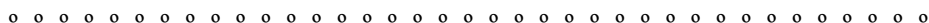
The four reportable segments are constituted as follows:

<i>Bombardier Aerospace</i>	<ul style="list-style-type: none">• Business Aircraft• Regional Aircraft• Amphibious Aircraft• Aviation Support and Services• Other Activities
<i>Bombardier Transportation</i>	<ul style="list-style-type: none">• Commuter and Regional Rail• Intercity and High-Speed Trains• Metro and Rapid Transit• Light Rail Vehicles• Locomotives and Freight• Transportation Systems• Propulsion and Controls• Services• Signalling
<i>Bombardier Recreational Products</i>	<ul style="list-style-type: none">• Snowmobiles• Watercraft• All-Terrain Vehicles• Engines• Outboard Engines• Sport Boats• Utility Vehicles
<i>Bombardier Capital</i>	<ul style="list-style-type: none">• Asset Services• Inventory Finance• Railcar Leasing• Discontinued Portfolios• Real Estate Services

The activities of each of these segments are described hereafter under separate headings.

BOMBARDIER

AEROSPACE



The operations of Bombardier Aerospace consist of designing, manufacturing, marketing and selling business aircraft, regional aircraft and amphibious aircraft as well as providing aviation support and services and performing other activities.

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

For a list of the Corporation’s subsidiaries which fall within Bombardier Aerospace, see “Item 2 – Corporate Structure – Subsidiaries”.

The following table shows the principal operation centres owned by the Corporation or one of its subsidiaries, as the case may be, unless they are indicated as being leased (“L”), and forming part of Bombardier Aerospace. The table also lists the type of operations conducted or products manufactured at these facilities.

Manufacturing Facilities	Products
Montréal, Québec, Canada ^(L)	Assembly of, and pre-flight activities for, the Bombardier Challenger 604* and the Bombardier CRJ aircraft Series 200. Interior finishing of the Bombardier CRJ Series 200 and painting of the Bombardier CRJ Series 200, 700 and 900. Interior completion of the Bombardier Global Express business aircraft.
Mirabel, Québec, Canada ^(L)	Engineering support and maintenance activities for CF-18 military aircraft and for other aircraft and painting and interior finishing activities for the Bombardier CRJ aircraft.
Mirabel, Québec, Canada ^(L)	Assembly, pre-flight, painting and interior finishing of the Bombardier CRJ Series 700 and 900.
Montréal, Québec, Canada	Parts, components and spare parts for the Bombardier Challenger, Bombardier CRJ Series 200, 700 and 900, Bombardier Global Express, Bombardier Continental* business jet and Bombardier 415 aircraft; structural components for Boeing and Aerospatiale.
Montréal, Québec, Canada	Complete wing and fuselage assembly for the Bombardier 415 aircraft.
Downsview, Ontario, Canada	Manufacture and final assembly of the Bombardier Q Series aircraft, including related spare parts and components; manufacture of components and final assembly of Bombardier Global Express aircraft; assembly of wings for the Bombardier Learjet 45; assembly of the Bombardier 415 nacelle.
North Bay, Ontario, Canada ^(L)	Final assembly of and pre-flight activities for Bombardier 415 aircraft.
Wichita, Kansas, United States	Manufacture of the Bombardier Learjet line of aircraft and of the Bombardier Continental business jet and flight test centre for aircraft manufactured by Bombardier Aerospace.

Manufacturing Facilities	Products
Dunmurry and Newtownabbey, Belfast, Northern Ireland, United Kingdom ^(L)	Composite components either for Bombardier Aerospace or for Boeing and Lockheed Martin.
Hawlmark, Newtownards, and Queen's Island, Belfast, Northern Ireland, United Kingdom ^(L)	Aircraft components, engine nacelles and nacelle components and spare parts for Bombardier Aerospace or for Boeing, Rolls-Royce, Rolls-Royce Deutschland, BAE Systems and International Aero Engines.

In addition, service centres for the Business Aircraft division located in Tucson, Arizona; Windsor Locks, Connecticut; Fort Lauderdale, Florida; Indianapolis, Indiana; Wichita, Kansas, and Dallas, Texas (United States), Berlin (Germany) and Dubai (United Arab Emirates) are part of a service network called Bombardier Aviation Services. Service centres for the Regional Aircraft division are located in Bridgeport, West Virginia; Asherville, North Carolina, and Manchester, New Hampshire. The Corporation owns an airport located in Downsview, Ontario (Canada), and uses it to support Bombardier Aerospace's manufacturing activities. There is also a worldwide network of authorized Bombardier Challenger, Bombardier Global Express and Bombardier Learjet aircraft service facilities that are independently owned.

Marketing of the Bombardier Aerospace products is provided through 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, Colorado, Connecticut, Georgia, Illinois, Maryland, Missouri, New York, Ohio and Texas, and in Washington, D.C.). In Europe, marketing is carried out through offices in Germany, the United Kingdom and Switzerland. In Asia, such offices are maintained in Dubai, in the United Arab Emirates; Hong Kong; and the People's Republic of China.

Business Aircraft

Bombardier Aerospace markets, sells and provides customer support for the Bombardier Global Express ultra long-range aircraft, the newly introduced superlarge Bombardier Global 5000*, the wide-body Bombardier Challenger 604, the supermidsize Bombardier Continental business jet, as well as the light Bombardier Learjet 31A, the superlight Learjet 45 and the midsize Learjet 60 and corporate variants of the CRJ series.

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

Through the Bombardier Flexjet* program, Bombardier Aerospace offers customers in North America fractional ownership of a business aircraft, whereas in Europe and Asia, Bombardier Aerospace offers a service based program using selected aircraft operators to provide air transportation service to customers.

● Bombardier Global Express Aircraft

The Bombardier Global Express aircraft is an ultra long-range business jet covering distances of up to 6,500 nautical miles at Mach 0.80 non-stop.

Total demand for ultra long-range business jets is expected to continue growing over the next ten years. The Bombardier Global Express competes against the Gulfstream V and V-SP and, to a much lesser extent, the Boeing Business Jet and the Airbus A319CJ.

- **Bombardier Global 5000 Aircraft**

The Bombardier Global 5000 aircraft is a high-speed intercontinental business jet capable of flying non-stop up to 4,800 nautical miles at Mach 0.85 with eight passengers and three crew members. The program was officially launched in February 2002. Production of the first test aircraft has begun and the first flight is expected in the first quarter of 2003-04, with entry into service expected in 2004-05.

Main competitors of the Bombardier Global 5000 include the Gulfstream IV-SP and the Dassault Falcon 900EX.

- **Bombardier Challenger 604 Aircraft**

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

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

- **Bombardier Continental Business Jet**

The Bombardier Continental business jet is a recent entrant in the supermidsize category and has a transcontinental range of up to 3,100 nautical miles at Mach 0.80 with eight passengers and two crew members. It competes with four other aircraft models in this category: the Raytheon Hawker Horizon, the Gulfstream G200, the Dassault Falcon 50EX and the Cessna Citation X. The inaugural flight was successfully completed on August 14, 2001. Type certification is expected by the end of 2002-03.

- **Bombardier Learjet Aircraft**

Bombardier Aerospace also markets, sells and provides customer support for the light Bombardier Learjet 31A, the superlight Learjet 45 and the midsize Learjet 60. The main competitors for those aircraft are the models manufactured by Cessna, Gulfstream and Raytheon Aircraft.

- **Bombardier Challenger SE**

The Bombardier Challenger SE is derived from the same platform as the CRJ aircraft and is offered in two configurations. In an executive jet configuration, the aircraft offers a large executive cabin with seating for up to 19 passengers and a transcontinental range of about 3,000 nautical miles while in a corporate shuttle configuration, the aircraft is typically delivered with 20-40 seats and has a range of about 2,500 nautical miles with 30 passengers on board.

Competitors for the Bombardier Challenger SE are comprised of similar models manufactured by Embraer and Fairchild Dornier.

- **Bombardier Flexjet Program**

The Bombardier Flexjet program, in North America, offers customers fractional ownership of business aircraft manufactured by Bombardier Aerospace; owners have access to an aircraft with all operations and support including flight crew, maintenance, hangar fees and insurance being managed by Bombardier Aerospace. Through Flexjet's European program, customers purchase hours of flying time instead of a physical share of an aircraft. In December 2001, Bombardier Aerospace launched Flexjet Asia, in partnership with charter operators, maintenance companies and individual aircraft owners, thereby continuing its commitment to expanding its worldwide portfolio of business jet solutions.

Flexjet holds the number-two position among the fractional ownership programs currently available in that market. Its main competitor, Executive Jet, has typically purchased new aircraft from different

manufacturers, such as Gulfstream, Cessna and Raytheon. A few other small organizations also offer fractional ownership of various categories of aircraft.

Regional Aircraft

Bombardier Aerospace markets and sells the Bombardier CRJ aircraft family and the Bombardier Q Series family of turboprops to airline companies and also provides maintenance and modification services to its customers in North America.

● Bombardier CRJ Aircraft

The Bombardier CRJ aircraft are assembled at the Bombardier Aerospace facilities, in Montréal, Québec. In August 2001, the new facility at Montréal's Mirabel Airport for final assembly of Bombardier CRJ700 and CRJ900 began production. Raw materials and equipment are procured from suppliers in Canada, the United States and Europe with which Bombardier Aerospace generally has long-term contracts.

The Bombardier CRJ family consists of the 40-, 44- and 50-passenger Series 100 and Series 200 aircraft, the 70-passenger Series 700 aircraft and the 86-passenger CRJ900 aircraft. The Bombardier CRJ900 program is progressing well with the prototype having made its first flight in February 2001. The first flight of a production standard Bombardier CRJ900 took place successfully in October 2001. The program schedule anticipates initial type certification at the end of 2002-03, with first delivery scheduled for 2003-04.

The Bombardier CRJ aircraft family faces two competitors. Embraer Empresa Brasileira De Aeronautica S.A. ("Embraer") of Brazil, produces the 50-passenger jet EMB-145, the 30-passenger jet EMB-135 and a 44-passenger jet, the ERJ-140. Embraer also offers the 70-passenger jet EMB-170, the 80-passenger jet EMB-175 and the 98- and 108-passenger jet EMB-190-200. In addition, Fairchild Dornier of Germany markets a 30-passenger jet, the 328JET. Furthermore, Fairchild Dornier offers the 80- and 85-passenger 728 aircraft.

● Bombardier Q Series Aircraft

The Bombardier Q Series family of turboprops assembled at the Bombardier Aerospace facilities in Downsview, Ontario, consists of the 37-passenger Q100 and Q200 aircraft, the 50-passenger Q300 aircraft and the 68- to 78-passenger Q400 aircraft.

The main products in competition with the Bombardier Q Series aircraft family come from ATR (a consortium consisting of Aerospatiale of France and Alenia of Italy). The Q300 aircraft faces competition from the ATR 42 and the Q 400 from the ATR 72.

Amphibious Aircraft

Bombardier Aerospace markets the Bombardier 415 turboprop amphibious aircraft, the only purpose-built firefighting aircraft currently available. The aircraft can also be adapted to a variety of specialized missions such as search and rescue, coastal patrol and transport.

Aviation Support and Services

Bombardier Aerospace provides a broad range of services to customers, including training for pilots and maintenance technicians, aircraft completion services, aircraft maintenance and spare parts.

● Customer Training

Bombardier Aerospace offers, through joint ventures, a complete range of pilot and maintenance training programs for the Bombardier CRJ Series aircraft in Montréal, Canada, in Qingdao, China, and in Berlin, Germany.

In the business aircraft segment, Bombardier Aerospace officially inaugurated its customer training centre in Dallas/Fort Worth in April 2001. Fully certified, the center offers pilot and maintenance training for the Bombardier Learjet 31A, the Learjet 45 and the Learjet 60. In addition, Bombardier Aerospace has two

simulators and two fixed training devices for the Bombardier Global Express and the Bombardier Challenger 604 in Montréal.

Bombardier Aerospace also provides maintenance and support services for military pilot training. The NATO Flying Training in Canada (NFTC) program is in full operation with Denmark, the United Kingdom, the Republic of Singapore, Italy and Canada as participating nations.

- **Business Aircraft Completions**

Bombardier Aerospace has two business aircraft completion centres located in Montréal, Québec, and Tucson, Arizona, as well as a network of authorized completion centres.

- **Aircraft Maintenance and Spare Parts Services**

Bombardier Aerospace's Fort Lauderdale, Florida, Indianapolis, Indiana, and Hartford, Connecticut, service centres have been expanded to add services for Bombardier Challenger 604 and Bombardier Global Express aircraft. Bombardier Aerospace provides similar services in Europe and the Middle East and is also associated with 32 authorized service centres worldwide to provide complete services to operators.

Bombardier Aerospace offers maintenance and modification services to Bombardier CRJ Series operators in Bridgeport, West Virginia. Maintenance services for military aircraft are carried out mainly at the Mirabel, Québec, facility.

Bombardier Aerospace also operates spare parts services through depots strategically located around the world. The service facility in the Middle East will house a new spare parts depot to serve operators throughout this region.

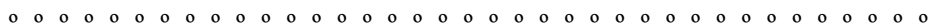
Other Activities

Other activities carried out by Bombardier Aerospace include component manufacturing for third parties at facilities in Montréal, Québec, and in Belfast, Northern Ireland, where most of the design, development and manufacture of major airframe structures is undertaken.

Bombardier Aerospace also operates Belfast City Airport in Northern Ireland in a new terminal inaugurated in June 2001 in order to accommodate the airport's current annual total of 1.3 million passengers and 17 daily destinations in the United Kingdom.

BOMBARDIER

TRANSPORTATION



Bombardier Transportation has the technology and know-how to produce a range of rail 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, propulsion and controls, locomotives and freight cars, signalling equipment and systems, as well as complete rail transportation systems. Bombardier Transportation is also able to undertake the refurbishment of rail vehicles as well as to provide a full range of maintenance services.

The administrative centre of Bombardier Transportation is divided between Longueuil, Québec, Canada, and Berlin, Germany.

For a list of the Corporation’s subsidiaries which fall within Bombardier Transportation, see “Item 2 – Corporate Structure – Subsidiaries”.

The following table shows the principal operation centres owned by the Corporation or one of its subsidiaries, as the case may be, unless they are indicated as being leased (“L”), and forming part of Bombardier Transportation. The table also lists the type of operations conducted or products manufactured at these facilities.

Manufacturing Facilities	Products / Business
La Pocatière, Québec, Canada	Manufacture of mass transit vehicles.
Thunder Bay, Ontario, Canada	Manufacture of mass transit vehicles.
Plattsburgh, New York, United States ^(L)	Final assembly of mass transit vehicles.
Barre, Vermont, United States ^(L)	Final assembly of mass transit vehicles.
Pittsburg, California, United States ^(L)	Refurbishing activities for automated people movers, propulsion and control activities.
Pittsburg, Pennsylvania, United States	Final assembly of automated people movers and propulsion systems.
Sahagún, Mexico	Manufacture of mass transit vehicles and freight cars, refurbishment of rail passenger cars and light rail vehicle manufacturing center for North America.
Hortolândia, Brazil ^(L)	Final assembly of mass transit vehicles and vehicles refurbishment.
Vienna, Austria	Manufacture of aluminum and steel carbodies for passenger cars (in particular light rail vehicles) in Europe.
Brugge, Belgium	Manufacture of aluminum and steel carbodies for passenger cars in Europe, final assembly and railway equipment.
Česká Lipa, Czech Republic	Supplier of primary parts and welding substructures and low-cost components.
Crespin, France	Manufacture of aluminum and steel carbodies for passenger cars in Europe, final assembly and bogies.
Aix-la-Chapelle (Aachen), Germany	Final assembly of passenger vehicles for Europe.

Manufacturing Facilities	Products / Business
Ammendorf, Germany	Manufacture of steel carbodies and final assembly of passenger vehicles. To be converted as refurbishment and services facilities.
Bautzen, Germany	Manufacture of aluminum and steel carbodies for passenger cars (in particular light rail vehicles) in Europe.
Görlitz, Germany	Manufacture of aluminum and steel carbodies for passenger cars and assembly of double-deck trains.
Hennigsdorf, Germany	Final assembly of passenger vehicles and test center, propulsion and control activities (mechanical drives assembly and train command and control engineering).
Siegen, Germany	Manufacture of bogies for Europe.
Dunakeszi, Hungary ^(L)	Refurbishment activities and engineering.
Vado Ligure, Italy	Manufacture of locomotive, freight vehicles and refurbishment activities.
Strømmen, Norway	Services activities.
Wroclaw, Poland	Manufacture of locomotives, freight vehicles and bogies frames and locomotive carbodies.
Amadora, Portugal	Final assembly and services activities.
Västerås, Sweden	Propulsion and control activities. To be converted as services facilities.
Pratteln, Switzerland ^(L)	Final assembly of passenger vehicles and vehicles overhaul.
Central Rivers, United Kingdom	Maintenance and overhaul activities.
Crewe, United Kingdom	Wheelset and bogies service activities, overhaul and refurbishment.
Derby, United Kingdom	Manufacture of bogies and of aluminum and steel carbodies for passenger cars in Europe, final assembly site for Europe and European center for metro. Wheel and bogie overhaul.
Plymouth, United Kingdom	Subassembly and final assembly for signalling products.
Wakefield, Yorkshire, United Kingdom	Final assembly of passenger train and refurbishment business.
Melbourne, Australia	Manufacturing activities and inter city trains services workshop.
Maryborough, Australia ^(L)	Manufacturing activities for regional and commuter cars.

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 Longueuil, Québec, and Millhaven (Kingston), Ontario), the United States (in the states of California, Florida, New York and Pennsylvania, and in Washington, D.C.), in Mexico, Chile and Brazil.

In Europe, marketing is effected through offices in Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Ireland, Norway, Poland, Portugal, Russia, Spain, Sweden, Switzerland, Turkey and the United Kingdom.

Finally, Bombardier Transportation also has offices in the United Arab Emirates, India, South Africa, Australia, China, Indonesia, Japan, Korea, Malaysia, Philippines, Singapore, Taiwan, Thailand and Vietnam.

Bombardier Transportation leases these marketing or sales offices, with the exception of the office in Longueuil, Québec, and those in Austria, Belgium, Germany, Switzerland and the United Kingdom, which it owns.

Bombardier Transportation has two major global competitors, Alstom and Siemens, both active in the same fields as Bombardier i.e. from rolling stock to rail controls systems, propulsion, services and turnkey systems. Both Alstom and Siemens are also active in other industry segments such as fixed installations, power generation and transmission.

Ansaldo-Breda is also a full line supplier but with a more limited spread geographically with its stronghold in Italy. CAF, Talgo and Stadler are niche players in the field of passenger cars, mainly in Europe but they are also involved in the United States to a limited extent.

Japanese suppliers like Hitachi, Toshiba, Mitsubishi and Kawasaki are mostly seen competing in Asia and the United States for rolling stock projects.

In the field of rail control systems, Alcatel, GE Harris and Invensys are also competitors.

As result of the ongoing worldwide railway industry consolidation process as well as market dynamics, Bombardier has maintained project-based business relationships with most of its competitors, especially in Germany and France.

Commuter and Regional Rail

Bombardier Transportation offers a wide range of railcars for suburban and regional markets. The product line includes single- and double-deck electrical multiple units (EMUs), diesel multiple units (DMUs) and coaches.

Intercity and High-Speed Trains

Bombardier Transportation's product line includes diesel and electric multiple units and high speed trains.

Metro and Rapid Transit

Bombardier Transportation offers a full range of technologies geared for rapid transit systems that are suitable for diverse electrical and mechanical infrastructures.

Light Rail Vehicles

Bombardier Transportation's family of light rail vehicles includes street-trams, city-trams and tram-trains.

Locomotives and Freight

Bombardier Transportation offers locomotives for use in intercity, regional and freight traffic as well as electric and diesel-electric locomotives to suit the specific needs of railway operators.

Transportation Systems

Bombardier Transportation designs, markets and delivers complete transportation systems from high-capacity urban transit to intensive, short-distance commuter services, including automated transit systems (ATS), airport people mover systems (APM) and light rapid transit systems (LRT).

Propulsion and Controls

Bombardier Transportation offers propulsion systems, drives, train control and on-board train computer systems as well as auxiliary inverters/power systems.

Services

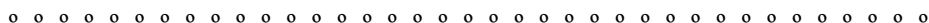
Bombardier Transportation provides a full range of maintenance services mainly targeted at Bombardier-built vehicles. These services include total train maintenance, spares management, car re-engineering and heavy overhaul and component re-engineering and overhaul.

Signalling

Bombardier Transportation's product portfolio includes integrated operation-control systems, electronic and relay-interlocking, automatic train protection (ATP) and automatic train operation (ATO) radio-based signalling systems and wayside equipment.

BOMBARDIER

RECREATIONAL PRODUCTS



The operations of Bombardier Recreational Products consist of designing, developing, building, marketing and distributing snowmobiles, watercraft, all-terrain vehicles (ATVs), engines, outboard engines, sport boats, snow grooming equipment and multi-purpose tracked vehicles.

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

For a list of the Corporation’s subsidiaries which fall within Bombardier Recreational Products, see “Item 2 – Corporate Structure – Subsidiaries”.

The following table shows the principal operation centres owned by the Corporation or one of its subsidiaries, as the case may be, unless they are indicated as being leased (“L”), 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	Products
Valcourt, Québec, Canada	Manufacture of Ski-Doo* snowmobiles, Sea-Doo* watercraft, Bombardier all-terrain vehicles and related components.
Benton, Illinois, United States	Manufacture of Sea-Doo sport boats and four-seater Sea-Doo watercraft.
Gunskirchen, Austria	Manufacture of engines and engine components for Ski-Doo and Lynx* snowmobiles, Sea-Doo watercraft and sport boats, Bombardier all-terrain vehicles, small and ultra-light aircraft, motorcycles, scooters and karts.
Rovaniemi, Finland	Manufacture of Lynx Wide Track snowmobiles, snowmobile frames and snowmobile components.
Granby, Québec, Canada	Manufacture and servicing of specialized tracked vehicles used for grooming alpine ski hills and snowmobile and cross-country ski trails.
Sturtevant, Wisconsin, United States	Manufacture of Evinrude* and Johnson* outboard engines.
Spruce Pine, North Carolina, United States	Casting of metal components for the Evinrude and Johnson outboard engines.
Andrews, North Carolina, United States	Machining of components for the Evinrude and Johnson outboard engines.
Juarez, Mexico	Manufacture of parts and accessories for the Evinrude and Johnson outboard engines.
Delavan, Wisconsin, United States	Manufacture of electronic, fuel injection and oiler components for the Evinrude and Johnson outboard engines and for other personal watercraft manufacturers.
Dong Guan, People’s Republic of China ^(L)	Manufacture of electronic components for the Evinrude and Johnson outboard engines and manufacture of certain small Evinrude and Johnson outboard engines.

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, Georgia, Illinois, New Jersey, Nevada, Texas, Utah, Washington and Wisconsin, in the United States, and in Finland.

Marketing of the products manufactured by Bombardier Recreational Products is carried out through the marketing or sales offices of its divisions and subsidiaries located in Canada, the United States, Australia, Austria, Belgium, Finland, France, Japan and Singapore and through a network of authorized distributors and dealers.

Snowmobiles

Bombardier Recreational Products develops, designs, manufactures, markets and distributes the Ski-Doo snowmobiles product line and the Lynx snowmobiles product line which is specifically designed for the European market.

The line of snowmobiles offered by Bombardier Recreational Products in 2001-02 consists of 48 Ski-Doo models in seven different categories and 17 Lynx models in five different categories.

Bombardier Recreational Products sells its snowmobiles in North America through a network of authorized dealers with which it deals either directly or through authorized distributors. In Europe, Bombardier Recreational Products sells its snowmobiles through independent authorized distributors and agents, except in Sweden and Norway, where it sells to authorized dealers through wholly-owned subsidiaries.

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

Watercraft

Bombardier Recreational Products develops, designs, manufactures, markets and distributes the Sea-Doo watercraft. The product line of Sea-Doo watercraft offered by Bombardier Recreational Products in 2001-02 consists of eleven models.

Kawasaki, Polaris and Yamaha currently compete with Bombardier Recreational Products in the watercraft industry. Honda has recently announced its entry into the industry with four-stroke models.

All-Terrain Vehicles

In the ATV market, Bombardier Recreational Products develops, designs, manufactures, markets and distributes an expanding line of vehicles.

Honda, Polaris, Yamaha, Suzuki, Arctic Cat and Kawasaki compete with Bombardier Recreational Products in the ATV market.

Engines

Bombardier Recreational Products develops, designs, manufactures, markets and sells two-stroke and four-stroke engines under the Rotax* brand name. The engines are used in Ski-Doo and Lynx snowmobiles, in Sea-Doo watercraft and some Sea-Doo sport boats, in the Bombardier ATVs and in other manufacturers' motorcycles, scooters, karts and small and ultralight aircraft.

Outboard Engines

On March 9, 2001, the Corporation acquired most of the net assets of the engine manufacturing operations of Outboard Marine Corporation ("OMC"). This occurred following OMC's and certain of its subsidiaries' filing of a voluntary petition for relief under Chapter 11 of the U.S. Bankruptcy Code on December 22, 2000. OMC was a leading manufacturer of engines built to service the boat industry, and the

acquired assets include the outboard marine engine brands of Johnson and Evinrude as well as the Ficht fuel-injection technology.

The acquisition of OMC's outboard engine assets provides Bombardier Recreational Products with the opportunity to enter an important new segment of the motorized recreation industry on the foundation of the Johnson and Evinrude brands, proven fuel-injection technology and a strong core of former OMC personnel. Bombardier Recreational Products has consolidated the manufacturing operations, and has focused the short-term product development efforts on quality improvements. The relaunch of the Johnson and Evinrude brands is well underway and the first Bombardier-built engine was shipped on October 16, 2001, from a new manufacturing and assembly facility located in Sturtevant, Wisconsin.

Sport Boats

Bombardier Recreational Products offers a line of nine Sea-Doo sport boats with two types of propulsion. The 4.3 metre models are powered by Rotax engines, while the 4.9 metre and longer boats are equipped with jet-drive engines supplied by an outside manufacturer.

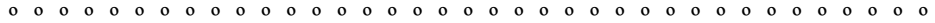
The Fish Hawk line, which is powered by Johnson and Evinrude engines and includes eight models of fishing boats ranging from 5.2 to 7.0 metres, was introduced at the end of the 2001 season. The Utopia, an 5.5 metre jet-propelled sport boat, was launched in the 2001 season. With the Fish Hawk fishing boats, Bombardier Recreational Products competes with Grady-White, Aquasport and Hydra-Sport.

Utility Vehicles

Bombardier Recreational Products designs, manufactures, markets, sells and services specialized tracked vehicles used mainly for grooming alpine ski hills, snowmobile and cross-country ski trails. In 2001-02, Bombardier Recreational Products exited the European utility vehicles market to better focus on the North American market, where it continues to maintain its leadership position.

BOMBARDIER

CAPITAL



Bombardier Capital offers secured financing and leasing solutions to manufacturers, retailers and other commercial businesses, primarily in North American markets. Bombardier Capital targets industry sectors and asset classes related to its specialized core competencies, and those of Bombardier’s manufacturing segments.

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

For a list of the Corporation’s subsidiaries which fall within Bombardier Capital, see “Item 2 – Corporate Structure – Subsidiaries”.

In 2001-02, the Corporation continued to realign Bombardier Capital’s activities to concentrate on areas where it has demonstrated know-how and experience. Bombardier Capital having exited the retail sector of its businesses, as more fully explained below, its core activities are now more closely aligned with the product and service expertise of Bombardier’s manufacturing segments. These core activities are managed in three separate businesses: asset services, inventory finance and railcar leasing and they consist of three portfolio categories: commercial, comprised of loans, finance leases and third-party receivables; floorplan receivables for dealers of consumer durable goods; and assets under operating leases. On September 26, 2001, the Corporation announced its decision with respect to Bombardier Capital to withdraw completely from the manufactured housing and consumer finance sectors because of their disappointing results. Accordingly, Bombardier Capital discontinued new loan origination activities in these businesses on November 26, 2001, with the exception of certain consumer finance activities related to the sales of Bombardier recreational products, which will cease when another source of third-party financing for those products is identified. Bombardier Capital will continue to service existing accounts as part of a plan to liquidate these portfolios over the next several years.

Asset Services

In line with Bombardier Capital’s strategic mandate to create closer alignment with Bombardier’s manufacturing operations, the asset services business puts strong emphasis on leveraging synergies with Bombardier’s Transportation and Aerospace segments.

Bombardier Capital’s asset services activities provide asset-based financing in the form of loans and receivables mostly related to third-party financing of business aircraft and related products, third-party interim financing of commercial aircraft, leases for new and pre-owned business and commercial aircraft, as well as factoring receivables from third parties for Bombardier’s manufacturing segments.

Inventory Finance

Bombardier Capital’s inventory finance activities provide floorplan financing on a secured basis to retailers purchasing inventory products in the United States and Canada. Primary markets are marine products, Bombardier-manufactured recreational products, manufactured housing and motorized recreational vehicles.

Railcar Leasing

Bombardier Capital’s leasing activities provide third-party railroad freight car leasing as well as full service maintenance and/or management services to owners and users of railroad freight cars in North American markets. In the railcar leasing arrangement, Bombardier Capital purchases freight railcars, typically from a third-party manufacturer, and subsequently enters into a sale and leaseback with a financial institution.

The financial institution assumes ownership of the asset with Bombardier Capital as the lessee. Bombardier Capital then sub-leases the asset to the actual user of the equipment. The sublease is typically for three to seven years.

Discontinued Portfolios

Bombardier Capital expects the manufactured housing portfolios to achieve substantial wind-down within several years, and the consumer finance portfolios to achieve wind-down in three to four years. Bombardier Capital also continues to wind down its technology management and finance, mid-market commercial equipment finance, and small ticket finance portfolios. The wind-down of these portfolios is expected to be substantially completed within two to three years.

Real Estate Services

Through Bombardier's real estate services, Bombardier Capital is responsible for the development of Bombardier real estate assets earmarked for new uses, and for activities aimed at meeting the real estate needs of other Bombardier businesses.

4.2 Segmented Disclosure

For information respecting Bombardier's sales by industry and geographic segments, reference is made to note 27 of the notes to the consolidated financial statements for the fiscal years ended January 31, 2002, and January 31, 2001, which consolidated financial statements and accompanying notes, appearing on pages 104 to 107 of the Corporation's Annual Report for 2001-02, are incorporated herein by reference.

4.3 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 is the 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), under which Canadair Limited had 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 then paid, in lieu of the royalties provided for under the agreement.

4.4 Research and Development

Every year Bombardier commits a portion of its revenues to research and development. The total sums spent for this purpose appear in note 17 to the consolidated financial statements for the fiscal years ended January 31, 2002, and January 31, 2001, appearing on page 94 of the Corporation's Annual Report for 2001-02, which note is incorporated herein by reference. These investments reinforce the skills and know-how of the engineers and technicians who currently make up Bombardier's design and engineering force.

4.5 Environment

During 2001-02, the manufacturing operations of Bombardier continued to be in compliance with the applicable environmental 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 if required 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.

In previous years, Bombardier reported that it had been identified as potentially liable for the contamination of several sites in the United States. The resulting management and/or decontamination activities continued during 2001-02. The costs associated with these activities were not material during the period. Although the probable total costs associated with these activities are still not known, for the time being they are not considered to be material for Bombardier. The anticipated costs of site decontamination during 2002-03 should not be material.

As part of the acquisition of Adtranz completed as of May 1, 2001, Bombardier was informed or acquired knowledge of certain environmental conditions of the properties owned by Adtranz. Such conditions may result in remediation activities being continued or initiated at certain acquired sites. The costs associated with the continuation of ongoing remediation programs are not material with respect to the newly acquired entities or to Bombardier.

4.6 Human Resources

The following table shows the number of employees of Bombardier as at January 31, 2002, compared with January 31, 2001:

	Number of employees as at January 31	
	2002	2001
Bombardier Aerospace	32,766	35,250
Bombardier Recreational Products	6,739	5,456
Bombardier Transportation.....	34,128	15,675
Bombardier Capital.....	1,003	1,334
Corporate Office	243	199
Total.....	74,879	57,914

In North America, at the end of 2001-02, 22,830 employees of Bombardier were represented by certified unions under 25 separate collective agreements. These agreements expire at different dates, the latest of which is November 2004. At the time of this Annual Information Form, Management was in the process of negotiating a collective agreement with The International Association of Machinist and Aerospace Workers – Montreal Aircraft Lodge 712 (C.L.C./Q.F.L.) which represents approximately 8,000 workers of Bombardier’s Aerospace segment.

In Europe, there are more than 112 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 different dates, the latest of which is May 2005.

Bombardier considers that its relations with its employees are satisfactory.

4.7 Foreign Currency Fluctuations

The Corporation is exposed to risks resulting from foreign currency fluctuations arising either from carrying its businesses from Canada in foreign currencies or through operations in foreign countries. In an effort to mitigate those risks, the Corporation makes use of derivative contracts to hedge the exposure to future cash flows in various currencies and asset/liability management involving mostly borrowing in foreign currencies to hedge foreign currency exposure arising from permanent investments in foreign countries.

Item 5 Selected Consolidated Financial Information

5.1 Annual Information

Consolidated financial information for the last three fiscal years ended January 31

(millions of dollars, except per share amounts)	<u>2002</u>	<u>2001</u>	<u>2000</u>
Revenues	21,633.8	15,943.7 ⁽²⁾	13,416.5 ⁽²⁾
Net income	390.9	975.4	718.8
Total assets	27,752.6	20,404.3	17,034.1
Long-term debt	7,857.7	6,131.2	4,795.0
Series 2 Redeemable Preferred Shares	300.0	300.0	300.0
Earnings per share ⁽¹⁾			
Basic	\$0.27	\$0.70	\$0.51
Diluted	\$0.27	\$0.69	\$0.50
Dividend per share			
Series 2 Redeemable Preferred Shares	\$1.37500	\$1.37500	\$1.37500
Class A Shares ⁽¹⁾	\$0.18000	\$0.13500	\$0.11000
Class B Subordinate Shares ⁽¹⁾	\$0.18156	\$0.13656	\$0.11156

(1) The figures have been adjusted to reflect the two-for-one stock split which took place on July 7, 2000.

(2) See note 26 to the consolidated financial statements for the fiscal years ended January 31, 2002, and January 31, 2001, appearing on page 104 of the Corporation's Annual Report for 2001-02, which note is incorporated herein by reference.

5.2 Quarterly Information

Quarterly consolidated financial information (unaudited)

(millions of dollars, except per share amounts)	2001-2002			
	4th qtr.	3rd qtr.	2nd qtr.	1st qtr.
Revenues	7,758.7	4,980.0	4,907.1	3,998.0
Net income (loss).....	229.6	(367.6)	287.9	241.0
Earnings per share				
Basic	\$0.16	\$ (0.27)	\$0.21	\$0.17
Diluted.....	\$0.16	\$ (0.27)	\$0.20	\$0.17
Dividend per share				
Series 2 Redeemable Preferred Shares	\$0.34375	\$0.34375	\$0.34375	\$0.34375
Class A Shares.....	\$0.04500	\$0.04500	\$0.04500	\$0.04500
Class B Subordinate Shares	\$0.04500	\$0.04500	\$0.04500	\$0.04656

(millions of dollars, except per share amounts)	2000-2001			
	4th qtr.	3rd qtr.	2nd qtr.	1st qtr.
Revenues	5,485.5	3,838.0	3,393.2	3,227.0
Net income	348.0	225.9	254.1	147.4
Earnings per share				
Basic	\$0.25	\$0.16	\$0.19	\$0.10
Diluted.....	\$0.25	\$0.16	\$0.18	\$0.10
Dividend per share				
Series 2 Redeemable Preferred Shares	\$0.34375	\$0.34375	\$0.34375	\$0.34375
Class A Shares.....	\$0.03375	\$0.03375	\$0.03375	\$0.03375
Class B Subordinate Shares	\$0.03375	\$0.03375	\$0.03375	\$0.03531

5.3 Dividends

The Corporation declared the dividends indicated below on its outstanding shares during the fiscal years ended January 31, 2002, and January 31, 2001.

(millions of dollars, except per share amounts)	Fiscal years ended January 31			
	2002		2001	
	Total	Per share	Total	Per share
Series 2 Redeemable Preferred Shares	16.5	\$1.37500	16.5	\$1.37500
Class A Shares	61.8	\$0.18000	47.0	\$0.13500
Class B Subordinate Voting Shares	186.2	\$0.18156	139.3	\$0.13656

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 \$0.0015625 per share per annum; when a dividend on the Class B Subordinate Voting Shares at the rate of \$0.0015625 per share per annum is declared and paid or set aside for payment in any fiscal 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 fiscal year.

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

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 6 Management's Discussion and Analysis

A discussion and analysis by Management of the financial condition and results of operations for the fiscal years ended January 31, 2002, and January 31, 2001, is presented under the item "Management's Discussion and Analysis" on pages 32 to 61 of the Corporation's Annual Report for 2001-02, which item is incorporated herein by reference. To complement the financial discussion and analysis, reference is made to the consolidated financial statements for the fiscal years ended January 31, 2002, and January 31, 2001, the summary of significant accounting policies and the notes to the consolidated financial statements on pages 69 to 107 of the Corporation's Annual Report for 2001-02, which consolidated financial statements, summary of accounting policies and notes are incorporated herein by reference.

Item 7 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 Toronto Stock Exchange. 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 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 Deferred Stock Units, as the case may be, of the Corporation that the directors, as at April 3, 2002, owned beneficially or over which they exercised control or direction, are indicated below. No Series 2 Preferred Shares and no Series 4 Preferred Shares are held by any director.

Directors

Name, Municipality of Residence, Principal Occupation and Position held within the Corporation	Period of service as a director	Approximate number of shares or units of the Corporation owned beneficially by a director or over which the director exercised control or direction as at April 3, 2002		
		Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units
YVAN ALLAIRE Montréal, Québec Emeritus Professor of Strategy (UQAM) and Chairman, Governance Value Added Inc.	1998 to date	9,728	234,398	1,336
LAURENT BEAUDOIN, C.C., FCA ^{(1)(a)(c)} Montréal, Québec Chairman of the Board and of the Executive Committee of the Corporation	1975 to date	482,560	7,520,384	Ø
J.R. ANDRÉ BOMBARDIER ^{(2)(a)(c)} Montréal, Québec Vice Chairman of the Corporation	1975 to date	72,644,741	714,697	Ø
JANINE BOMBARDIER ⁽³⁾ Montréal, Québec President and Governor, J. Armand Bombardier Foundation, charitable organization	1984 to date	69,780,740	Ø	3,462
ROBERT E. BROWN ^(a) Montréal, Québec President and Chief Executive Officer of the Corporation	1999 to date	Ø	53,789	Ø
ANDRÉ DESMARAIS ^(c) Montréal, Québec President and Co-Chief Executive Officer, Power Corporation of Canada, holding and management corporation	1985 to date	Ø	126,400	4,153
JEAN-LOUIS FONTAINE ^{(4)(a)(b)} Montréal, Québec Vice Chairman of the Corporation	1975 to date	4,097,472	75,619	Ø
THE HON. JEAN-PIERRE GOYER, P.C., Q.C. ^(b) Montréal, Québec Lawyer and company director	1982 to date	Ø	29,200	Ø
DANIEL JOHNSON ^(b) Montréal, Québec Counsel, McCarthy Tétrault, Barristers and Solicitors	1999 to date	Ø	1,200	4,152

Name, Municipality of Residence, Principal Occupation and Position held within the Corporation	Period of service as a director	Approximate number of shares or units of the Corporation owned beneficially by a director or over which the director exercised control or direction as at April 3, 2002		
		Class A Shares	Class B Subordinate Voting Shares	Deferred Stock Units
PIERRE LEGRAND, Q.C. ^{(a)(c)} Montréal, Québec Senior Partner, Ogilvy Renault, Barristers and Solicitors	1975 to date	7,168	Ø	Ø
DONALD C. LOWE ^(b) Toronto, Ontario Corporate Director and Consultant	1987 to date	Ø	532,000	4,658
JEAN C. MONTY ^{(a)(c)} Montréal, Québec Chairman and Chief Executive Officer, BCE Inc. Telecommunication company	1998 to date	25,000	10,000	4,489
JAMES E. PERRELLA Annapolis, Maryland, U.S.A. Retired Chairman and Chief Executive Officer, Ingersoll-Rand Company, diversified industrial company and components manufacturer	1999 to date	Ø	10,000	3,397
PAUL M. TELLIER ^(a) Montréal, Québec President and Chief Executive Officer, Canadian National, transportation company	1997 to date	Ø	8,000	3,714
HUGO UYTERHOEVEN Weston, Massachusetts, U.S.A. Timken Professor of Business Administration Emeritus, Harvard Business School	1983 to date	Ø	Ø	3,591

- (1) Mrs. Claire Bombardier Beaudoin, wife of Mr. Laurent Beaudoin, exercises, through holding corporations which she controls (either directly or in concert with Mr. J.R. André Bombardier, Mrs. Janine Bombardier and Mrs. Huguette Bombardier Fontaine), control or direction over 69,780,740 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 Mrs. Claire Bombardier Beaudoin, Mrs. Janine Bombardier and Mrs. Huguette Bombardier Fontaine), control or direction over 72,644,741 Class A Shares of the Corporation.
 - (3) Mrs. Janine Bombardier exercises, through holding corporations which she controls (either directly or in concert with Mrs. Claire Bombardier Beaudoin, Mr. J.R. André Bombardier and Mrs. Huguette Bombardier Fontaine), control or direction over 69,780,740 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 Mrs. Claire Bombardier Beaudoin, Mr. J.R. André Bombardier and Mrs. Janine Bombardier), control or direction over 68,180,740 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
Michel Baril Longueuil, Québec	President and Chief Operating Officer, Bombardier Recreational Products
Pierre Beaudoin Montréal, Québec	President and Chief Operating Officer, Bombardier Aerospace
Richard Bradeen Montréal, Québec	Vice-President
Roger Carle Montréal, Québec	Corporate Secretary
Michael G. Denham Montréal, Québec	Senior Vice-President, Strategy
Daniel Desjardins Montréal, Québec	Vice-President, Legal Services and Assistant Secretary
Robert Gillespie Montréal, Québec	President and Chief Operating Officer, Bombardier Capital
Robert Greenhill Montréal, Québec	President and Chief Operating Officer, Bombardier International
Jean-Yves Leblanc Montréal, Québec	Chairman, Bombardier Transportation
Carroll L'Italien Montréal, Québec	Senior Vice-President
Carole Lamarche Montréal, Québec	Vice-President, Corporate Audit and Risk Assessment
Michel Lord Montréal, Québec	Vice-President, Investor Relations
Pierre Lortie Longueuil, Québec	President and Chief Operating Officer, Bombardier Transportation
Louis Morin Montréal, Québec	Senior Vice-President and Chief Financial Officer
Marie-Claire Simoneau Montréal, Québec	Executive Assistant to the Chairman
Yvon Turcot Montréal, Québec	Senior Vice-President, Public Affairs

As at April 3, 2002, 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, 4,642,948 Class A Shares and 9,149,539 Class B Subordinate Voting Shares, representing 1.36% and 0.89%, respectively, of the outstanding shares of each such class.

The directors and officers of the Corporation who have not occupied their current principal occupations 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 is Emeritus Professor of Strategy (UQAM) and Chairman of the Board, Governance Value Added Inc. From February 1, 1999, until July 3, 2001, he was Executive Vice-President of the

Corporation and Chairman of Bombardier Capital. Prior to that, he had been Executive Vice-President, Strategy and Corporate Affairs of the Corporation since May 1, 1996.

- Michel Baril has been President and Chief Operating Officer, Bombardier Recreational Products since February 1, 2001; prior to that date, he was Executive Vice-President, Bombardier Transportation since May 2000; he had previously been Executive Vice-President, Operations, Bombardier Aerospace since September 1998; before that, he had been President of the Mass Transit Division of Bombardier Transportation since June 1996.
- 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.
- Pierre Beaudoin has been President and Chief Operating Officer of Bombardier Aerospace since October 16, 2001. Prior to that, he was President of Bombardier Aerospace, Business Aircraft since February 1, 2001; before that, he was President and Chief Operating Officer of Bombardier Recreational Products from April 1996 to January 2001.
- Richard Bradeen has been promoted to Vice-President, responsible for Amphibious Aircraft, Defence Services and the Belfast City Airport effective April 8, 2002; prior to that date, he has been Vice-President, Corporate Audit and Risk Assessment of the Corporation since February 1, 2001; prior to that date, he was Vice-President, Acquisitions and Strategic Alliances of the Corporation since February 1, 1999. Before that, he had been Vice-President, Acquisitions, 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.
- Roger Carle has been Corporate Secretary of the Corporation since October 6, 2000; before that, he was Director, Legal Services and Corporate Secretary since September 17, 1996.
- Michael G. Denham has been Senior Vice-President, Strategy since August 6, 2001. From 1994 until joining the Corporation, he was a partner with McKinsey & Company, an international management consulting firm.
- 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.
- Robert Gillespie holds the position of President and Chief Operating Officer of Bombardier Capital since February 1, 2001; prior to that date, he was President of Bombardier Aerospace, Business Aircraft since September 1999; from March 1998 to September 1999, he was President of Bombardier Aerospace, Regional Aircraft, and from May 1995 to March 1998, he was President of Bombardier Business JetSolutions.
- Robert Greenhill has been President and Chief Operating Officer of Bombardier International since October 23, 2000; prior to that date, he was Senior Vice-President, Strategy since September 20, 2000, and before that date, Vice-President, Strategy since October 1, 1996.
- Daniel Johnson has been counsel at the law firm McCarthy Tétrault since July 1998. Prior to that date, he sat as a member of the Quebec National Assembly for more than 17 years and was leader of the Quebec Liberal Party from December 1993 to April 1998.
- Jean-Yves Leblanc has been Chairman of Bombardier Transportation since December 6, 2000; prior to that date he had been President and Chief Operating Officer of Bombardier Transportation since May 15, 1996.

- Carroll L’Italien has been Senior Vice-President of the Corporation since July 24, 1999; prior to that date, he had been, since June 1996, President of Alcan Smelters and Chemicals Limited, a producer of aluminum products, and later had become President of Alcan Primary Metal – North America.
- Carole Lamarche has been promoted to Vice-President, Corporate Audit and Risk Assessment of the Corporation, effective April 8, 2002; prior to that date, she has been Vice-President, Finance of the Corporation since March 1, 2001. Before that, she had been Vice-President, Finance, Bombardier Aerospace, Bombardier Regional Aircraft Division since May 1, 2000 and Bombardier Aerospace, Operations de Havilland since February 1, 1999 after having been Controller, Finance, Bombardier Aerospace since September 1, 1996.
- Michel Lord has become Vice-President, Investor Relations on August 6, 2001, after having been Vice-President, Communications and Public Relations of the Corporation.
- Pierre Lortie has been President and Chief Operating Officer of Bombardier Transportation since December 6, 2000; prior to that date, he had been President and Chief Operating Officer of Bombardier Capital since February 16, 2000; previously, he had been President and Chief Operating Officer of Bombardier International since April 6, 1998, after having been President of the Bombardier Aerospace Regional Aircraft division since August 1993.
- Jean C. Monty has been Chairman and Chief Executive Officer of BCE Inc. since April 26, 2000, before which he had been President and Chief Executive Officer of BCE Inc. since May 6, 1998 and previously President and Chief Operating Officer of BCE Inc. from October 1, 1997 to May 6, 1998; he is also 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 became its Vice-Chairman and Chief Executive Officer.
- Louis Morin has been Senior Vice-President and Chief Financial Officer of the Corporation since September 20, 2000 and before that Vice-President, Finance of the Corporation since April 1, 1999; from March 1, 1997 to March 31, 1999, he had been 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.
- James E. Perella has been Retired Chairman and Chief Executive Officer of Ingersoll-Rand Company since June 1, 2000 and before that, the Chairman of the Board of Directors of Ingersoll-Rand Company since October 1, 1999; previously, he had been its Chairman and Chief Executive Officer since April 1999; from November 1993 to April 1999, he had been its Chairman, President and Chief Executive Officer.
- Marie-Claire Simoneau has been Executive Assistant to the Chairman since February 1, 1999; prior to that date, she had been Executive Assistant to the Chief Executive Officer since April 21, 1986.
- Yvon Turcot has been promoted to Senior Vice-President, Public Affairs of the Corporation effective April 8, 2002 after having been Vice-President, Public Affairs of the Corporation since August 6, 2001. Prior to his appointment, he had been President of a consulting firm for over 25 years.

Item 9 Additional Information

Additional information, including remuneration of directors and officers, loans of the Corporation 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 fiscal year ended January 31, 2002. Copies of these documents may be obtained free of charge upon request from the Public Affairs 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 Affairs 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 consolidated financial statements of the Corporation for its most recently completed fiscal year for which financial statements have been filed together with the report of the auditors thereon and one copy of any interim financial statements of the Corporation that have been filed subsequent to the financial statements for its most recently completed fiscal 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.