

BOMBARDIER INC.

Bombardier started reporting its financial statements in U.S. dollars with the quarter ending April 30, 2004. Historical annual and quarterly financial statements for FY04 and FY03 in U.S. dollars are presented in the Investor Relations section for comparison purposes. Also, a number of related questions and answers are discussed in the [Investor Relations/FAQs section](#).

- [Financial Statements – Three months ended April 30, 2003](#)
- [Financial Statements – Three and six months ended July 31, 2003](#)
- [Financial Statements – Three and nine months ended October 31, 2003](#)
- [Financial Statements – Three months and year ended January 31, 2003](#)
- [Quarterly Data](#)
- [Bombardier Capital](#)

BOMBARDIER INC.
Consolidated Balance Sheets

(Unaudited)

	Bombardier Inc. consolidated		Bombardier		BC	
	April 30, 2003	January 31, 2003	April 30, 2003	January 31, 2003	April 30, 2003	January 31, 2003
(millions of US dollars)						
Assets						
Cash and cash equivalents	\$ 869	\$ 663	\$ 281	\$ 466	\$ 588	\$ 197
Receivables	1,750	1,478	1,625	1,369	125	109
Finance receivables	3,869	4,587	-	-	3,869	4,587
Assets under operating leases	826	889	10	5	816	884
Inventories	3,999	3,443	3,999	3,443	-	-
Property, plant and equipment	3,603	3,523	3,517	3,427	86	96
Goodwill	2,231	2,122	2,231	2,122	-	-
Deferred income taxes	609	598	416	413	193	185
Investment in BC and advances to/from Bombardier	-	-	954	842	-	45
Accrued benefit asset	189	173	189	173	-	-
Assets held for sale	874	824	874	824	-	-
Other assets	750	749	504	496	246	253
	\$ 19,569	\$ 19,049	\$ 14,600	\$ 13,580	\$ 5,923	\$ 6,356
Liabilities						
Short-term borrowings	\$ 1,771	\$ 1,677	\$ 666	\$ 249	\$ 1,105	\$ 1,428
Advances to/from BC	-	-	-	45	78	-
Accounts payable and accrued liabilities	5,635	5,825	5,464	5,556	171	269
Advances and progress billings						
in excess of related costs	2,328	2,496	2,328	2,496	-	-
Deferred income taxes	125	122	122	119	3	3
Long-term debt	5,751	5,838	2,062	2,027	3,689	3,811
Accrued benefit liability	823	753	822	750	1	3
Liabilities related to assets held for sale	491	545	491	545	-	-
	16,924	17,256	11,955	11,787	5,047	5,514
Shareholders' equity (Investment from Bombardier)						
Preferred shares						
Issued and outstanding:						
Series 2: 2,597,907	51	51	51	51	-	-
Series 3: 9,402,093	148	148	148	148	-	-
Series 4: 9,400,000	148	148	148	148	-	-
Common shares						
Issued and outstanding:						
Class A: 342,019,138 (342,020,138 as at January 31, 2003)	31	31	31	31	-	-
Class B: 1,405,967,780 (1,035,666,780 as at January 31, 2003)	1,406	576	1,406	576	-	-
Retained earnings	777	778	777	778	-	-
Deferred translation adjustment	84	61	84	61	-	-
Investment from Bombardier	-	-	-	-	876	842
	2,645	1,793	2,645	1,793	876	842
	\$ 19,569	\$ 19,049	\$ 14,600	\$ 13,580	\$ 5,923	\$ 6,356

BOMBARDIER INC.**Consolidated Statements of Income**

(Unaudited)

For the three months ended April 30

(millions of US dollars, except per share amounts)	Bombardier Inc. consolidated		Bombardier		BC	
	2003	2002	2003	2002	2003	2002
Revenues						
Manufacturing	\$ 2,690	\$ 2,596	\$ 2,690	\$ 2,596	\$ -	\$ -
Services	325	280	325	280	-	-
Financing	89	62	-	-	146	121
Other	228	250	228	250	-	-
	3,332	3,188	3,243	3,126	146	121
Cost of sales	2,783	2,619	2,770	2,629	70	49
Selling, general and administrative	231	219	207	184	24	35
Depreciation and amortization	162	134	126	110	36	24
Research and development	25	21	25	21	-	-
Special items	9	-	9	-	-	-
Income from BC	-	-	(10)	(8)	-	-
	3,210	2,993	3,127	2,936	130	108
	122	195	116	190	16	13
Interest expense, net	38	25	38	25	-	-
Income from continuing operations before income taxes	84	170	78	165	16	13
Income tax expense	29	57	23	52	6	5
Income from continuing operations	55	113	55	113	10	8
Loss from discontinued operations, net of tax	(1)	(5)	(1)	(5)	-	-
Net income	\$ 54	\$ 108	\$ 54	\$ 108	\$ 10	\$ 8
Earnings per share:						
Basic and diluted						
From continuing operations	\$ 0.03	\$ 0.08				
From discontinued operations	-	-				
	\$ 0.03	\$ 0.08				

BOMBARDIER INC.**Consolidated Statements of Retained Earnings**

(Unaudited)

For the three months ended April 30

	Bombardier Inc.	
	consolidated	
(millions of US dollars)	2003	2002
Balance at beginning of period - previously reported	\$ 778	\$ 1,847
Effect of changes in accounting policies for aerospace programs	-	(495)
Balance at beginning of period - restated	778	1,352
Net income	54	108
Dividends:		
Preferred shares	(5)	(4)
Common shares	(27)	(40)
Share issue costs, net of tax	(23)	(3)
Balance at end of period	\$ 777	\$ 1,413

BOMBARDIER INC.**Consolidated Statements of Cash Flows**

(Unaudited)

For the three months ended April 30

(millions of US dollars)	Bombardier Inc. consolidated		Bombardier		BC	
	2003	2002	2003	2002	2003	2002
Operating activities						
Income from continuing operations	\$ 55	\$ 113	\$ 55	\$ 113	\$ 10	\$ 8
Non-cash items:						
Depreciation and amortization	162	134	126	110	36	24
Income from BC	-	-	(10)	(8)	-	-
Provision for credit losses	19	16	-	-	19	16
Deferred income taxes	20	30	16	29	4	1
Gain on disposals of property, plant and equipment	(7)	-	(7)	-	-	-
Special items	9	-	9	-	-	-
Net changes in non-cash balances related to operations	(1,386)	(604)	(1,325)	(603)	(61)	(1)
Cash flows from operating activities	(1,128)	(311)	(1,136)	(359)	8	48
Investing activities						
Additions to property, plant and equipment	(124)	(85)	(123)	(83)	(1)	(2)
Disposals of property, plant and equipment	94	1	79	1	15	-
Net decrease in finance receivables	738	101	-	-	738	101
Additions to assets under operating leases	(21)	(482)	-	-	(21)	(482)
Disposals of assets under operating leases	71	306	-	-	71	306
Investment in BC and advances to/from Bombardier	-	-	(142)	(45)	142	45
Other	(134)	54	(11)	(7)	(123)	61
Cash flows from investing activities	624	(105)	(197)	(134)	821	29
Financing activities						
Net variation in short-term borrowings	93	79	421	39	(328)	40
Proceeds from issuance of long-term debt	-	554	-	554	-	-
Repayments of long-term debt	(189)	(13)	(8)	(7)	(181)	(6)
Issuance of shares, net of related costs	807	148	807	148	-	-
Dividends paid	(5)	(4)	(5)	(4)	-	-
Cash flows from financing activities	706	764	1,215	730	(509)	34
Effect of exchange rate changes on cash and cash equivalents	111	(98)	40	(107)	71	9
Cash flows from continuing operations	313	250	(78)	130	391	120
Cash flows from discontinued operations	(109)	(96)	(109)	(96)	-	-
Net increase (decrease) in cash and cash equivalents	204	154	(187)	34	391	120
Cash and cash equivalents at beginning of period	682	291	485	291	197	-
Cash and cash equivalents at end of period⁽¹⁾	\$ 886	\$ 445	\$ 298	\$ 325	\$ 588	\$ 120

⁽¹⁾ Includes the following:

Cash and cash equivalents related to:

Continuing operations	\$ 869	\$ 425	\$ 281	\$ 305	\$ 588	\$ 120
Discontinued operations	17	20	17	20	-	-
	\$ 886	\$ 445	\$ 298	\$ 325	\$ 588	\$ 120

SEGMENT DISCLOSURE

(Unaudited)

For the three months ended April 30

Industry segments (millions of US dollars)	Bombardier Inc. consolidated		Aerospace		Transportation		BC	
	2003	2002	2003	2002	2003	2002	2003	2002
External revenues	\$ 3,332	\$ 3,188	\$ 1,608	\$ 1,672	\$ 1,635	\$ 1,454	\$ 89	\$ 62
Intersegment revenues	-	-	-	-	4	3	57	59
Segmented revenues	3,332	3,188	1,608	1,672	1,639	1,457	146	121
Cost of sales	2,783	2,619	1,393	1,363	1,381	1,269	70	49
Selling, general and administrative	231	219	86	90	121	94	24	35
Depreciation and amortization	162	134	69	74	57	36	36	24
Research and development	25	21	8	7	17	14	-	-
Special items	9	-	9	-	-	-	-	-
	3,210	2,993	1,565	1,534	1,576	1,413	130	108
	122	195	43	138	63	44	16	13
Interest expense (income), net	38	25	49	39	(11)	(14)	-	-
Income (loss) from continuing operations before income taxes	\$ 84	\$ 170	\$ (6)	\$ 99	\$ 74	\$ 58	\$ 16	\$ 13
Additions to property, plant and equipment and intangible assets	\$ 124	\$ 85	\$ 58	\$ 70	\$ 65	\$ 13	\$ 1	\$ 2

As at	April 30, 2003	January 31, 2003	April 30, 2003	January 31, 2003	April 30, 2003	January 31, 2003	April 30, 2003	January 31, 2003
Net segmented assets	\$ 4,337	\$ 3,075	\$ 2,933	\$ 2,146	\$ 528	\$ 87	\$ 876	\$ 842
Accounts payable and accrued liabilities	5,464	5,556						
Advances and progress billings in excess of related costs	2,328	2,496						
Accrued benefit liability	822	750						
Advances to BC	78	-						
Deferred income tax asset	416	413						
Cash and cash equivalents	281	466						
Assets held for sale	874	824						
Total assets – Bombardier	14,600	13,580						
Investment in BC	(954)	(842)						
Advances from BC	-	(45)						
Total assets – BC	5,923	6,356						
Total assets – Bombardier Inc. consolidated	\$ 19,569	\$ 19,049						

BOMBARDIER INC.
Consolidated Balance Sheets

(Unaudited)

(millions of US dollars)	Bombardier Inc. consolidated		Bombardier		BC	
	July 31,	January 31,	July 31,	January 31,	July 31,	January 31,
	2003	2003	2003	2003	2003	2003
Assets						
Cash and cash equivalents	\$ 498	\$ 663	\$ 245	\$ 466	\$ 253	\$ 197
Receivables	1,639	1,478	1,518	1,369	121	109
Finance receivables	3,374	4,587	-	-	3,374	4,587
Assets under operating leases	681	889	26	5	655	884
Inventories	4,142	3,443	4,142	3,443	-	-
Property, plant and equipment	3,562	3,523	3,476	3,427	86	96
Goodwill	2,224	2,122	2,224	2,122	-	-
Deferred income taxes	611	598	417	413	194	185
Investment in BC and advances to Bombardier	-	-	889	842	253	45
Accrued benefit asset	210	173	210	173	-	-
Assets held for sale	844	824	844	824	-	-
Other assets	1,079	749	543	496	536	253
	\$ 18,864	\$ 19,049	\$ 14,534	\$ 13,580	\$ 5,472	\$ 6,356
Liabilities						
Short-term borrowings	\$ 1,369	\$ 1,677	\$ 634	\$ 249	\$ 735	\$ 1,428
Advances from BC	-	-	253	45	-	-
Accounts payable and accrued liabilities	5,434	5,825	5,207	5,556	227	269
Advances and progress billings						
in excess of related costs	2,354	2,496	2,354	2,496	-	-
Deferred income taxes	159	122	156	119	3	3
Long-term debt	5,580	5,838	1,963	2,027	3,617	3,811
Accrued benefit liability	833	753	832	750	1	3
Liabilities related to assets held for sale	447	545	447	545	-	-
	16,176	17,256	11,846	11,787	4,583	5,514
Shareholders' equity (Investment from Bombardier)						
Preferred shares						
Issued and outstanding:						
Series 2: 2,597,907	51	51	51	51	-	-
Series 3: 9,402,093	148	148	148	148	-	-
Series 4: 9,400,000	148	148	148	148	-	-
Common shares						
Issued and outstanding:						
Class A: 342,019,138	31	31	31	31	-	-
(342,020,138 as at January 31, 2003)						
Class B: 1,406,215,780	1,406	576	1,406	576	-	-
(1,035,666,780 as at January 31, 2003)						
Retained earnings	809	778	809	778	-	-
Deferred translation adjustment	95	61	95	61	-	-
Investment from Bombardier	-	-	-	-	889	842
	2,688	1,793	2,688	1,793	889	842
	\$ 18,864	\$ 19,049	\$ 14,534	\$ 13,580	\$ 5,472	\$ 6,356

BOMBARDIER INC.**Consolidated Statements of Income**

(Unaudited)

For the three months ended July 31

(millions of US dollars, except per share amounts)	Bombardier Inc. consolidated		Bombardier		BC	
	2003	2002	2003	2002	2003	2002
Revenues						
Manufacturing	\$ 3,045	\$ 2,830	\$ 3,045	\$ 2,830	\$ -	\$ -
Services	397	297	397	297	-	-
Financing	82	82	-	-	127	144
Other	294	202	294	202	-	-
	3,818	3,411	3,736	3,329	127	144
Cost of sales	3,200	2,787	3,183	2,781	62	68
Selling, general and administrative	287	246	263	215	24	31
Depreciation and amortization	125	131	98	106	27	25
Research and development	33	35	33	35	-	-
Special items	28	135	28	135	-	-
Income from BC	-	-	(9)	(12)	-	-
	3,673	3,334	3,596	3,260	113	124
	145	77	140	69	14	20
Interest expense, net	37	34	37	34	-	-
Income from continuing operations before income taxes	108	43	103	35	14	20
Income tax expense	38	14	33	6	5	8
Income from continuing operations	70	29	70	29	9	12
Income (loss) from discontinued operations, net of tax	(2)	8	(2)	8	-	-
Net income	\$ 68	\$ 37	\$ 68	\$ 37	\$ 9	\$ 12
Earnings per share:						
Basic and diluted						
From continuing operations	\$ 0.04	\$ 0.02				
From discontinued operations	-	0.01				
	\$ 0.04	\$ 0.02				

BOMBARDIER INC.**Consolidated Statements of Income**

(Unaudited)

For the six months ended July 31

(millions of US dollars, except per share amounts)	Bombardier Inc. consolidated		Bombardier		BC	
	2003	2002	2003	2002	2003	2002
Revenues						
Manufacturing	\$ 5,735	\$ 5,426	\$ 5,735	\$ 5,426	\$ -	\$ -
Services	722	577	722	577	-	-
Financing	171	144	-	-	273	265
Other	522	452	522	452	-	-
	7,150	6,599	6,979	6,455	273	265
Cost of sales	5,983	5,406	5,953	5,410	132	117
Selling, general and administrative	518	465	470	399	48	66
Depreciation and amortization	287	265	224	216	63	49
Research and development	58	56	58	56	-	-
Special items	37	135	37	135	-	-
Income from BC	-	-	(19)	(20)	-	-
	6,883	6,327	6,723	6,196	243	232
	267	272	256	259	30	33
Interest expense, net	75	59	75	59	-	-
Income from continuing operations before income taxes	192	213	181	200	30	33
Income tax expense	67	71	56	58	11	13
Income from continuing operations	125	142	125	142	19	20
Income (loss) from discontinued operations, net of tax	(3)	3	(3)	3	-	-
Net income	\$ 122	\$ 145	\$ 122	\$ 145	\$ 19	\$ 20
Earnings per share:						
Basic and diluted						
From continuing operations	\$ 0.07	\$ 0.10				
From discontinued operations	-	-				
	\$ 0.07	\$ 0.10				

BOMBARDIER INC.**Consolidated Statements of Retained Earnings**

(Unaudited)

For the six months ended July 31

	Bombardier Inc.	
	consolidated	
(millions of US dollars)	2003	2002
Balance at beginning of period - previously reported	\$ 778	\$ 1,847
Effect of changes in accounting policies for aerospace programs	-	(495)
Balance at beginning of period - restated	778	1,352
Net income	122	145
Dividends:		
Preferred shares	(11)	(9)
Common shares	(57)	(80)
Share issue costs, net of tax	(23)	(3)
Other	-	(1)
Balance at end of period	\$ 809	\$ 1,404

BOMBARDIER INC.**Consolidated Statements of Cash Flows**

(Unaudited)

For the three months ended July 31

(millions of US dollars)	Bombardier Inc.		Bombardier		BC	
	2003	2002	2003	2002	2003	2002
Operating activities						
Income from continuing operations	\$ 70	\$ 29	\$ 70	\$ 29	\$ 9	12
Non-cash items:						
Depreciation and amortization	125	131	98	106	27	25
Income from BC	-	-	(9)	(12)	-	-
Provision for credit losses	17	19	-	-	17	19
Deferred income taxes	20	7	17	7	3	-
Gain on disposals of property, plant and equipment	(3)	-	(3)	-	-	-
Special items	28	135	28	135	-	-
Net changes in non-cash balances related to operations	(356)	(346)	(351)	(339)	(5)	(7)
Cash flows from operating activities	(99)	(25)	(150)	(74)	51	49
Investing activities						
Additions to property, plant and equipment	(45)	(105)	(45)	(102)	-	(3)
Disposals of property, plant and equipment	17	14	17	9	-	5
Net decrease in finance receivables	494	457	-	-	494	457
Additions to assets under operating leases	(71)	(280)	-	-	(71)	(280)
Disposals of assets under operating leases	198	229	-	-	198	229
Disposal of assets held for sale	54	-	54	-	-	-
Investment in BC and advances from BC / to Bombardier	-	-	324	(47)	(324)	47
Other	(156)	(97)	(28)	(14)	(128)	(83)
Cash flows from investing activities	491	218	322	(154)	169	372
Financing activities						
Net variation in short-term borrowings	(397)	(413)	(25)	386	(372)	(799)
Proceeds from issuance of long-term debt	8	913	4	9	4	904
Repayments of long-term debt	(197)	(551)	(106)	(8)	(91)	(543)
Issuance of shares, net of related costs	-	4	-	4	-	-
Dividends paid	(62)	(84)	(62)	(84)	-	-
Cash flows from financing activities	(648)	(131)	(189)	307	(459)	(438)
Effect of exchange rate changes on cash and cash equivalents	(80)	(97)	16	(93)	(96)	(4)
Cash flows from continuing operations	(336)	(35)	(1)	(14)	(335)	(21)
Cash flows from discontinued operations	(29)	(64)	(29)	(64)	-	-
Net decrease in cash and cash equivalents	(365)	(99)	(30)	(78)	(335)	(21)
Cash and cash equivalents at beginning of period	886	445	298	325	588	120
Cash and cash equivalents at end of period⁽¹⁾	\$ 521	\$ 346	\$ 268	\$ 247	\$ 253	99

⁽¹⁾ Includes the following:

Cash and cash equivalents related to:

Continuing operations	\$ 498	\$ 326	\$ 245	\$ 227	\$ 253	99
Discontinued operations	23	20	23	20	-	-
	\$ 521	\$ 346	\$ 268	\$ 247	\$ 253	99

BOMBARDIER INC.**Consolidated Statements of Cash Flows**

(Unaudited)

For the six months ended July 31

(millions of US dollars)	Bombardier Inc. consolidated		Bombardier			BC
	2003	2002	2003	2002	2003	2002
Operating activities						
Income from continuing operations	\$ 125	\$ 142	\$ 125	\$ 142	\$ 19	\$ 20
Non-cash items:						
Depreciation and amortization	287	265	224	216	63	49
Income from BC	-	-	(19)	(20)	-	-
Provision for credit losses	36	35	-	-	36	35
Deferred income taxes	40	37	33	36	7	1
Gain on disposals of property, plant and equipment	(10)	-	(10)	-	-	-
Special items	37	135	37	135	-	-
Net changes in non-cash balances related to operations	(1,742)	(950)	(1,676)	(942)	(66)	(8)
Cash flows from operating activities	(1,227)	(336)	(1,286)	(433)	59	97
Investing activities						
Additions to property, plant and equipment	(169)	(190)	(168)	(185)	(1)	(5)
Disposals of property, plant and equipment	111	15	96	10	15	5
Net decrease in finance receivables	1,232	558	-	-	1,232	558
Additions to assets under operating leases	(92)	(762)	-	-	(92)	(762)
Disposals of assets under operating leases	269	535	-	-	269	535
Disposal of assets held for sale	54	-	54	-	-	-
Investment in BC and advances from BC / to Bombardier	-	-	182	(92)	(182)	92
Other	(290)	(43)	(39)	(21)	(251)	(22)
Cash flows from investing activities	1,115	113	125	(288)	990	401
Financing activities						
Net variation in short-term borrowings	(304)	(334)	396	425	(700)	(759)
Proceeds from issuance of long-term debt	8	1,467	4	563	4	904
Repayments of long-term debt	(386)	(564)	(114)	(15)	(272)	(549)
Issuance of shares, net of related costs	807	152	807	152	-	-
Dividends paid	(67)	(88)	(67)	(88)	-	-
Cash flows from financing activities	58	633	1,026	1,037	(968)	(404)
Effect of exchange rate changes on cash and cash equivalents	31	(195)	56	(200)	(25)	5
Cash flows from continuing operations	(23)	215	(79)	116	56	99
Cash flows from discontinued operations	(138)	(160)	(138)	(160)	-	-
Net increase (decrease) in cash and cash equivalents	(161)	55	(217)	(44)	56	99
Cash and cash equivalents at beginning of period	682	291	485	291	197	-
Cash and cash equivalents at end of period⁽¹⁾	\$ 521	\$ 346	\$ 268	\$ 247	\$ 253	\$ 99

⁽¹⁾ Includes the following:

Cash and cash equivalents related to:

Continuing operations	\$ 498	\$ 326	\$ 245	\$ 227	\$ 253	\$ 99
Discontinued operations	23	20	23	20	-	-
	\$ 521	\$ 346	\$ 268	\$ 247	\$ 253	\$ 99

SEGMENT DISCLOSURE

(Unaudited)

For the three months ended July 31

Industry segments (millions of US dollars)	Bombardier Inc. consolidated		Aerospace		Transportation		BC	
	2003	2002	2003	2002	2003	2002	2003	2002
External revenues	\$ 3,818	\$ 3,411	\$ 2,052	\$ 1,780	\$ 1,684	\$ 1,549	\$ 82	\$ 82
Intersegment revenues	-	-	-	-	3	4	45	62
Segmented revenues	3,818	3,411	2,052	1,780	1,687	1,553	127	144
Cost of sales	3,200	2,787	1,765	1,464	1,421	1,321	62	68
Selling, general and administrative	287	246	99	91	164	124	24	31
Depreciation and amortization	125	131	71	77	27	29	27	25
Research and development	33	35	24	6	9	29	-	-
Special items	28	135	28	135	-	-	-	-
	3,673	3,334	1,987	1,773	1,621	1,503	113	124
	145	77	65	7	66	50	14	20
Interest expense (income), net	37	34	46	53	(9)	(19)	-	-
Income (loss) from continuing operations before income taxes	\$ 108	\$ 43	\$ 19	\$ (46)	\$ 75	\$ 69	\$ 14	\$ 20
Additions to property, plant and equipment and intangible assets	\$ 45	\$ 105	\$ 30	\$ 78	\$ 15	\$ 24	\$ -	\$ 3

SEGMENT DISCLOSURE

(Unaudited)

For the six months ended July 31

Industry segments (millions of US dollars)	Bombardier Inc. consolidated		Aerospace		Transportation		BC	
	2003	2002	2003	2002	2003	2002	2003	2002
External revenues	\$ 7,150	\$ 6,599	\$ 3,660	\$ 3,452	\$ 3,319	\$ 3,003	\$ 171	\$ 144
Intersegment revenues	-	-	-	-	7	7	102	121
Segmented revenues	7,150	6,599	3,660	3,452	3,326	3,010	273	265
Cost of sales	5,983	5,406	3,158	2,827	2,802	2,590	132	117
Selling, general and administrative	518	465	185	181	285	218	48	66
Depreciation and amortization	287	265	140	151	84	65	63	49
Research and development	58	56	32	13	26	43	-	-
Special items	37	135	37	135	-	-	-	-
	6,883	6,327	3,552	3,307	3,197	2,916	243	232
	267	272	108	145	129	94	30	33
Interest expense (income), net	75	59	95	92	(20)	(33)	-	-
Income from continuing operations before income taxes	\$ 192	\$ 213	\$ 13	\$ 53	\$ 149	\$ 127	\$ 30	\$ 33
Additions to property, plant and equipment and intangible assets	\$ 169	\$ 190	\$ 88	\$ 148	\$ 80	\$ 37	\$ 1	\$ 5

As at	July 31, 2003	January 31, 2003	July 31, 2003	January 31, 2003	July 31, 2003	January 31, 2003	July 31, 2003	January 31, 2003
Net segmented assets	\$ 4,635	\$ 3,075	\$ 2,801	\$ 2,146	\$ 945	\$ 87	\$ 889	\$ 842
Accounts payable and accrued liabilities	5,207	5,556						
Advances and progress billings in excess of related costs	2,354	2,496						
Accrued benefit liability	832	750						
Deferred income tax asset	417	413						
Cash and cash equivalents	245	466						
Assets held for sale	844	824						
Total assets – Bombardier	14,534	13,580						
Investment in BC	(889)	(842)						
Advances from BC	(253)	(45)						
Total assets – BC	5,472	6,356						
Total assets – Bombardier Inc. consolidated	\$ 18,864	\$ 19,049						

BOMBARDIER INC.
Consolidated Balance Sheets

(Unaudited)

(millions of US dollars)	Bombardier Inc. consolidated		Bombardier		BC	
	October 31, 2003	January 31, 2003	October 31, 2003	January 31, 2003	October 31, 2003	January 31, 2003
Assets						
Cash and cash equivalents	\$ 283	\$ 663	\$ 264	\$ 466	\$ 19	\$ 197
Receivables	1,704	1,478	1,552	1,369	152	109
Finance receivables	3,422	4,587	-	-	3,422	4,587
Assets under operating leases	651	889	42	5	609	884
Inventories	4,301	3,443	4,301	3,443	-	-
Property, plant and equipment	3,708	3,523	3,618	3,427	90	96
Goodwill	2,297	2,122	2,297	2,122	-	-
Deferred income taxes	633	598	425	413	208	185
Investment in BC and advances to Bombardier	-	-	915	842	490	45
Accrued benefit asset	225	173	225	173	-	-
Assets held for sale	890	824	890	824	-	-
Other assets	1,188	749	573	496	615	253
	\$ 19,302	\$ 19,049	\$ 15,102	\$ 13,580	\$ 5,605	\$ 6,356
Liabilities						
Short-term borrowings	\$ 1,143	\$ 1,677	\$ 379	\$ 249	\$ 764	\$ 1,428
Advances from BC	-	-	490	45	-	-
Accounts payable and accrued liabilities	5,683	5,825	5,436	5,556	247	269
Advances and progress billings						
in excess of related costs	2,374	2,496	2,374	2,496	-	-
Deferred income taxes	212	122	205	119	7	3
Long-term debt	5,683	5,838	2,012	2,027	3,671	3,811
Accrued benefit liability	890	753	889	750	1	3
Liabilities related to assets held for sale	486	545	486	545	-	-
	16,471	17,256	12,271	11,787	4,690	5,514
Shareholders' equity (Investment from Bombardier)						
Preferred shares						
Issued and outstanding:						
Series 2: 2,597,907	51	51	51	51	-	-
Series 3: 9,402,093	148	148	148	148	-	-
Series 4: 9,400,000	148	148	148	148	-	-
Common shares						
Issued and outstanding:						
Class A: 342,018,448 (342,020,138 as at January 31, 2003)	31	31	31	31	-	-
Class B: 1,407,526,470 (1,035,666,780 as at January 31, 2003)	1,408	576	1,408	576	-	-
Retained earnings	908	778	908	778	-	-
Deferred translation adjustment	137	61	137	61	-	-
Investment from Bombardier	-	-	-	-	915	842
	2,831	1,793	2,831	1,793	915	842
	\$ 19,302	\$ 19,049	\$ 15,102	\$ 13,580	\$ 5,605	\$ 6,356

BOMBARDIER INC.**Consolidated Statements of Income**

(Unaudited)

For the three months ended October 31

(millions of US dollars, except per share amounts)	Bombardier Inc. consolidated		Bombardier		BC	
	2003	2002	2003	2002	2003	2002
Revenues						
Manufacturing	\$ 2,826	\$ 2,476	\$ 2,826	\$ 2,476	\$ -	\$ -
Services	374	360	374	360	-	-
Financing	74	86	-	-	106	149
Other	209	206	209	206	-	-
	3,483	3,128	3,409	3,042	106	149
Cost of sales	2,950	2,593	2,922	2,580	60	76
Selling, general and administrative	208	230	185	207	23	23
Depreciation and amortization	136	130	123	105	13	25
Research and development	31	15	31	15	-	-
Special items	(69)	-	(69)	-	-	-
Income from BC	-	-	(6)	(15)	-	-
	3,256	2,968	3,186	2,892	96	124
	227	160	223	150	10	25
Interest expense, net	38	35	38	35	-	-
Income from continuing operations before income taxes	189	125	185	115	10	25
Income tax expense	65	42	61	32	4	10
Income from continuing operations	124	83	124	83	6	15
Income from discontinued operations, net of tax	9	33	9	33	-	-
Net income	\$ 133	\$ 116	\$ 133	\$ 116	\$ 6	\$ 15
Earnings per share:						
Basic and diluted						
From continuing operations	\$ 0.07	\$ 0.06				
From discontinued operations	0.01	0.02				
	\$ 0.07	\$ 0.08				

BOMBARDIER INC.**Consolidated Statements of Income**

(Unaudited)

For the nine months ended October 31

(millions of US dollars, except per share amounts)	Bombardier Inc. consolidated		Bombardier		BC	
	2003	2002	2003	2002	2003	2002
Revenues						
Manufacturing	\$ 8,561	\$ 7,902	\$ 8,561	\$ 7,902	\$ -	\$ -
Services	1,096	937	1,096	937	-	-
Financing	245	230	-	-	379	414
Other	731	658	731	658	-	-
	10,633	9,727	10,388	9,497	379	414
Cost of sales	8,933	7,999	8,875	7,990	192	193
Selling, general and administrative	726	695	655	606	71	89
Depreciation and amortization	423	395	347	321	76	74
Research and development	89	71	89	71	-	-
Special items	(32)	135	(32)	135	-	-
Income from BC	-	-	(25)	(35)	-	-
	10,139	9,295	9,909	9,088	339	356
	494	432	479	409	40	58
Interest expense, net	113	94	113	94	-	-
Income from continuing operations before income taxes	381	338	366	315	40	58
Income tax expense	132	113	117	90	15	23
Income from continuing operations	249	225	249	225	25	35
Income from discontinued operations, net of tax	6	36	6	36	-	-
Net income	\$ 255	\$ 261	\$ 255	\$ 261	\$ 25	\$ 35
Earnings per share:						
Basic and diluted						
From continuing operations	\$ 0.14	\$ 0.15				
From discontinued operations	-	0.03				
	\$ 0.15	\$ 0.18				

BOMBARDIER INC.**Consolidated Statements of Retained Earnings**

(Unaudited)

For the nine months ended October 31

	Bombardier Inc.	
	consolidated	
(millions of US dollars)	2003	2002
Balance at beginning of period - previously reported	\$ 778	\$ 1,847
Effect of changes in accounting policies for aerospace programs	-	(495)
Balance at beginning of period - restated	778	1,352
Net income	255	261
Dividends:		
Preferred shares	(16)	(14)
Common shares	(86)	(119)
Share issue costs, net of tax	(23)	(3)
Other	-	(2)
Balance at end of period	\$ 908	\$ 1,475

BOMBARDIER INC.**Consolidated Statements of Cash Flows**

(Unaudited)

For the three months ended October 31

(millions of US dollars)	Bombardier Inc.		Bombardier			BC
	2003	2002	2003	2002	2003	2002
Operating activities						
Income from continuing operations	\$ 124	\$ 83	\$ 124	\$ 83	\$ 6	15
Non-cash items:						
Depreciation and amortization	136	130	123	105	13	25
Income from BC	-	-	(6)	(15)	-	-
Provision for credit losses	13	19	-	-	13	19
Deferred income taxes	49	40	46	37	3	3
Special items	(69)	-	(69)	-	-	-
Net changes in non-cash balances related to operations	(99)	9	(113)	(130)	14	139
Cash flows from operating activities	154	281	105	80	49	201
Investing activities						
Additions to property, plant and equipment	(74)	(95)	(73)	(94)	(1)	(1)
Disposals of property, plant and equipment	3	2	2	-	1	2
Net increase in finance receivables	(31)	(349)	-	-	(31)	(349)
Additions to assets under operating leases	(98)	(210)	-	-	(98)	(210)
Disposals of assets under operating leases	177	182	-	-	177	182
Disposal of assets held for sale	81	-	81	-	-	-
Investment in BC and advances from BC / to Bombardier	-	-	225	188	(225)	(188)
Other	(140)	98	(24)	5	(116)	93
Cash flows from investing activities	(82)	(372)	211	99	(293)	(471)
Financing activities						
Net variation in short-term borrowings	(277)	694	(299)	367	22	327
Proceeds from issuance of long-term debt	408	12	8	2	400	10
Repayments of long-term debt	(431)	(31)	(11)	(3)	(420)	(28)
Issuance of shares, net of related costs	2	-	2	-	-	-
Dividends paid	(34)	(45)	(34)	(45)	-	-
Cash flows from financing activities	(332)	630	(334)	321	2	309
Effect of exchange rate changes on cash and cash equivalents	24	(12)	16	(21)	8	9
Cash flows from continuing operations	(236)	527	(2)	479	(234)	48
Cash flows from discontinued operations	18	128	18	128	-	-
Net increase (decrease) in cash and cash equivalents	(218)	655	16	607	(234)	48
Cash and cash equivalents at beginning of period	521	346	268	247	253	99
Cash and cash equivalents at end of period⁽¹⁾	\$ 303	\$ 1,001	\$ 284	\$ 854	\$ 19	\$ 147

⁽¹⁾ Includes the following:

Cash and cash equivalents related to:

Continuing operations	\$ 283	\$ 956	\$ 264	\$ 809	\$ 19	147
Discontinued operations	20	45	20	45	-	-
	\$ 303	\$ 1,001	\$ 284	\$ 854	\$ 19	\$ 147

BOMBARDIER INC.**Consolidated Statements of Cash Flows**

(Unaudited)

For the nine months ended October 31

(millions of US dollars)	Bombardier Inc. consolidated		Bombardier			BC
	2003	2002	2003	2002	2003	2002
Operating activities						
Income from continuing operations	\$ 249	\$ 225	\$ 249	\$ 225	\$ 25	35
Non-cash items:						
Depreciation and amortization	423	395	347	321	76	74
Income from BC	-	-	(25)	(35)	-	-
Provision for credit losses	49	54	-	-	49	54
Deferred income taxes	89	77	79	73	10	4
Gain on disposals of property, plant and equipment	(10)	-	(10)	-	-	-
Special items	(32)	135	(32)	135	-	-
Net changes in non-cash balances related to operations	(1,841)	(941)	(1,789)	(1,072)	(52)	131
Cash flows from operating activities	(1,073)	(55)	(1,181)	(353)	108	298
Investing activities						
Additions to property, plant and equipment	(243)	(285)	(241)	(279)	(2)	(6)
Disposals of property, plant and equipment	114	17	98	10	16	7
Net decrease in finance receivables	1,201	209	-	-	1,201	209
Additions to assets under operating leases	(190)	(972)	-	-	(190)	(972)
Disposals of assets under operating leases	446	717	-	-	446	717
Disposals of assets held for sale	135	-	135	-	-	-
Investment in BC and advances from BC / to Bombardier	-	-	407	96	(407)	(96)
Other	(430)	55	(63)	(16)	(367)	71
Cash flows from investing activities	1,033	(259)	336	(189)	697	(70)
Financing activities						
Net variation in short-term borrowings	(581)	360	97	792	(678)	(432)
Proceeds from issuance of long-term debt	416	1,479	12	565	404	914
Repayments of long-term debt	(817)	(595)	(125)	(18)	(692)	(577)
Issuance of shares, net of related costs	809	152	809	152	-	-
Dividends paid	(101)	(133)	(101)	(133)	-	-
Cash flows from financing activities	(274)	1,263	692	1,358	(966)	(95)
Effect of exchange rate changes on cash and cash equivalents	55	(207)	72	(221)	(17)	14
Cash flows from continuing operations	(259)	742	(81)	595	(178)	147
Cash flows from discontinued operations	(120)	(32)	(120)	(32)	-	-
Net increase (decrease) in cash and cash equivalents	(379)	710	(201)	563	(178)	147
Cash and cash equivalents at beginning of period	682	291	485	291	197	-
Cash and cash equivalents at end of period⁽¹⁾	\$ 303	\$ 1,001	\$ 284	\$ 854	\$ 19	147

⁽¹⁾ Includes the following:

Cash and cash equivalents related to:

Continuing operations	\$ 283	\$ 956	\$ 264	\$ 809	\$ 19	147
Discontinued operations	20	45	20	45	-	-
	\$ 303	\$ 1,001	\$ 284	\$ 854	\$ 19	147

SEGMENT DISCLOSURE

(Unaudited)

For the three months ended October 31

Industry segments (millions of US dollars)	Bombardier Inc. consolidated		Aerospace		Transportation		BC	
	2003	2002	2003	2002	2003	2002	2003	2002
External revenues	\$ 3,483	\$ 3,128	\$ 1,721	\$ 1,587	\$ 1,688	\$ 1,455	\$ 74	\$ 86
Intersegment revenues	-	-	-	-	4	3	32	63
Segmented revenues	3,483	3,128	1,721	1,587	1,692	1,458	106	149
Cost of sales	2,950	2,593	1,447	1,332	1,479	1,251	60	76
Selling, general and administrative	208	230	67	88	118	119	23	23
Depreciation and amortization	136	130	96	79	27	26	13	25
Research and development	31	15	18	6	13	9	-	-
Special items	(69)	-	(69)	-	-	-	-	-
	3,256	2,968	1,559	1,505	1,637	1,405	96	124
	227	160	162	82	55	53	10	25
Interest expense (income), net	38	35	41	50	(3)	(15)	-	-
Income from continuing operations before income taxes	\$ 189	\$ 125	\$ 121	\$ 32	\$ 58	\$ 68	\$ 10	\$ 25
Additions to property, plant and equipment and intangible assets	\$ 74	\$ 95	\$ 57	\$ 75	\$ 16	\$ 19	\$ 1	\$ 1

SEGMENT DISCLOSURE

(Unaudited)

For the nine months ended October 31

Industry segments (millions of US dollars)	Bombardier Inc. consolidated		Aerospace		Transportation		BC	
	2003	2002	2003	2002	2003	2002	2003	2002
External revenues	\$ 10,633	\$ 9,727	\$ 5,381	\$ 5,039	\$ 5,007	\$ 4,458	\$ 245	\$ 230
Intersegment revenues	-	-	-	-	11	10	134	184
Segmented revenues	10,633	9,727	5,381	5,039	5,018	4,468	379	414
Cost of sales	8,933	7,999	4,605	4,159	4,281	3,841	192	193
Selling, general and administrative	726	695	252	269	403	337	71	89
Depreciation and amortization	423	395	236	230	111	91	76	74
Research and development	89	71	50	19	39	52	-	-
Special items	(32)	135	(32)	135	-	-	-	-
	10,139	9,295	5,111	4,812	4,834	4,321	339	356
	494	432	270	227	184	147	40	58
Interest expense (income), net	113	94	136	142	(23)	(48)	-	-
Income from continuing operations before income taxes	\$ 381	\$ 338	\$ 134	\$ 85	\$ 207	\$ 195	\$ 40	\$ 58
Additions to property, plant and equipment and intangible assets	\$ 243	\$ 285	\$ 145	\$ 223	\$ 96	\$ 56	\$ 2	\$ 6

As at	October 31, 2003	January 31, 2003	October 31, 2003	January 31, 2003	October 31, 2003	January 31, 2003	October 31, 2003	January 31, 2003
Net segmented assets	\$ 4,867	\$ 3,075	\$ 2,778	\$ 2,146	\$ 1,174	\$ 87	\$ 915	\$ 842
Accounts payable and accrued liabilities	5,436	5,556						
Income taxes payable	(43)	-						
Advances and progress billings in excess of related costs	2,374	2,496						
Accrued benefit liability	889	750						
Deferred income tax asset	425	413						
Cash and cash equivalents	264	466						
Assets held for sale	890	824						
Total assets – Bombardier	15,102	13,580						
Investment in BC	(915)	(842)						
Advances from BC	(490)	(45)						
Total assets – BC	5,605	6,356						
Total assets – Bombardier Inc. consolidated	\$ 19,302	\$ 19,049						

BOMBARDIER INC.
Consolidated Balance Sheets

(Unaudited)

As at January 31

(millions of US dollars)	Bombardier Inc. consolidated		Bombardier		BC	
	2004	2003	2004	2003	2004	2003
Assets						
Cash and cash equivalents	\$ 1,221	\$ 663	\$ 1,210	\$ 466	\$ 11	\$ 197
Receivables	1,838	1,478	1,694	1,369	144	109
Finance receivables	3,127	4,587	-	-	3,127	4,587
Assets under operating leases	558	889	86	5	472	884
Inventories	4,340	3,443	4,340	3,443	-	-
Property, plant and equipment	3,524	3,523	3,434	3,427	90	96
Goodwill	2,290	2,122	2,290	2,122	-	-
Deferred income taxes	527	598	343	413	184	185
Investment in BC and advances and subordinated loans to Bombardier	-	-	861	842	585	45
Accrued benefit asset	375	173	375	173	-	-
Assets held for sale	-	824	-	824	-	-
Other assets	1,477	749	752	496	725	253
	\$ 19,277	\$ 19,049	\$ 15,385	\$ 13,580	\$ 5,338	\$ 6,356
Liabilities						
Short-term borrowings	\$ 232	\$ 1,677	\$ -	\$ 249	\$ 232	\$ 1,428
Advances from BC	-	-	135	45	-	-
Accounts payable and accrued liabilities	6,785	5,825	6,535	5,556	250	269
Advances and progress billings in excess of related costs	2,686	2,496	2,686	2,496	-	-
Deferred income taxes	104	122	100	119	4	3
Long-term debt	6,088	5,838	2,097	2,027	3,991	3,811
Accrued benefit liability	932	753	932	750	-	3
Liabilities related to assets held for sale	-	545	-	545	-	-
Subordinated loans from BC	-	-	450	-	-	-
	16,827	17,256	12,935	11,787	4,477	5,514
Shareholders' equity (Investment from Bombardier)						
Preferred shares						
Issued and outstanding:						
Series 2: 2,597,907	51	51	51	51	-	-
Series 3: 9,402,093	148	148	148	148	-	-
Series 4: 9,400,000	148	148	148	148	-	-
Common shares						
Issued and outstanding:						
Class A: 342,018,248 (342,020,138 as at January 31, 2003)	31	31	31	31	-	-
Class B: 1,407,566,670 (1,035,666,780 as at January 31, 2003)	1,408	576	1,408	576	-	-
Contributed surplus	4	-	4	-	-	-
Retained earnings	532	778	532	778	-	-
Deferred translation adjustment	128	61	128	61	-	-
Investment from BC	-	-	-	-	861	842
	2,450	1,793	2,450	1,793	861	842
	\$ 19,277	\$ 19,049	\$ 15,385	\$ 13,580	\$ 5,338	\$ 6,356

BOMBARDIER INC.**Consolidated Statements of Income**

(Unaudited)

For the three months ended January 31

(millions of US dollars, except per share amounts)	Bombardier Inc. consolidated		Bombardier		BC	
	2004	2003	2004	2003	2004	2003
Revenues						
Manufacturing	\$ 4,003	\$ 3,046	\$ 4,003	\$ 3,046	\$ -	\$ -
Services	663	539	663	539	-	-
Financing	79	85	-	-	114	158
Other	130	138	130	138	-	-
	4,875	3,808	4,796	3,723	114	158
Cost of sales	4,389	3,561	4,367	3,559	57	75
Selling, general and administrative	266	262	243	228	23	34
Depreciation and amortization	152	120	131	79	21	41
Research and development	48	51	48	51	-	-
Special items	362	702	362	702	-	-
Income from BC	-	-	(7)	(5)	-	-
	5,217	4,696	5,144	4,614	101	150
	(342)	(888)	(348)	(891)	13	8
Interest expense, net	58	44	58	44	-	-
Income (loss) from continuing operations						
before income taxes	(400)	(932)	(406)	(935)	13	8
Income tax expense (recovery)	15	(254)	9	(257)	6	3
Income (loss) from continuing operations	(415)	(678)	(415)	(678)	7	5
Income from discontinued operations, net of tax	75	24	75	24	-	-
Net income (loss)	\$ (340)	\$ (654)	\$ (340)	\$ (654)	7	5
Earnings (loss) per share:						
Basic and diluted						
From continuing operations	\$ (0.24)	\$ (0.50)				
From discontinued operations	0.04	0.02				
	\$ (0.20)	\$ (0.48)				

BOMBARDIER INC.**Consolidated Statements of Income**

(Unaudited)

For the years ended January 31

(millions of US dollars, except per share amounts)	Bombardier Inc. consolidated		Bombardier		BC	
	2004	2003	2004	2003	2004	2003
Revenues						
Manufacturing	\$ 12,564	\$ 10,948	\$ 12,564	\$ 10,948	\$ -	\$ -
Services	1,759	1,476	1,759	1,476	-	-
Financing	324	315	-	-	493	572
Other	861	796	861	796	-	-
	15,508	13,535	15,184	13,220	493	572
Cost of sales	13,322	11,560	13,242	11,549	249	268
Selling, general and administrative	992	957	898	834	94	123
Depreciation and amortization	575	515	478	400	97	115
Research and development	137	122	137	122	-	-
Special items	330	837	330	837	-	-
Income from BC	-	-	(32)	(40)	-	-
	15,356	13,991	15,053	13,702	440	506
	152	(456)	131	(482)	53	66
Interest expense, net	171	138	171	138	-	-
Income (loss) from continuing operations						
before income taxes ⁽¹⁾	(19)	(594)	(40)	(620)	53	66
Income tax expense (recovery)	147	(141)	126	(167)	21	26
Income (loss) from continuing operations	(166)	(453)	(166)	(453)	32	40
Income from discontinued operations - net of tax	81	60	81	60	-	-
Net income (loss)	\$ (85)	\$ (393)	\$ (85)	\$ (393)	\$ 32	\$ 40
Earnings (loss) per share:						
Basic and diluted						
From continuing operations	\$ (0.11)	\$ (0.34)				
From discontinued operations	0.05	0.04				
	\$ (0.07)	\$ (0.30)				

⁽¹⁾ Upon translation from CDN to U.S. dollars, income from continuing operations before income taxes for fiscal year 2004 went from an income (in CDN dollars) to a loss (in U.S. dollars) due to the average exchange rate for the fourth quarter being higher than the average exchange rates for the first three quarters and income from continuing operations before income taxes (in CDN dollars) for the nine month period being similar to the loss from continuing operations before income taxes (in CDN dollars) for the fourth quarter.

BOMBARDIER INC.**Consolidated Statements of Retained Earnings**

(Unaudited)

For the years ended January 31

	Bombardier Inc.	
	consolidated	
(millions of US dollars)	2004	2003
Balance at beginning of year	\$ 778	\$ 1,352
Net loss	(85)	(393)
Dividends:		
Preferred shares	(23)	(19)
Common shares	(115)	(159)
Share issue costs, net of tax	(23)	(3)
Balance at end of year	\$ 532	\$ 778

BOMBARDIER INC.**Consolidated Statements of Cash Flows**

(Unaudited)

For the three months ended January 31

(millions of US dollars)	Bombardier Inc. consolidated		Bombardier			BC
	2004	2003	2004	2003	2004	2003
Operating activities						
Income (loss) from continuing operations	\$ (415)	\$ (678)	\$ (415)	\$ (678)	\$ 7	5
Non-cash items:						
Depreciation and amortization	152	120	131	79	21	41
Income from BC	-	-	(7)	(5)	-	-
Provision for credit losses	10	23	-	-	10	23
Deferred income taxes	(22)	(302)	(7)	(320)	(15)	18
Loss on disposals of property, plant and equipment	15	-	15	-	-	-
Stock-based compensation expense	3	-	3	-	-	-
Special items	362	702	362	702	-	-
Net changes in non-cash balances related to operations	601	1,354	615	1,425	(14)	(71)
Cash flows from operating activities	706	1,219	697	1,203	9	16
Investing activities						
Additions to property, plant and equipment	(57)	(176)	(56)	(173)	(1)	(3)
Disposals of property, plant and equipment	3	39	3	36	-	3
Net decrease in finance receivables	274	460	-	-	274	460
Additions to assets under operating leases	(34)	(48)	-	-	(34)	(48)
Disposals of assets under operating leases	109	463	-	-	109	463
Disposal of discontinued operations, net of cash disposed	566	-	566	-	-	-
Investment in BC and advances and subordinated loans to Bombardier	-	-	157	22	(157)	(22)
Other	5	(68)	(55)	(1)	60	(67)
Cash flows from investing activities	866	670	615	(116)	251	786
Financing activities						
Net variation in short-term borrowings	(932)	(1,501)	(384)	(1,481)	(548)	(20)
Proceeds from issuance of long-term debt	529	8	29	2	500	6
Repayments of long-term debt	(269)	(798)	(11)	(5)	(258)	(793)
Issuance of shares, net of related costs	-	6	-	6	-	-
Dividends paid	(37)	(45)	(37)	(45)	-	-
Cash flows from financing activities	(709)	(2,330)	(403)	(1,523)	(306)	(807)
Effect of exchange rate changes on cash and cash equivalents	99	10	61	(45)	38	55
Cash flows from continuing operations	962	(431)	970	(481)	(8)	50
Cash flows from discontinued operations	(44)	112	(44)	112	-	-
Net increase (decrease) in cash and cash equivalents	918	(319)	926	(369)	(8)	50
Cash and cash equivalents at beginning of period	303	1,001	284	854	19	147
Cash and cash equivalents at end of period(1)	\$ 1,221	\$ 682	\$ 1,210	\$ 485	\$ 11	197

⁽¹⁾ Includes the following:

Cash and cash equivalents related to:

Continuing operations	\$ 1,221	\$ 663	\$ 1,210	\$ 466	\$ 11	197
Discontinued operations	-	19	-	19	-	-
	\$ 1,221	\$ 682	\$ 1,210	\$ 485	\$ 11	197

BOMBARDIER INC.
Consolidated Statements of Cash Flows

(Unaudited)

For the years ended January 31

(millions of US dollars)	Bombardier Inc. consolidated		Bombardier		BC	
	2004	2003	2004	2003	2004	2003
Operating activities						
Income (loss) from continuing operations	\$ (166)	\$ (453)	\$ (166)	\$ (453)	\$ 32	40
Non-cash items:						
Depreciation and amortization	575	515	478	400	97	115
Income from BC	-	-	(32)	(40)	-	-
Provision for credit losses	59	77	-	-	59	77
Deferred income taxes	67	(225)	72	(247)	(5)	22
Loss on disposals of property, plant and equipment	5	-	5	-	-	-
Stock based compensation expense	3	-	3	-	-	-
Special items	330	837	330	837	-	-
Net changes in non-cash balances						
related to operations	(1,240)	413	(1,174)	353	(66)	60
Cash flows from operating activities	(367)	1,164	(484)	850	117	314
Investing activities						
Additions to property, plant and equipment	(300)	(461)	(297)	(452)	(3)	(9)
Disposals of property, plant and equipment	117	56	101	46	16	10
Net decrease in finance receivables	1,475	669	-	-	1,475	669
Additions to assets under operating leases	(224)	(1,020)	-	-	(224)	(1,020)
Disposals of assets under operating leases	555	1,180	-	-	555	1,180
Disposals of assets held for sale	135	-	135	-	-	-
Disposal of discontinued operations, net of cash disposed	566	-	566	-	-	-
Investment in BC and advances and subordinated loans to Bombardier	-	-	564	118	(564)	(118)
Other	(425)	(13)	(118)	(17)	(307)	4
Cash flows from investing activities	1,899	411	951	(305)	948	716
Financing activities						
Net variation in short-term borrowings	(1,513)	(1,141)	(287)	(689)	(1,226)	(452)
Proceeds from issuance of long-term debt	945	1,487	41	567	904	920
Repayments of long-term debt	(1,086)	(1,393)	(136)	(23)	(950)	(1,370)
Issuance of shares, net of related costs	809	158	809	158	-	-
Dividends paid	(138)	(178)	(138)	(178)	-	-
Cash flows from financing activities	(983)	(1,067)	289	(165)	(1,272)	(902)
Effect of exchange rate changes on cash and cash equivalents	154	(197)	133	(266)	21	69
Cash flows from continuing operations	703	311	889	114	(186)	197
Cash flows from discontinued operations	(164)	80	(164)	80	-	-
Net increase (decrease) in cash and cash equivalents	539	391	725	194	(186)	197
Cash and cash equivalents at beginning of year	682	291	485	291	197	-
Cash and cash equivalents at end of year(1)	\$ 1,221	\$ 682	\$ 1,210	\$ 485	\$ 11	\$ 197

⁽¹⁾ Includes the following:

Cash and cash equivalents related to:

Continuing operations	\$ 1,221	\$ 663	\$ 1,210	\$ 466	\$ 11	\$ 197
Discontinued operations	-	19	-	19	-	-
	\$ 1,221	\$ 682	\$ 1,210	\$ 485	\$ 11	\$ 197

SEGMENT DISCLOSURE

(Unaudited)

For the three months ended January 31

Industry segments (millions of US dollars)	Bombardier Inc. consolidated		Aerospace		Transportation		BC	
	2004	2003	2004	2003	2004	2003	2004	2003
External revenues	\$ 4,875	\$ 3,808	\$ 2,862	\$ 2,175	\$ 1,934	\$ 1,548	\$ 79	\$ 85
Intersegment revenues	-	-	-	-	2	3	35	73
Segmented revenues	4,875	3,808	2,862	2,175	1,936	1,551	114	158
Cost of sales	4,389	3,561	2,514	2,212	1,855	1,350	57	75
Selling, general and administrative	266	262	100	89	143	139	23	34
Depreciation and amortization	152	120	84	41	47	38	21	41
Research and development	48	51	12	13	36	38	-	-
Special items	362	702	13	702	349	-	-	-
	5,217	4,696	2,723	3,057	2,430	1,565	101	150
	(342)	(888)	139	(882)	(494)	(14)	13	8
Interest expense (income), net	58	44	60	62	(2)	(18)	-	-
Income (loss) from continuing operations before income taxes	\$ (400)	\$ (932)	\$ 79	\$ (944)	\$ (492)	\$ 4	\$ 13	\$ 8
Additions to property, plant and equipment and intangible assets	\$ 57	\$ 176	\$ 52	\$ 104	\$ 4	\$ 69	\$ 1	\$ 3

SEGMENT DISCLOSURE

(Unaudited)

For the years ended January 31

Industry segments (millions of US dollars)	Bombardier Inc. consolidated		Aerospace		Transportation		BC	
	2004	2003	2004	2003	2004	2003	2004	2003
External revenues	\$ 15,508	\$ 13,535	\$ 8,243	\$ 7,214	\$ 6,941	\$ 6,006	\$ 324	\$ 315
Intersegment revenues	-	-	-	-	13	13	169	257
Segmented revenues	15,508	13,535	8,243	7,214	6,954	6,019	493	572
Cost of sales	13,322	11,560	7,119	6,371	6,136	5,191	249	268
Selling, general and administrative	992	957	352	358	546	476	94	123
Depreciation and amortization	575	515	320	271	158	129	97	115
Research and development	137	122	62	32	75	90	-	-
Special items	330	837	(19)	837	349	-	-	-
	15,356	13,991	7,834	7,869	7,264	5,886	440	506
	152	(456)	409	(655)	(310)	133	53	66
Interest expense (income), net	171	138	196	204	(25)	(66)	-	-
Income (loss) from continuing operations before income taxes	\$ (19)	\$ (594)	\$ 213	\$ (859)	\$ (285)	\$ 199	\$ 53	\$ 66
Additions to property, plant and equipment and intangible assets	\$ 300	\$ 461	\$ 197	\$ 327	\$ 100	\$ 125	\$ 3	\$ 9
Net segmented assets	\$ 3,679	\$ 3,075	\$ 2,354	\$ 2,146	\$ 464	\$ 87	\$ 861	\$ 842
Accounts payable and accrued liabilities	6,535	5,556						
Advances and progress billings in excess of related costs	2,686	2,496						
Accrued benefit liability	932	750						
Advances to BC	-	-						
Deferred income tax asset	343	413						
Cash and cash equivalents	1,210	466						
Assets held for sale	-	824						
Total assets – Bombardier	15,385	13,580						
Investment in BC	(861)	(842)						
Advances and subordinated loans from BC	(585)	(45)						
Total assets – BC	5,338	6,356						
Total assets – Bombardier Inc. Consolidated	\$ 19,277	\$ 19,049						

QUARTERLY DATA

(unaudited)

For the years ended January 31

(millions of US dollars, except per share amounts)

	2004		2003		2004		2003		2004		2003	
	TOTAL	TOTAL	FIRST QUARTER	FIRST QUARTER	SECOND QUARTER	SECOND QUARTER	THIRD QUARTER	THIRD QUARTER	FOURTH QUARTER	FOURTH QUARTER	FOURTH QUARTER	FOURTH QUARTER
Segmented revenues												
Aerospace	\$ 8 243	\$ 7 214	\$ 1 608	\$ 1 672	\$ 2 052	\$ 1 780	\$ 1 721	\$ 1 587	\$ 2 862	\$ 2 175		
Transportation	6 954	6 019	1 639	1 457	1 687	1 553	1 692	1 458	1 936	1 551		
BC	493	572	146	121	127	144	106	149	114	158		
Intersegment revenues	(182)	(270)	(61)	(62)	(48)	(66)	(36)	(66)	(37)	(76)		
External revenues	\$ 15 508	\$ 13 535	\$ 3 332	\$ 3 188	\$ 3 818	\$ 3 411	\$ 3 483	\$ 3 128	\$ 4 875	\$ 3 808		
Income (loss) from continuing operations before special items and income taxes												
Aerospace	\$ 194	\$ (22)	\$ 3	\$ 99	\$ 47	\$ 89	\$ 52	\$ 32	\$ 92	\$ (242)		
Transportation	64	199	74	58	75	69	58	68	(143)	4		
BC	53	66	16	13	14	20	10	25	13	8		
	311	243	93	170	136	178	120	125	(38)	(230)		
Special items												
Aerospace	(19)	837	9	-	28	135	(69)	-	13	702		
Transportation	349	-	-	-	-	-	-	-	349	-		
	330	837	9	-	28	135	(69)	-	362	702		
Income (loss) from continuing operations before income taxes												
Aerospace	213	(859)	(6)	99	19	(46)	121	32	79	(944)		
Transportation	(285)	199	74	58	75	69	58	68	(492)	4		
BC	53	66	16	13	14	20	10	25	13	8		
	(19)	(594)	84	170	108	43	189	125	(400)	(932)		
Income tax expense (recovery)	147	(141)	29	57	38	14	65	42	15	(254)		
Income (loss) from continuing operations	(166)	(453)	55	113	70	29	124	83	(415)	(678)		
Income (loss) from discontinued operations - net of tax	81	60	(1)	(5)	(2)	8	9	33	75	24		
Net income (loss)	\$ (85)	\$ (393)	\$ 54	\$ 108	\$ 68	\$ 37	\$ 133	\$ 116	\$ (340)	\$ (654)		
Earnings (loss) per share												
Basic and diluted:												
From continuing operations	\$ (0,11)	\$ (0,34)	\$ 0,03	\$ 0,08	\$ 0,04	\$ 0,02	\$ 0,07	\$ 0,06	\$ (0,24)	\$ (0,50)		
From discontinued operations	0,05	0,04	0,00	0,00	-	0,01	0,01	0,02	0,04	0,02		
	(0,07)	(0,30)	0,03	0,08	0,04	0,02	0,07	0,08	(0,20)	(0,48)		
Dividend - Class A Shares (CDN dollars)	0,090000	0,180000	0,022500	0,045000	0,022500	0,045000	0,022500	0,045000	0,022500	0,045000		
Dividend - Class B Shares (CDN dollars)	0,091563	0,181563	0,024063	0,046563	0,022500	0,045000	0,022500	0,045000	0,022500	0,045000		
Market price range of Class B Shares (CDN dollars)												
High	6,28	15,67	5,54	15,67	5,49	15,05	6,28	11,94	6,00	6,77		
Low	2,56	3,13	2,56	12,70	3,38	9,92	4,80	3,13	4,83	4,46		

BOMBARDIER INC.
BACKLOG
 Billions of US dollars

Fiscal year ended January 31, 2004

	April 30, 2003		July 31, 2003		October 31, 2003		January 31, 2004	
Aerospace *	\$	11.9	\$	11.4	\$	11.2	\$	10.9
Transportation								
Manufacturing operations		17.4		18.1		19.2		18.8
Service businesses		4.5		4.7		4.3		4.9
Total	\$	21.9	\$	22.8	\$	23.5	\$	23.7
Bombardier Inc.	\$	33.8	\$	34.2	\$	34.7	\$	34.6
* including Defence	\$	1.0	\$	1.1	\$	1.1	\$	1.1

Fiscal year ended January 31, 2003

	April 30, 2002		July 31, 2002		October 31, 2002		January 31, 2003	
Aerospace *	\$	14.7	\$	14.2	\$	13.7	\$	12.2
Transportation								
Manufacturing operations		11.0		11.4		11.3		13.2
Service businesses		3.0		3.2		3.5		3.6
Total	\$	14.0	\$	14.6	\$	14.8	\$	16.8
Bombardier Inc.	\$	28.6	\$	28.8	\$	28.5	\$	29.0
* including Defence	\$	1.0	\$	1.1	\$	1.1	\$	1.1

BOMBARDIER CAPITAL

The following table presents total finance receivables and assets under operating leases before allowance for credit losses as at April 30:

	2003	2002
Continued portfolios		
Inventory finance	\$ 1,939	\$ 1,931
Receivable financing with BRP ⁽¹⁾	-	-
	1,939	1,931
Commercial aircraft		
Interim financing	349	555
Long-term leasing	325	295
	674	850
Total continued portfolios	2,613	2,781
Wind-down portfolios		
Business aircraft		
Loans and finance leases	744	799
Pre-owned aircraft	489	533
	1,233	1,332
Manufactures housing	272	284
Consumer finance	200	224
Industrial equipment	70	75
Railcar leasing	40	40
Receivable factoring	220	680
Other	129	154
Total wind-down portfolios	2,164	2,789
Total	\$ 4,777	\$ 5,570

⁽¹⁾ This represents financing provided to the Corporation's former recreational products division (which will be referred to as BRP in this MD&A).

BOMBARDIER CAPITAL

The following table presents total finance receivables and assets under operating leases before allowance for credit losses as at July 31:

	2003		2002
Continued portfolios			
Inventory finance	\$ 1,564	\$	1,931
Receivable financing with BRP ⁽¹⁾	-		-
	1,564		1,931
Commercial aircraft			
Interim financing	481		555
Long-term leasing	311		295
	792		850
Total continued portfolios	2,356		2,781
Wind-down portfolios			
Business aircraft			
Loans and finance leases	659		799
Pre-owned aircraft	335		533
	994		1,332
Manufactures housing	260		284
Consumer finance	179		224
Industrial equipment	64		75
Railcar leasing	39		40
Receivable factoring	106		680
Other	108		154
Total wind-down portfolios	1,750		2,789
Total	\$ 4,106	\$	5,570

⁽¹⁾ This represents financing provided to the Corporation's former recreational products division (which will be referred to as BRP in this MD&A).

BOMBARDIER CAPITAL

The following table presents total finance receivables and assets under operating leases before allowance for credit losses as at October 31:

	2003	2002
Continued portfolios		
Inventory finance	\$ 1,770	\$ 1,931
Receivable financing with BRP ⁽¹⁾	-	-
	1,770	1,931
Commercial aircraft		
Interim financing	848	555
Long-term leasing	321	295
	1,169	850
Total continued portfolios	2,939	2,781
Wind-down portfolios		
Business aircraft		
Loans and finance leases	249	799
Pre-owned aircraft	298	533
	547	1,332
Manufactures housing	248	284
Consumer finance	161	224
Industrial equipment	70	75
Railcar leasing	39	40
Receivable factoring	-	680
Other	92	154
Total wind-down portfolios	1,157	2,789
Total	\$ 4,096	\$ 5,570

⁽¹⁾ This represents financing provided to the Corporation's former recreational products division (which will be referred to as BRP in this MD&A).

BOMBARDIER CAPITAL

The following table presents total finance receivables and assets under operating leases before allowance for credit losses as at January 31:

	2004	2003
Continued portfolios		
Inventory finance	\$ 1,865	\$ 1,931
Receivable financing with BRP ⁽¹⁾	63	-
	1,928	1,931
Commercial aircraft		
Interim financing	516	555
Long-term leasing	282	295
	798	850
Total continued portfolios	2,726	2,781
Wind-down portfolios		
Business aircraft		
Loans and finance leases	200	799
Pre-owned aircraft	174	533
	374	1,332
Manufactures housing	234	284
Consumer finance	147	224
Industrial equipment	67	75
Railcar leasing	39	40
Receivable factoring	-	680
Other	69	154
Total wind-down portfolios	930	2,789
Total	\$ 3,656	\$ 5,570

⁽¹⁾ This represents financing provided to the Corporation's former recreational products division (which will be referred to as BRP in this MD&A).