



BOMBARDIER

- **Notice
of Annual Meeting
of Shareholders**

- **Management
Proxy
Circular**

2004

BOMBARDIER INC.

Notice of Annual Meeting of Shareholders 2004

Date: Tuesday, June 1, 2004

Time: 10:00 a.m. (Montréal time)

Place: Place Bonaventure
Exhibition Halls
800 de la Gauchetière Street West
Montréal, Québec
Canada

The holders of Class A shares (multiple voting) and/or Class B shares (subordinate voting) of Bombardier Inc. whose names appear on the list of shareholders of Bombardier Inc. on Friday, April 16, 2004, at 5:00 p.m. (Montréal time) will be entitled to receive this notice of the meeting of shareholders and to vote at the meeting.

By order of the Board of Directors,



Roger Carle
Corporate Secretary

Montréal, May 5, 2004

Business on the agenda of the meeting:

1. Receipt of the consolidated financial statements of Bombardier Inc. for the financial year ended January 31, 2004 and the auditors' report thereon;
2. Election of the directors of Bombardier Inc.;
3. Appointment of the auditors of Bombardier Inc. and authorization to the directors of Bombardier Inc. to fix their remuneration;
4. Consideration of the shareholder proposal set out in Schedule "B" to the Management Proxy Circular; and
5. Consideration of such other business as may properly come before the meeting.

Shareholders are entitled to vote at the meeting either in person or by proxy. Any registered shareholder wishing to vote by proxy has to complete the accompanying form of proxy and return it either in the envelope provided for this purpose or by fax to the transfer agent for all the shares of Bombardier Inc., Computershare Trust Company of Canada, no later than 4:00 p.m. (Montréal time) on Monday, May 31, 2004. Registered shareholders may also submit a proxy by telephone or over the Internet, by following the instructions provided for in the Management Proxy Circular. Non-registered shareholders should refer to page 4 of the Management Proxy Circular for information on how to submit a proxy.

Management Proxy Circular 2004

This Management Proxy Circular is provided in connection with the solicitation by the Management of Bombardier Inc. of proxies for use at the Annual Meeting of the holders of Class A shares (multiple voting), or the Class A shares, and/or Class B shares (subordinate voting), or the Class B subordinate shares, of the Corporation to be held on Tuesday, June 1, 2004, at 10:00 a.m. (Montréal time) at Place Bonaventure, Exhibition Halls, 800 de la Gauchetière Street West, Montréal, Québec, Canada, and at any and all adjournments thereof. As used in this Management Proxy Circular, all references to “Bombardier”, the “Corporation”, “we”, “us”, “our” or similar terms are to Bombardier Inc., and unless otherwise indicated, all dollar amounts are in Canadian currency.

Section 1 : Voting Information

Who is soliciting my proxy?

The management of Bombardier is soliciting your proxy for use at our Annual Meeting of the holders of our Class A shares and/or Class B subordinate shares.

What will I be voting on?

As a holder of our Class A shares and/or Class B subordinate shares, you will be voting on:

- the election of the directors of Bombardier (see pages 5 to 11);
- the appointment of Ernst & Young, LLP, chartered accountants, as the auditors of Bombardier (see page 11); and
- the shareholder proposal set out in Schedule “B” attached to this Management Proxy Circular (see pages 26 and 27).

How will these matters be decided at the meeting?

A simple majority of the votes cast, by proxy or in person, will constitute approval of each of the matters specified in this Management Proxy Circular.

How many votes do I have?

Our Class B subordinate 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 the right to ten votes and each Class B subordinate share carries the right to one vote.

Each Class A share is convertible at any time, at the option of the holder, into one Class B subordinate share. Each Class B subordinate share will become convertible into one Class A share in the event that the majority shareholder, namely the Bombardier family, accepts a purchase offer for Class A shares or in the event the majority

shareholder ceases to hold more than 50% of our issued and outstanding Class A shares.

The holders of Class A shares and the holders of Class B subordinate shares, whose names appear on the list of shareholders prepared as of the close of business at 5:00 p.m. (Montréal time) on the Record Date, being Friday, April 16, 2004, will be entitled to vote at the meeting and any adjournment thereof if present or represented by proxy.

How many shares are entitled to vote?

As at April 5, 2004, there were 342,004,748 of our Class A shares and 1,407,660,170 Class B subordinate shares issued and outstanding.

To the knowledge of our directors and officers, the only persons who, as at April 5, 2004, beneficially owned or exercised control or direction over shares carrying more than 10% of the voting rights attached to all of our issued and outstanding shares were Mrs. Janine Bombardier and Mr. J.R. André Bombardier, both directors of the Corporation, and Mrs. Claire Bombardier Beaudoin and Mrs. Huguette Bombardier Fontaine. The four persons mentioned above indirectly controlled through holding companies 281,136,961 Class A shares, representing in the aggregate 82.20% of our outstanding Class A shares or 58.23% of all the voting rights attached to all of our issued and outstanding shares.

As at April 5, 2004, our directors (with the exception of Mrs. Janine Bombardier and Mr. J.R. André Bombardier) and officers as a group, beneficially owned, directly or indirectly, 4,997,052 Class A shares and 15,000,462 Class B subordinate shares, representing 1.46% and 1.07%, respectively, of the outstanding shares of each such class.

How do I vote?

If you are eligible to vote and your shares are registered in your own name, you may exercise the voting rights attached to your shares in person at the meeting or by proxy, as explained below.

If your shares are held in the name of a nominee, please see the instructions below under the headings “How can a non-registered shareholder vote?” and “How can a non-registered shareholder vote in person at the meeting?” at page 4.

Voting by proxy

Whether or not you attend the meeting, you may appoint someone else to vote for you as your proxyholder. Your vote will thus be counted at the meeting. You may use the enclosed form of proxy, or any other proper form of proxy, in order to appoint your proxyholder. The persons named in the enclosed form of proxy, namely,

Messrs. Laurent Beaudoin, J.R. André Bombardier and Jean-Louis Fontaine, are directors and officers of Bombardier. However, you may choose another person to act as your proxyholder, including someone who is not a holder of our shares, by deleting the names printed on the enclosed form of proxy and inserting another person's name in the blank space provided, or by completing another proper form of proxy.

How will my proxy vote?

On the form of proxy, you may indicate how you want your proxyholder to vote your shares, or you can let your proxyholder decide for you.

If you have specified on the form of proxy how you want your shares to be voted on a particular issue (by marking FOR, AGAINST or WITHHOLD), then your proxyholder must vote your shares accordingly.

If you have not specified on the form of proxy how you want your shares to be voted on a particular issue, then your proxyholder can vote your shares as he sees fit.

Unless contrary instructions are provided, the voting rights attached to Class A shares and/or Class B subordinate shares represented by proxies received by our management will be voted:

FOR the election of all the nominees proposed as directors by the management of the Corporation;

FOR the appointment of Ernst & Young, LLP, chartered accountants, as auditors of the Corporation and FOR the fixing of their remuneration by the directors of the Corporation, as proposed by the management of the Corporation; and

AGAINST the shareholder proposal set out in Schedule "B".

Proxy Voting Options

Shareholders may wish to vote by proxy whether or not they are able to attend the meeting in person. Registered shareholders may vote by proxy as follows: by mail or fax, by telephone or over the Internet.

Submitting a proxy by mail or fax or over the Internet are the only methods by which a shareholder may appoint a person as proxy other than a director or officer of the Corporation named on the form of proxy.

Mail or Fax

Registered shareholders electing to submit a proxy by mail must complete, date and sign the form of proxy. It must then be returned to the transfer agent for our shares, Computershare Trust Company of Canada, or Computershare, either in the postage pre-paid return envelope provided or by fax at 1-866-249-7775 no later than 4:00 p.m. (Montréal time) on May 31, 2004.

Telephone

The option to submit a proxy by telephone is offered only in Canada and in the United States. Registered shareholders electing to submit a proxy by telephone must do so using a touchtone telephone. The telephone number to call is 1-877-438-8319 for the holders of our Class A shares and 1-877-438-8321 for the holders of our Class B subordinate shares. Shareholders must follow the instructions, use the form of proxy received from us and provide the 11-digit Holder Account Number and 5-digit Proxy Access Number located on the lower left-hand side of the form of proxy. Instructions are then conveyed by use of the touchtone selections over the telephone.

Internet

Registered shareholders electing to submit a proxy over the Internet must access the following website: www.computershare.com/ca/proxy.

Registered shareholders must then follow the instructions and refer to the form of proxy received from us which contains an 11-digit Holder Account Number and 5-digit Proxy Access Number located on the lower left-hand side of the form of proxy. Voting instructions are then conveyed electronically by the shareholder over the Internet.

Non-registered shareholders, or persons whose shares are held in "nominee" name, usually banks, trust companies, securities dealers or brokers or other financial institutions, will be provided with voting instructions by the nominee. Please see further instructions below under the heading "How can a non-registered shareholder vote?" at page 4.

What if there are amendments or if other matters are brought before the meeting?

The enclosed form of proxy gives the persons named on it authority to use their discretion in voting on amendments or variations to matters identified in the notice.

As of the date of this Management Proxy Circular, our management is not aware that any other matter is to be presented for action at the meeting. If, however, other matters properly come before the meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

What if I change my mind and want to revoke my proxy?

You may revoke your proxy at any time before it is acted upon. You may do this by stating clearly, in writing, that you wish to revoke your proxy and by delivering this written statement to our transfer agent, Computershare, no later than the last business day before the day of the meeting, or to the Chairman of the meeting on the day of the meeting or any adjournment thereof.

Who counts the votes?

Proxies are counted by Computershare, the transfer agent for all of our shares.

Is my vote confidential?

Our transfer agent, Computershare, preserves the confidentiality of individual shareholder votes, except (a) where the shareholder clearly intends to communicate his or her individual position to the management of Bombardier, and (b) as necessary in order to comply with legal requirements.

How are proxies solicited?

Management requests that you sign and return the form of proxy to ensure your votes are exercised at the meeting. The solicitation of proxies will be primarily by mail. However, our directors, officers and regular employees may also solicit proxies by telephone, over the Internet, in writing or in person.

How do the employees exercise the voting rights attached to the shares that they own under our “Employee Share Purchase Plan”?

If you are an employee and you own shares under Bombardier’s “Employee Share Purchase Plan”, or the ESPP, your shares are registered in the name of Computershare, the administrator of the ESPP, until such time as the shares are withdrawn from the ESPP pursuant to its terms and conditions.

Voting rights attached to the shares owned by our employees may be exercised through the use of a voting instruction form which will permit the voting of shares by mail or fax, telephone (this option is offered only in Canada and the United States; the number to dial is 1-877-439-6684) or through the Internet at www.computershare.com/ca/proxy.

The shares will be voted in accordance with the instructions received from the employee who is the beneficial owner of the shares as indicated in the duly completed voting instruction form. **If you are an employee shareholder and you do not indicate how your shares should be voted, then your shares will be voted:**

FOR the election of the nominees as directors of the Corporation as proposed by the management of the Corporation;

FOR the appointment of Ernst & Young, LLP, chartered accountants, as the auditors of the Corporation and FOR the fixing of their remuneration by the directors of the Corporation as proposed by the management of the Corporation; and

AGAINST the shareholder proposal set out in Schedule “B”.

In order for an employee to exercise his or her voting rights under the ESPP, he or she must complete and return a voting instruction form or provide his or her instructions by phone or Internet.

How can a non-registered shareholder vote?

If your shares are not registered in your own name, they are held in the name of a “nominee”, usually a bank, trust company, securities dealer or broker or other financial institution. Your nominee must seek your instructions as to how to vote your shares. Therefore, unless you have previously informed your nominee that you do not wish to receive material relating to shareholders’ meetings, you will have received this Management Proxy Circular in a mailing from your nominee, together with a form of proxy or voting instruction form. Each nominee has its own signature and return instructions. It is important that you comply with these instructions if you want the voting rights attached to your shares to be exercised. If you are a non-registered shareholder who has submitted a proxy and you wish to change your voting instructions, you should contact your nominee to find out whether this is possible and what procedure to follow.

How can a non-registered shareholder vote in person at the meeting?

Since we and/or our transfer agent, Computershare, do not have a record of the names of our non-registered shareholders, if you are a non-registered shareholder and you attend the meeting, we will have no knowledge of your shareholdings or your entitlement to vote, unless your nominee has appointed you as proxyholder. Therefore, if you are a non-registered shareholder and wish to vote in person at the meeting, please insert your own name in the space provided on the form of proxy or voting instruction form sent to you by your nominee. By doing so, you are instructing your nominee to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your nominee. It is not necessary to otherwise complete the form as you will be voting at the meeting.

If I have to communicate with the transfer agent, how do I do it?

You can communicate with the transfer agent at the following address:

Computershare Trust Company of Canada
Proxy Solicitation Department
100 University Avenue
9th Floor
Toronto, Ontario M5J 2Y1
or by telephone: 1-800-564-6253.

Section 2 : Business of the Meeting

Election of Directors

Our Articles of Incorporation provide that our Board of Directors shall consist of not less than five and not more than 20 directors. Our directors are elected annually. It is proposed by our management that 14 directors be elected for the current year. The term of office of each director so elected expires upon the election of his or her successor unless he or she shall resign or his or her office shall become vacant by death, removal or other cause.

Except where authority to vote on the election of directors is withheld, the persons named in the accompanying form of proxy will vote for the election of the nominees whose names are hereinafter set forth, all of whom are currently directors

of Bombardier, with the exception of Mr. André Bérard and Mr. Carlos E. Represas.

The management of the Corporation does not contemplate that any of the nominees will be unable, or for any reason will become unwilling, to serve as a director but, if that should occur for any reason prior to the election, the persons named in the accompanying form of proxy reserve the right to vote for another nominee in their discretion, unless the shareholder has specified in the form of proxy that his or her shares are to be withheld from voting on the election of directors.

Approximate number of shares of Bombardier beneficially owned by the nominee or which are subject to his or her control or direction as at April 5, 2004

Class A shares	Class B subordinate shares	Deferred Stock Units
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LAURENT BEAUDOIN, C.C., FCA (1)	732,560	13,132,884	0
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Executive Chairman of the Board of Directors
Director since 1975

Mr. Laurent Beaudoin is a Chartered Accountant as well as a Fellow Chartered Accountant. He began his career in 1961 with Beaudoin, Morin, Dufresne & Associés, Chartered Accountants. In 1963, he joined Bombardier Limited as Comptroller. He was appointed General Manager in 1964 and, in 1966, became President. In 1979, he was appointed Chairman and Chief Executive Officer of Bombardier Inc. On February 1, 1999, Mr. Beaudoin became Chairman of the Board and of the Executive Committee until June 10, 2003, when he was appointed Executive Chairman of the Board. Mr. Beaudoin holds honorary doctorates from various universities and has received many awards and honours as a business leader, including Canada's Outstanding CEO of the Year and Canada's International Executive of the Year. Since June 2000, he has been on the Advisory Board of Lazard Canada; and since June 2001, on the Canadian Advisory Board of the Carlyle Group.

JALYNN H. BENNETT, C.M.	0	10,000	26,730
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President, Jalynn H. Bennett & Associates Ltd., consulting firm in strategic planning and organizational development
Director since 2002 */***

Mrs. Jalynn H. Bennett is a past director of the Bank of Canada and a former commissioner of the Ontario Securities Commission. Prior to setting up her own consulting firm, Mrs. Bennett was associated for nearly 25 years with The Manufacturers Life Insurance Company. She is a director of Canadian Imperial Bank of Commerce, Sears Canada Inc., CanWest Global Communications Corp., and The Cadillac Fairview Corporation Limited. She is very active on Boards and Committees of institutions and organizations in the education and health sectors in Ontario. She was a member of the Canadian Institute of Chartered Accountants 2000 Toronto Stock Exchange Committee on Corporate Governance.

ANDRÉ BÉRARD	0	0	0
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Corporate Director

Mr. André Bérard is a new nominee standing for election to our Board of Directors. He was Chairman of the Board of the National Bank of Canada from 2002 to 2004, after having assumed the duties of Chairman of the Board and Chief Executive Officer from 1990 to 2002, President and Chief Executive Officer in 1989 and President and Chief Operating Officer from 1986 to 1989. Between 1958 and 1986, Mr. Bérard had held various positions of increasing responsibilities at the National Bank of Canada. Mr. Bérard is a member of various Board of Directors including, among others, BCE Inc., Noranda Inc., Saputo Inc., Kruger Inc. and the Groupe Canam Manac Inc.

- * Member of the Audit Committee
- ** Member of the Human Resources and Compensation Committee
- *** Member of the Retirement Pension Oversight Committee
- **** Member of the Corporate Governance and Nominating Committee

Class A shares	Class B subordinate shares	Deferred Stock Units
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J.R. ANDRÉ BOMBARDIER	(2)	2,469,373	0
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Vice Chairman of the Corporation
Director since 1975

Mr. J. R. André Bombardier joined the Corporation in 1969 as Vice President, Industrial Division. He successively held the positions of Vice President, Research and Development, Ski-Doo Division (1970), Assistant to the President and in charge of new products (1973), Vice President of Marketing, Marine Products Division (1975) and President of Roski Ltd., a subsidiary of Bombardier (1976). He became Vice Chairman in 1978. He is Governor of the *Jeune Chambre de commerce de Montréal* and is a Director of Junior Achievement of Québec.

JANINE BOMBARDIER	(3)	1,853,000	27,641
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President and Governor,
J. Armand Bombardier Foundation,
charitable organization
Director since 1984

Mrs. Janine Bombardier has been a member of the Board of Directors of Bombardier since 1984. She has been a Governor of the J. Armand Bombardier Foundation since March 27, 1965, and its President since August 21, 1978.

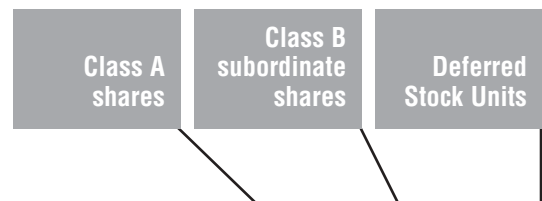
L. DENIS DESAUTELS	0	3,500	3,142
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Corporate Director
Director since 2003 */***

Mr. L. Denis Desautels was Auditor General of Canada from April 1, 1991 until March 31, 2001. As Auditor General of Canada, he was responsible for conducting examinations of the operations of the Government of Canada and of its numerous Crown corporations and agencies, as well as those of Canada's three territorial governments. At the time of his appointment, Mr. Desautels was a senior partner in the Montreal office of Ernst & Young (formerly Clarkson Gordon). In his 27 years with Ernst & Young, he served the firm in various capacities and in a number of offices, namely Montreal, Ottawa and Québec. He is currently a member of both the accounting and the assurance standards oversight Councils of the CICA, of the National Awards in Governance Advisory Committee of the Conference Board of Canada, of the International Auditing and Assurance Standards Board. He is also Chair of the Capital Health Alliance. He is a member of the Board of Directors of CARE Canada, Laurentian Bank of Canada, The Groupe Jean Coutu (PJC) Inc. and Alcan Inc. He is presently an Executive-in-residence at the School of Management of the University of Ottawa.

- * Member of the Audit Committee
- ** Member of the Human Resources and Compensation Committee
- *** Member of the Retirement Pension Oversight Committee
- **** Member of the Corporate Governance and Nominating Committee



	Class A shares	Class B subordinate shares	Deferred Stock Units
JEAN-LOUIS FONTAINE (4)	4,097,472	414,313	0



Vice Chairman of the Corporation
Director since 1975

Mr. Jean-Louis Fontaine began his career with Bombardier in 1964 as Vice-President, Production, of its Ski-Doo division and rose through the ranks to become Vice-President, Transportation Products in 1974. He was then named Vice-President, Corporate Planning in 1977, a position he held until he became Vice-Chairman in 1988. He currently serves on the Boards of Directors of AXA Assurances Inc. and Héroux-Devtek Inc. President of La Fondation de l'Université de Sherbrooke from 1992 to 1997, he was Chairman of the Board of the Université de Sherbrooke from May 1997 to May 2000. In 2000, he served as a director of the Canadian Chamber of Commerce.

DANIEL JOHNSON	0	1,200	30,632
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Counsel,
McCarthy Tétrault, LLP
barristers and solicitors
Director since 1999 */**/*

A former Prime Minister of the Province of Québec, Mr. Daniel Johnson was a member of the National Assembly of Québec for more than 17 years and held numerous offices in the Government of Québec from 1985 to 1994. He is a director of The Great-West Life Assurance Company, London Life Insurance Company, Canada Life Assurance Company, Investors Group Inc., Ecopia BioSciences Inc. and Victhom Human Bionics. He is also Honorary Consul of the Kingdom of Sweden in Montréal.

MICHAEL H. McCAIN	125,000	0	7,440
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President and
Chief Executive Officer,
Maple Leaf Foods Inc.,
food processing company
Director since 2003 *

Mr. Michael McCain joined Maple Leaf Foods Inc. as President and Chief Operating Officer in April 1995. On January 1, 1999, he was appointed to the position of President and Chief Executive Officer. He started his career with McCain Foods, where he held progressively positions in sales, sales management, marketing management and information systems management. Eventually, he was promoted to the position of President and CEO of McCain Citrus Inc. (1986 to 1990) and then to McCain USA Inc. (1990 to 1995). He is a director of Maple Leaf Foods Inc., Canada Bread Company Limited, McCain Foods Group Inc., and a past director of the American Frozen Food Institute. He is a member of the Board of Trustees of The Hospital for Sick Children.

- * Member of the Audit Committee
- ** Member of the Human Resources and Compensation Committee
- *** Member of the Retirement Pension Oversight Committee
- **** Member of the Corporate Governance and Nominating Committee

Class A shares	Class B subordinate shares	Deferred Stock Units
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JEAN C. MONTY	25,000	175,000	49,908
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Corporate Director
 Director since 1998 **/****

On April 24, 2002, Mr. Jean C. Monty retired as Chairman of the Board and Chief Executive Officer of Bell Canada Enterprises (BCE Inc.), following a 28-year career. Prior to joining BCE Inc., he was Vice-Chairman and Chief Executive Officer of Nortel Networks Corporation. He joined Nortel in October 1992 as President and Chief Operating Officer, becoming President and Chief Executive Officer in March 1993. He began his career at Bell Canada in 1974 and has held numerous positions in the BCE group. He is a Special Advisor to General Atlantic Partners, a global private equity group and an investor and director of Centria, Fiera Capital and Contramax. In recognition of his achievements, he was named Canada's Outstanding CEO of the Year for 1997.

JAMES E. PERRELLA	0	10,000	53,464
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Retired Chairman and Chief Executive Officer, Ingersoll-Rand Company, diversified industrial company and components manufacturer
 Director since 1999 */**/****

Mr. James E. Perrella started his career at Ingersoll-Rand Company in 1962 as a Production Planner. He held progressive positions as Sales Engineer, General and Operations Manager, Vice President, Executive Vice President, President and Chairman of the Board of Directors and Chief Executive Officer of Ingersoll-Rand Company. In 2000, he retired as Chairman of the Board. He is member of the Board of Directors of ArvinMeritor Inc., Becton Dickinson, and Milacron Inc.

CARLOS E. REPRESAS	0	0	0
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Executive Vice-President – Head of the Americas, Nestlé S.A., food and beverage company

Mr. Carlos E. Represas is a new nominee standing for election to our Board of Directors. He has been Chairman of the Board of Nestlé Holdings, Inc., USA and Nestlé Mexico S. A. de C.V. since 1994. He has acted as Co-Chairman of the Board of Beverage Partners Worldwide S.A. (a joint venture between Nestlé and Coca-Cola), since 1997. He has been a member of the Supervisory Board of Cereals Partners Worldwide S.A. (a joint venture between Nestlé and General Mills) since 1996. He has been a member of the Board of Directors of Vitro, S.A. de C.V. since 1998. He has acted as Co-Chairman of the Board of Dairy Partners Americas (a joint venture between Nestlé and Fonterra Cooperative Group) since 2001.

- * Member of the Audit Committee
- ** Member of the Human Resources and Compensation Committee
- *** Member of the Retirement Pension Oversight Committee
- **** Member of the Corporate Governance and Nominating Committee

Class A shares	Class B subordinate shares	Deferred Stock Units
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FEDERICO SADA G.	0	0	4,703
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President and Chief Executive Officer, Vitro, S.A. de C.V., glass producing company
Director since 2003

Mr. Federico Sada joined Vitro, S.A. de C.V. in 1974, and on January 1, 1994, was appointed its President and Chief Executive Officer. He is a member of the Boards of Directors of Vitro, S.A., Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM), Regio Empresas, ALPEK (a subsidiary of Grupo ALFA), and University of Texas MD Anderson Cancer Center, former Chairman of the Mexican Council for Foreign Trade (COMCE), current President of the Mexico-France Bilateral Committee of the Mexican Council for Foreign Trade (COMCE), Chairman of the Fundación Pro Museo Nacional de Historia (Castillo de Chapultepec), A.C., Chairman of Trustees of Parque Ecológico Chipinque. He is also a member of the International Business Council of the World Economic Forum, and the World Business Council for Sustainable Development based in Geneva, Switzerland.

PAUL M. TELLIER	0	108,000	11,249 (5)
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President and Chief Executive Officer of the Corporation
Director since 1997

Mr. Paul M. Tellier has been President and Chief Executive Officer of the Corporation since January 1, 2003. Prior to this appointment, he was President and Chief Executive Officer of Canadian National Railway Company (CN), a position he assumed in October 1992. From August 1985 until he joined CN, he was Clerk of the Privy Council and Secretary to the Cabinet of the Government of Canada, the most senior ranking public servant in Canada. He also served in many positions in the public sector. He is also a director of Alcan Inc., BCE Inc./Bell Canada and McCain Foods Limited. He is Vice-Chairman of the Canadian Council of Chief Executives and Co-Chair of their North American Policy Committee, and is the former Chairman of the Conference Board of Canada and the Co-Chairman of the Canada-Japan Business Council. He has been twice named Canada's Outstanding CEO of the Year in addition to having received many other awards and honours as a business leader.

- * Member of the Audit Committee
- ** Member of the Human Resources and Compensation Committee
- *** Member of the Retirement Pension Oversight Committee
- **** Member of the Corporate Governance and Nominating Committee

NOTES

- (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 70,530,740 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.
- (5) Mr. Paul M. Tellier acquired his Deferred Stock Units while he was a non-executive director of the Corporation.

(A) No Series 2, Series 3 or Series 4 Preferred Shares are beneficially owned by a nominee or are subject to his or her control or direction as at April 5, 2004.

(B) The Deferred Stock Unit Plan is described on page 12.

The following tables set forth the record of attendance of the nominees (with the exception of Messrs. André Bérard and Carlos E. Represas, who are new nominees) at meetings of our Board of Directors and its Committees and the number of meetings of our Board of Directors and its Committees held between June 10, 2003, the date of our last annual and special meeting of shareholders, and April 1, 2004.

Number of Meetings Attended/ Number of Meetings Held

Candidates	Board	Committees
Laurent Beaudoin	10/10	—
Jalynn H. Bennett	9/10	9/9
J.R. André Bombardier	8/10	—
Janine Bombardier	10/10	—
L. Denis Desautels	10/10	8/9
Jean-Louis Fontaine	9/10	—
Daniel Johnson	10/10	13/13
Michael H. McCain	8/10	5/5
Jean C. Monty	10/10	9/9
James E. Perrella	9/10	14/14
Federico Sada G.	6/10	—
Paul M. Tellier	10/10	—
Overall Attendance Rate :	91%	98%

Number of Board and Committee Meetings Held Between June 10, 2003 and April 1, 2004

Board of Directors	10
Audit Committee	5
Human Resources and Compensation Committee	5
Retirement Pension Oversight Committee	4
Corporate Governance and Nominating Committee	4

Appointment of Auditors

Our management proposes that Ernst & Young, LLP, chartered accountants, be appointed as Bombardier's auditors and that our directors be authorized to fix their remuneration.

For each of the financial years ended January 31, 2004 and 2003, Ernst & Young, LLP, billed us fees for services provided as summarized in the table below:

Fees	Financial Year Ended January 31, 2004	Financial Year Ended January 31, 2003
Audit fees	\$21,268,000	\$16,005,000
Audit-related fees	\$10,293,000	\$30,668,000
Tax fees	\$10,690,000	\$14,559,000
All other fees	\$4,465,000	\$4,894,000
Total Fees:	\$46,716,000	\$66,126,000

In the table above, the terms in the column "Fees" have the following meanings: "audit fees" refers to all fees incurred in respect of audit services, being the professional services rendered by Bombardier's auditors for the audit of our annual financial statements and the review of our quarterly financial statements as well as services normally provided by the auditors in connection with statutory and regulatory filings and engagements; "audit-related fees" refers to fees incurred for audit or attest services not required by statute or regulation, employee benefit plan audits, special audits pertaining to disposition of business units, and accounting consultations on proposed transactions; "tax fees" refers to fees incurred in respect of tax compliance, tax planning and tax advice; and "all other fees" refers to all fees not included in audit fees, audit-related fees or tax fees.

Our Audit Committee has considered whether the provision of services other than audit services is compatible with maintaining the independence of our auditors. Our Audit Committee has adopted a policy that prohibits us from engaging the auditors for "prohibited" categories of non-audit services and requires pre-approval by such Committee of audit services and other services within certain permissible categories of non-audit services.

Except where authority to vote on the appointment of the auditors of the Corporation is withheld, persons named in the accompanying form of proxy will vote FOR the appointment of Ernst & Young, LLP, chartered accountants, and FOR their remuneration to be fixed by the directors of the Corporation.

Section 3: Remuneration of Directors and Executive Officers

Remuneration of Directors

From February 1, 2003 until September 30, 2003, our directors who were not officers received retainer fees of \$3,000 per month, and all compensation paid to our directors during such period was made in Canadian dollars, irrespective of a director's place of residence.

Since October 1, 2003, our directors who are not officers receive retainer fees of \$4,500 per month. They also earn attendance fees of \$2,000 for each Board or Committee meeting attended. In addition, a non-executive director receives an additional annual fee of \$10,000 for presiding over a Committee of the Board of Directors (other than the Audit Committee). For his part, the Chairman of the Audit Committee, receives an additional annual fee of \$20,000. Committee members receive additional annual fees of \$5,000. Since October 1, 2003, all of the dollar amounts mentioned above in relation to our directors' remuneration are in Canadian dollars when such remuneration is paid to a director who is a resident of Canada and in US dollars when such remuneration is paid to a director who is not a resident of Canada.

Deferred Stock Unit Plan

To encourage our non-executive directors to better align their interests with those of the shareholders by having an investment in the Corporation, we have offered them since April 1, 2000 a Deferred Stock Unit Plan, or the DSU Plan, which was amended as of October 1, 2003. Our DSU Plan, as amended, stipulates that our non-executive directors are required to receive the entirety of their monthly retainer fees (i.e. \$4,500) in the form of Directors' Deferred Stock Units, or DDSUs. In addition, our non-executive directors may elect to receive 50% or more of any other remuneration (i.e. attendance fees and fees received by Committee chairs and members) in the form of DDSUs. Each DDSU has a value equal to the market value of one Class B subordinate share at the time DDSUs are credited to the non-executive director. DDSUs take the form of a bookkeeping entry credited to the account of the non-executive director which cannot be converted to cash for as long as the non-executive director remains a member of the Board of Directors. All of a non-executive director's units will, upon request by such non-executive director, be redeemed for cash by us after he or she ceases to be a member of our Board of Directors; however, failing such request, the redemption of such units for cash will occur automatically upon the expiry of a period as determined under the DSU Plan. The value of a DDSU, when converted to cash, will be equivalent to the market value of a Class B subordinate share at the time the conversion will take place. DDSUs confer the right to receive dividends paid in the form of additional DDSUs at the same rate as the dividend paid on the Class B subordinate shares.

Stock Option Plan for the Benefit of Non-Executive Directors

Effective October 1, 2003, we abolished our stock option plan for the benefit of our non-executive directors, or the Directors' Plan, which had provided for the granting of non-transferable and non-assignable options to purchase a maximum of 2,000,000 of our Class B subordinate shares. Despite the fact that we abolished the Directors' Plan last year, it remains in force for the purpose of outstanding, unexercised options. As at January 31, 2004, options for a total of 245,000 Class B subordinate shares had been granted and were outstanding.

The purchase price for the Class B subordinate shares, in respect of any outstanding option granted under the Directors' Plan, is the weighted average trading price of the Class B subordinate shares traded on the Toronto Stock Exchange on the five trading days immediately preceding the date on which such option was granted. The purchase price is payable in full at the time the option is exercised.

Each option is first exercisable at any time following the date of granting of such option until the expiration of the tenth year following the date of granting of such option, unless the Human Resources and Compensation Committee decides otherwise, provided, however, that an optionee shall not have purchased more than 20% of the aggregate number of shares covered by his or her option at the expiration of the first year following the date of granting of such option, more than 40% of the aggregate number of shares covered by his or her option at the expiration of the second year following the date of granting of such option, more than 60% of the aggregate number of shares covered by his or her option at the expiration of the third year following the date of granting of such option and more than 80% of the aggregate number of shares covered by his or her option at the expiration of the fourth year following the date of granting of such option. However, a director who, upon the date of his or her mandatory retirement, will have been a director of Bombardier for at least five years, will then be entitled, during the period of twelve months following such retirement, to exercise his or her option with respect to all the shares for which such option will not then have been exercised.

Options Exercised in the Last Completed Financial Year

During the financial year ended January 31, 2004, 48,000 Class B subordinate shares were purchased under the Directors' Plan by two of our non-executive directors.

Remuneration of Named Executive Officers Summary Compensation Table

The Summary Compensation Table below shows certain compensation information for (i) the Executive Chairman of our Board of Directors and (ii) our four most highly compensated corporate management executive officers, including our President and Chief Executive Officer (all of whom are collectively referred to as our Named Executive

Officers in this Management Proxy Circular) for services rendered in all capacities during the financial years ended January 31, 2004, 2003 and 2002. This information includes base salaries, bonus awards, the number of stock options granted and certain other forms of compensation, whether actually paid or deferred.

Name and Principal Position	Year Ended January 31	Annual Compensation			Long-Term Compensation			All Other Compensation (\$)
		Salary (\$)	Bonuses (\$) ⁽¹⁾	Other Annual Compensation (\$) ⁽²⁾	Awards		LTIP Payouts (\$)	
					Securities Under Options Granted (#)	Restricted Shares or Restricted Share Units (\$)		
Paul M. Tellier President and Chief Executive Officer	2004	1,920,000	—	—	—	—	—	—
	2003	160,000 ⁽³⁾	—	—	1,005,000 ⁽³⁾	—	—	—
	2002	—	—	—	—	—	—	—
Laurent Beaudoin Executive Chairman of the Board of Directors	2004	666,667 ⁽⁴⁾	—	471,901 ⁽⁶⁾	—	—	—	—
	2003	1,000,000	—	135,838	—	—	—	—
	2002	1,000,000	—	115,992	—	—	—	—
Pierre Beaudoin President and Chief Operating Officer, Bombardier Aerospace	2004	850,000	1,091,400	—	250,000	—	—	—
	2003	850,000	—	—	500,000	—	—	—
	2002	579,165	—	—	—	—	—	—
Carroll L'Italien Senior Vice President	2004	510,000	175,000 ⁽⁶⁾	—	120,000	—	—	—
	2003	485,000	—	—	180,000	—	—	—
	2002	460,000	300,000	—	—	—	—	—
Pierre Lortie ⁽⁷⁾	2004	900,000	—	1,350,000 ⁽⁸⁾	250,000	—	—	—
	2003	850,000	370,770	—	—	—	—	—
	2002	750,000	400,000	—	500,000	—	—	—

(1) Bonus amounts are paid in cash in the year following the financial year in respect of which they are earned.

(2) The value of benefits not exceeding the lesser of \$50,000 or 10% of the sum of salary and bonuses has been omitted.

(3) Mr. Paul M. Tellier took office on January 1, 2003 and his annual salary is \$1,920,000. See "Employment Agreement" at page 17. He had received, on March 27, 2002, stock options for 5,000 Class B subordinate shares, as a non-executive director.

(4) This sum represents the salary earned by Mr. Beaudoin in his capacity as Executive Chairman of the Board of Directors from February 1, 2003 until September 30, 2003.

(5) This sum includes \$371,901 paid to Mr. Beaudoin as pension benefits between October 1, 2003 and January 31, 2004 and \$100,000 paid to Mr. Beaudoin as fees for acting as Executive Chairman of our Board of Directors during the same period.

(6) During the second quarter, a discretionary bonus was paid to Mr. L'Italien in recognition of his contribution under special circumstances.

(7) On November 25, 2003, we announced that Mr. Lortie, the then former President and Chief Operating Officer of Bombardier Transportation, was leaving Bombardier effective that day. However, he remained on the payroll of Bombardier until January 31, 2004.

(8) This sum represents separation amounts paid to Mr. Lortie as a result of his leaving Bombardier.

Stock Option Plan

Our Stock Option Plan, or the Plan, provides for the granting to our key employees and those of our subsidiaries of non-assignable options to purchase an aggregate number of Class B subordinate shares which may not exceed 133,782,688 outstanding Class B subordinate shares. As at January 31, 2004, options for a total of 43,828,986 Class B subordinate shares had been granted and were outstanding and 60,495,660 shares remained available for granting under the Plan.

The option price is the weighted average trading price of the Class B subordinate shares traded on the Toronto Stock Exchange, or the TSX, on the five trading days immediately preceding the day on which an option is granted. The option price is payable in full at the time the option is exercised. Unless otherwise determined by the Board of Directors, options granted prior to May 27, 2003 are exercisable during periods commencing not earlier than two years following the date of granting and terminating not later than ten years after such date of granting.

Furthermore, in respect of options granted prior to May 27, 2003, an optionee shall not have purchased more than 25% of the aggregate number of shares covered by his or her option at the expiration of the third year following the date of granting of such option, more than 50% of the aggregate number of shares covered by his or her option at the expiration of the fourth year following the date of granting of such option and more than 75% of the aggregate number of shares covered by his or her option at the expiration of the fifth year following the date of granting of such option. As a general rule, the number of Class B subordinate shares granted to each key employee is based on a multiple being directly related to the key employee's management level in Bombardier or one of our subsidiaries.

On May 27, 2003, our Board of Directors approved certain amendments to the Plan, including modifications to the applicable vesting periods. Options granted after May 27, 2003 are exercisable during periods commencing not earlier than the first anniversary of the date of granting and terminating no later than seven years after such date of granting. Furthermore, an optionee shall not have purchased more than 25% of the aggregate number of shares covered by his or her option at the expiration of the second year following the date of

granting of such option, more than 50% of the aggregate number of shares covered by his or her option at the expiration of the third year following the date of granting of such option and more than 75% of the aggregate number of shares covered by his or her option at the expiration of the fourth year following the date of granting of such option. In addition, the optionee shall, following the purchase of such shares, remain the direct owner of at least 25% of the number of shares purchased for a period of at least one year following the date of purchase.

On March 30, 2004, our Board of Directors approved additional amendments to the Plan to the effect that an optionee shall only be entitled to purchase shares covered by his or her option if, within the twelve (12) month period preceding the date on which the optionee has the right to purchase shares in accordance with the Plan, the weighted average trading price of such shares, during a period of twenty-one (21) consecutive trading days, is greater than or equal to a target price threshold established at the time the option had been granted to the optionee. If, within such twelve (12) month period, the weighted average trading price of the shares has not reached the set target price threshold, then the optionee shall be entitled to purchase such shares only upon the same terms, conditions and with the target price threshold applicable to the next tranche (i.e. 25%) of the aggregate number of shares covered by his or her options as determined under the Plan. If the target price threshold that has not been reached within such twelve (12) month period is the final target price threshold established with respect to a particular option grant, then the right of the optionee to purchase such shares can be exercised if, at any time after that twelve (12) month period, the weighted average trading price for such shares, during a period of twenty-one (21) consecutive trading days, is greater than or equal to such final target price threshold as established for the remaining term of the option. Furthermore, once the target price threshold for any particular tranche of shares underlying an option has been reached in accordance with the above, the right of the optionee to purchase shares may thereafter be exercised notwithstanding any further variation in the weighted average trading price of such shares. These amendments apply to all options granted after May 27, 2003.

Granting of Stock Options to our Named Executive Officers for the Financial Year Ended January 31, 2004

The following table sets forth various information with respect to stock options granted to our Named Executive Officers during the financial year ended January 31, 2004.

Name	Securities under Options Granted (#)	% of Total Options Granted to Employees in the Financial Year	Exercise or Base Price (\$ / Security)	Market Value of Securities Underlying Options on the Date of Grant (\$ / Security)	Expiration Date
Paul M. Tellier	—	—	—	—	—
Laurent Beaudoin	—	—	—	—	—
Pierre Beaudoin	250,000	3.35	3.93	4.25	June 10, 2010
Carroll L'Italien	120,000	1.70	3.93	4.25	June 10, 2010
Pierre Lortie	—	—	—	—	—

Options Exercised in Last Completed Financial Year ended January 31, 2004 and Year-End Options Values

The following table summarizes for each of our Named Executive Officers the number of stock options exercised during the financial year ended January 31, 2004, the aggregate value realized upon exercise and the total number and value of unexercised options held as at January 31, 2004. Value realized upon exercise is the difference between the closing price of a Class B subordinate share

on the exercise date and the exercise price of the option. Value of unexercised options at financial year end is the difference between the closing price of the Class B subordinate share on the Toronto Stock Exchange on January 30, 2004, namely \$5.99, and the exercise price.

Exercised and Unexercised Stock Options Financial Year Ended January 31, 2004

Name	Shares Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at Financial Year End		Value of Unexercised Options at Financial Year End	
			Exercisable (#)	Unexercisable (#)	Exercisable (\$)	Unexercisable (#)
Paul M. Tellier	—	—	—	1 000 000 ⁽¹⁾	—	—
Laurent Beaudoin	—	—	4,000,000 1,500,000	— 500,000	3,430,000 —	— —
Pierre Beaudoin	330,000	1,196,250	300,000 150,000 —	— 50,000 500,000 250,000 ⁽²⁾	257,250 — — —	— — — —
Carroll L'Italien	—	—	300,000 — —	100,000 180,000 120,000 ⁽²⁾	— — —	— — —
Pierre Lortie	400,000	1,542,000	300,000 300,000 100,000 25,000	— — — —	257,250 — — —	— — — —

(1) Options may only be exercised when the market price of the underlying shares shall have attained \$10.00. See "Employment Agreement" at page 17.

(2) Options may only be exercised when the weighted average trading price of the underlying shares shall have reached the set target price thresholds in accordance with the March 30, 2004 amendments to the Plan as described at page 14.

The number of shares indicated in the above table partially reflect, adjustments following two-for-one stock splits which took place on July 7, 1995, July 10, 1998 and July 7, 2000.

The value of unexercised options, unlike the amounts set forth in the column "Aggregate Value Realized", has not been and may never be realized. The actual gains, if any, on exercise will depend on the value of our Class B subordinate shares of Bombardier on the date of exercise.

Pension Plan

Senior officers, including our Named Executive Officers, participate in two non-contributory defined benefit pension plans. Benefits payable from the basic plan correspond to 2% of average earnings in the three continuous years of service during which they were paid their highest salary (up to a maximum salary of \$91,677) multiplied by the number of years of credited service.

Since January 1, 2004, the supplemental plan provides (depending on the management level) for additional benefits of 1.75% of average earnings in excess of \$91,677 multiplied by the number of years of credited service or 2.25% or 2.50% of average earnings times the number of years of credited service, less the pension payable from the basic plan and any benefits payable from our other pension plans. Benefits are reduced by 1/3 of 1% for each month between the date of early retirement and the date of a participant's 60th birthday or, if earlier, the date as at which the participant's age plus his or her

years of credited service total 85. No benefits are payable from the supplemental plan if a participant has not completed five years of service.

The following table shows total annual benefits payable at age 60 from the basic plan and the supplemental plan computed on a percentage of 2.25%. Upon the death of a participant, the spouse will be entitled to a benefit equal to 60% of the benefit to which such participant was entitled. If the participant has no spouse at the time of retirement, the benefits will be paid, after death, to the designated beneficiary until such time as 120 monthly installments, in the aggregate, have been paid to the participant and to the designated beneficiary.

All benefits payable from these plans are in addition to government social security benefits. Only base salary is taken into consideration in calculating pension benefits.

Annual Benefits Payable at the Age of 60

Average Remuneration	Years of Service				
	15	20	25	30	35
\$200,000	\$67,500	\$90,000	\$112,500	\$135,000	\$157,500
\$300,000	\$101,250	\$135,000	\$168,750	\$202,500	\$236,250
\$400,000	\$135,000	\$180,000	\$225,000	\$270,000	\$315,000
\$500,000	\$168,750	\$225,000	\$281,250	\$337,500	\$393,750
\$600,000	\$202,500	\$270,000	\$337,500	\$405,000	\$472,500
\$700,000	\$236,250	\$315,000	\$393,750	\$472,500	\$551,250
\$800,000	\$270,000	\$360,000	\$450,000	\$540,000	\$630,000
\$900,000	\$303,750	\$405,000	\$506,250	\$607,500	\$708,750
\$1,000,000	\$337,500	\$450,000	\$562,500	\$675,000	\$787,500
\$1,100,000	\$371,250	\$495,000	\$618,750	\$742,500	\$866,250
\$1,200,000	\$405,000	\$540,000	\$675,000	\$810,000	\$945,000

Years of credited service as at January 31, 2004 for each of our Named Executive Officers are as follows:

Paul M. Tellier	1 year and 1 month
Pierre Beaudoin	18 years and 5 months
Carroll L'Italien	11 years and 8 months

At the age of 60, Mr. Pierre Beaudoin will have 36 years and 10 months of credited service.

The Executive Chairman of the Board of Directors, Mr. Laurent Beaudoin, reached the age of 60 in May 1998. Since October 1, 2003, he has been receiving, pursuant to our basic pension and supplemental pension plans, an annual pension in the amount of \$1,115,703. Upon his death, his wife will be entitled to a benefit equal to 60% of his pension benefits.

Our President and Chief Executive Officer, Mr. Paul M. Tellier, was over age 60 when he took office on January 1, 2003. If he had taken his retirement on January 31, 2004, he would have been entitled to an annual allowance of \$130,000 pursuant to his employment agreement. The annual allowance to which he would be entitled at age 65 would be \$360,000 pursuant to his employment agreement.

Employment Agreement

On December 12, 2002, we entered into an agreement with Mr. Paul M. Tellier, our President and Chief Executive Officer, which outlines the terms and conditions of his employment with us for the period from January 1, 2003 to December 31, 2005. Under this agreement, Mr. Tellier receives an annual salary of \$1,920,000 and was granted, effective January 1, 2003, options to purchase 1,000,000 Class B subordinate shares at an exercise price based on the weighted average trading price on the Toronto Stock Exchange of such shares for the five trading days preceding the grant date. Such options cannot be exercised, however, until the market price for such shares shall have attained \$10.00. This agreement also sets out Mr. Tellier's entitlements under our incentive programs, pension plan, stock purchase plan and other customary perquisites.

Given that Mr. Tellier, under his employment agreement, has been granted options to purchase 1,000,000 Class B subordinate shares as part of Bombardier's incentive plan and given that it is not

intended that additional options will be granted to Mr. Tellier under the terms of his three-year employment agreement, on March 30, 2004, we agreed with Mr. Tellier on a medium-term incentive plan for the period from February 1, 2003 to January 31, 2006. Under this plan, Mr. Tellier will be entitled to receive, on June 30, 2006, a bonus payable in cash contingent upon the Corporation achieving certain pre-determined revenue, cash flow and net income annual targets for each of the years during this three-year period as well as for the three-year period on a cumulative basis. The bonus payable under this medium-term incentive plan could vary from 0% to 195% of the sum of Mr. Tellier's base salary for each of the years in this three-year period (rounded to \$2,000,000 per year). Under this plan, we further agreed with Mr. Tellier that his base salary will remain unchanged for the duration of the three-year period ending on January 31, 2006. The other terms and conditions of Mr. Tellier's employment agreement remain unchanged.

Report of the Human Resources and Compensation Committee

As of January 31, 2004, the Human Resources and Compensation Committee, or the HRCC, consisted of three outside and unrelated directors, namely Messrs. Jean C. Monty (Chairman), André Desmarais and James E. Perella. The Executive Chairman of the Board, the President and Chief Executive Officer and the Senior Vice President also attend meetings of the HRCC.

The HRCC is responsible for monitoring senior management's assessment and succession planning and for developing and determining a compensation philosophy and policy that rewards the creation of shareholder value and reflects an appropriate balance between the short and long term performance of the Corporation.

To achieve its goals, the HRCC retains the services of compensation consultants who are responsible for gathering information on the policies in effect in companies comparable in size to Bombardier and with whom the Corporation must compete in order to attract talented senior executives. This comparator group of companies is reviewed annually to ensure its continued relevance.

The total compensation of our senior management consists of three main elements: base salary, short-term incentives and stock options granted as long-term incentives. Each element is positioned at the median value of the comparator group. During 2003, the HRCC reviewed the total compensation program for senior executives. This review included the establishment of base salary targets for our 60 most senior executives and the required adjustments to ensure competitive positioning.

The short-term incentive plans are based on financial measures such as the creation of economic value, cash generated and return on equity subject to a maximum amount of bonuses for each group. A bonus target is set as a percentage of base salary and the incentive plan encourages employees to outperform the earnings forecasted in annual operating budgets.

During the second quarter of the financial year ended January 31, 2004, bonuses were paid to some of our corporate executives, on a discretionary basis, in recognition of their contribution under special circumstances.

Our performance and the ability to sustain growth in the value of our shares depend on a balance between short and long-term considerations. On May 27, 2003, the stock option plan was significantly modified. The term of the options was reduced from ten to seven years. Time vesting has been strengthened by adding a performance element to the vesting period. Furthermore, participants must now keep 25% of shares purchased upon the exercise of options for a minimum period of one year. In addition, the stock option plan was amended on March 30, 2004, as described in detail at page 14. As a general rule, the HRCC determines the number of stock options to be granted based on a multiple of salary established according to the management level of executives. The application of the formula is flexible and allows for a grant, which could vary from 0% to 150% of the guideline to take into account all relevant circumstances such as exceptional contribution, promotion, and financial results of the relevant business unit.

On March 30, 2004, the HRCC recommended to the Board of Directors that the medium-term incentive plan offered to Mr. Tellier be approved. This plan is described under the heading "Employment Agreement" above. The HRCC believes that this plan sets Mr. Tellier's total incentive compensation on a competitive level with other chief executive officers of comparable global companies.

In summary, all senior executives receive a compensation package that is based on their individual performance, the operating group and the corporate performance as well as market forces.

Jean C. Monty, Chairman

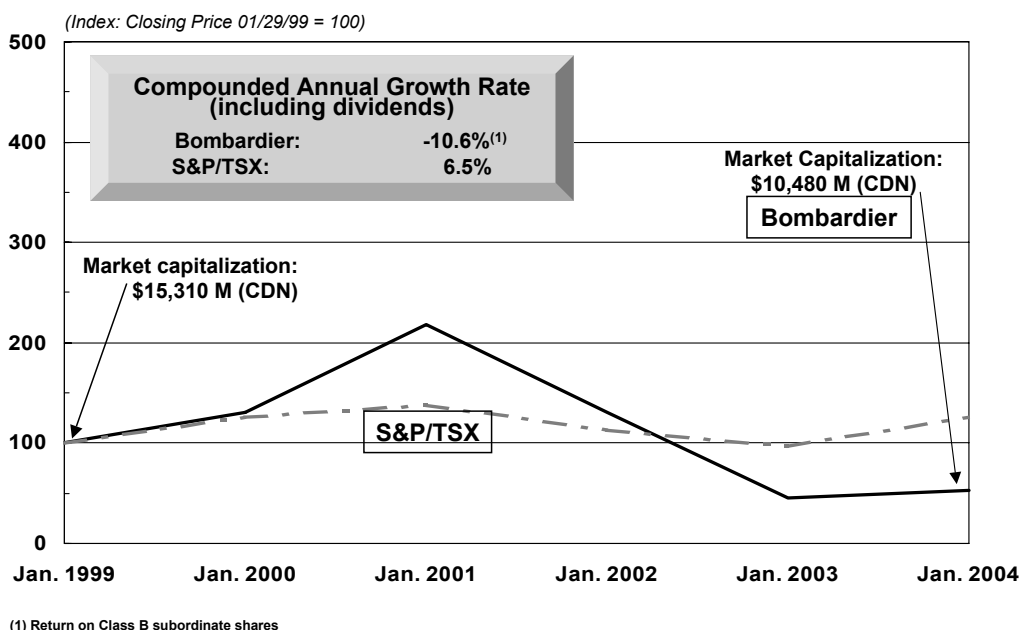
André Desmarais

James E. Perrella

Section 4 : Additional Information

Performance Graph

Performance of the Class B subordinate share of Bombardier Inc. from January 31, 1999 to January 31, 2004



Statement of Corporate Governance Practices

We at Bombardier have always believed that what benefits our shareholders is of equal benefit to us. That is why we have always relied on good corporate governance practices as a tool both to ensure the proper management of Bombardier and to increase shareholder value.

In the past few years, there have been numerous developments in the corporate governance field, including the enactment of the *Sarbanes-Oxley Act of 2002* in the United States and the coming into force in Canada of new rules applicable to the composition and functioning of public company audit committees.

In addition, in January 2004, the Canadian Securities Administrators, or the CSA, published for comment new practices and disclosure rules with respect to corporate governance (referred to as *the Proposed CSA Practices and Disclosure Rules* in this Management Proxy Circular), which are ultimately intended to replace, at least in part, the guidelines of the Toronto Stock Exchange in matters of corporate governance currently included in the TSX Company Manual (referred to as *the TSX Corporate Governance Guidelines* in this Management Proxy Circular). The Proposed CSA Practices and Disclosure Rules consist of Proposed Multilateral Policy 58-201 *Effective Corporate Governance*, or Proposed MP 58-201, and Proposed Multilateral Instrument 58-101 *Disclosure of Corporate Governance Practices*, or Proposed MI 58-101.

The CSA also published the final version of Multilateral Instrument 52-110 *Audit Committees*, or MI 52-110, which sets out rules regarding the composition and responsibilities of public company audit committees.

Although the Proposed CSA Practices and Disclosure Rules have thus far been published for comment in draft form and MI 52-110 will only apply to us as of the date of our 2005 annual meeting of shareholders, we have adopted and implemented corporate governance policies and practices that already comply with and, in certain instances, surpass, these new practices and rules in the field of corporate governance because we view good corporate governance practices to be both one of the foundations of our corporate philosophy and essential to increasing shareholder value. We believe that this demonstrates our commitment that we will always carefully consider the latest corporate governance developments and strive to lead, not follow, in such matters.

Consequently, in Schedule "A" attached to this Management Proxy Circular (see pages 20 to 25), we have disclosed and compared our corporate governance practices not only to the TSX Corporate Governance Guidelines, but also, where appropriate, to the Proposed CSA Practices and Disclosure Rules as well as, where appropriate, to MI 52-110.

Directors' and Officers' Insurance

We purchase and maintain liability insurance for our directors and officers. The current total amount of such insurance maintained is \$250,000,000 at a cost of \$3,860,185 per annum. Under this insurance policy, our maximum possible liability beyond the payment of premiums is \$2,500,000 for any particular claim.

Available Documentation

Copies of our 2004 Annual Information Form, this Management Proxy Circular and our 2004 Annual Report that includes our audited consolidated financial statements as at January 31, 2004, as well as our quarterly financial statements filed since the date of our latest audited financial statements, may be obtained on request from our Public Affairs Department.

Shareholder Proposals

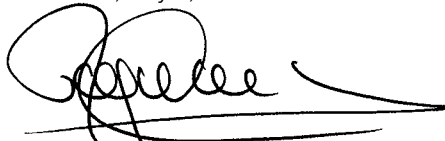
Schedule "B" attached to this Management Proxy Circular (pages 26 and 27) sets out the shareholder proposal that has been submitted for consideration at our Annual Meeting of Shareholders.

Shareholders who will be entitled to vote at our 2005 Annual Meeting of Shareholders and who wish to submit a proposal in respect of any matter to be raised at such meeting must ensure that our Corporate Secretary receives their proposal no later than February 3, 2005.

Approval of Directors

The contents and the sending of this Management Proxy Circular have been approved by the directors of Bombardier Inc.

Montréal, May 5, 2004.

A handwritten signature in black ink, appearing to read 'Roger Carle', with a long horizontal flourish extending to the right.

Roger Carle

Corporate Secretary

SCHEDULE "A"

BOMBARDIER INC.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

TSX Corporate Governance Guideline	Comments
<p>1. The Board of Directors should explicitly assume responsibility for stewardship of the Corporation, and specifically for:</p>	<p>The Corporation complies. In accordance with the <i>Canada Business Corporations Act</i>, the business and affairs of the Corporation are managed under the supervision of our Board of Directors. The President and Chief Executive Officer makes recommendations to our Board of Directors with respect to matters of corporate policy after discussion with the Executive Chairman of our Board of Directors and, when appropriate, with members of our senior management. Our Board of Directors then makes the decisions which it deems appropriate and supervises the execution of such decisions and reviews the results obtained.</p>
<p>a. adoption of a strategic planning process</p>	<p>The mandate of our Board, adopted on April 28, 2003, expressly provides for the responsibility of the supervision of the management of the Corporation, as provided by law.</p> <p>The Corporation complies. The duties of our Board of Directors include the review on an annual basis of the strategic plans for each of our operating groups, a discussion of such plans with the President and Chief Executive Officer and an assessment of the risks identified.</p>
<p>b. identification of principal risks, and implementing risk managing systems</p>	<p>The Corporation complies. The duties of our Board of Directors include the review of overall business risks and of our practices and policies for dealing with these risks.</p> <p>In addition, the Audit Committee assesses the principal risks which the Corporation faces, and it receives and reviews our management's recommendations with respect to the implementation of risk management systems.</p>
<p>c. succession planning and monitoring senior management</p>	<p>The Corporation complies. The Human Resources and Compensation Committee reviews, reports and, where appropriate, provides recommendations to the Board of Directors on succession planning matters and together with our Board of Directors, it monitors the performance of our senior management.</p>
<p>d. communications policy</p>	<p>The Corporation complies. On November 20, 2001, our Board of Directors adopted a corporate disclosure policy which, among other matters, sets out our communications policy and outlines how we should interact with analysts, investors, the media and other people and contains measures intended to ensure compliance with our timely disclosure obligations and avoid making selective disclosure of information.</p>
	<p>Each of our Board of Directors and the Audit Committee reviews and, where required, approves statutory disclosure documents prior to their filing and/or dissemination.</p>
	<p>In addition, there is also a shareholder relations process to respond to questions and concerns raised by our shareholders. All communications from shareholders are referred to the appropriate corporate officer for response, consideration or action. If and when significant issues are raised by shareholders, management will promptly advise our Board of Directors of such matters. In addition, we communicate with our shareholders, securities analysts and the media regularly on developments in our businesses and results, through our annual report, interim financial statements and, when needed, reports to shareholders, press releases and material change reports.</p>

TSX Corporate Governance Guideline

e. integrity of internal control and management information systems

2. Majority of directors should be “unrelated” (independent of management and free from conflicting interest) to the Corporation and the Corporation’s significant Shareholder, if any

3. Disclose for each director whether he or she is related, and how that conclusion was reached

Comments

The Corporation complies. The duties of our Board of Directors include the assessment of the integrity of our internal controls and management information systems. In addition, the Audit Committee has oversight responsibility of internal controls and management information systems. In compliance with the Proposed CSA Practices and Disclosure Rules, on March 30, 2004, we updated our Code of Ethics and Business Conduct that applies to our directors, officers and employees, which we will post on our website at www.bombardier.com under the “Investor Relations” tab.

The Corporation complies. As at the date of this Management Proxy Circular, our Board of Directors is composed of thirteen members.

Of the thirteen directors, nine are “unrelated” under the TSX Corporate Governance Guidelines, and four are “related” either as senior officers of Bombardier or persons who have a business relationship with us. In addition, eight of our thirteen directors are “independent” in accordance with both U.S. standards and the definition of “independence” as found in the Proposed CSA Practices and Disclosure Rules. Thus, as recommended by the Proposed CSA Practices and Disclosure Rules, a majority of the members of our Board of Directors are “independent” within the meaning of such term in these proposed rules.

In addition to a majority of “unrelated” directors, the Board of Directors is composed of eight directors who have no business interests with Bombardier or with the majority shareholders.

The composition of our Board of Directors fairly reflects, therefore, the investment in Bombardier by the shareholders other than the majority shareholders.

Because the Executive Chairman of our Board of Directors is related under the TSX Corporate Governance Guidelines and, in addition, would be considered “not independent” for the purposes of the Proposed CSA Practices and Disclosure Rules, our Board has named Mr. James E. Perrella to act as a Lead Director. As noted in item 3 below, Mr. Perrella is an unrelated director under the TSX Corporate Governance Guidelines and he would also be considered independent for the purposes of the Proposed CSA Practices and Disclosure Rules. See item 12 for a description of our Lead Director’s roles and responsibilities.

The Corporation complies.

Laurent Beaudoin	related/ not independent	- is Executive Chairman of the Board of Directors of the Corporation
J.R. André Bombardier	related/ not independent	- is Vice Chairman of the Corporation
Jean-Louis Fontaine	related/ not independent	- is Vice Chairman of the Corporation
Paul M. Tellier	related/ not independent	- is President and Chief Executive Officer of the Corporation

Jalynn H. Bennett	unrelated/ independent	
Janine Bombardier	unrelated/ not independent	- is an immediate family member (sister-in-law) of our Executive Chairman of the Board
André Desmarais	unrelated/ independent	
L. Denis Desautels	unrelated/ independent	
Daniel Johnson	unrelated/ independent	
Michael H. McCain	unrelated/ independent	
Jean C. Monty	unrelated/ independent	
James E. Perrella	unrelated/ independent	
Frederico Sada G.	unrelated/ independent	

- 4. a. **Appoint a Committee of directors responsible for proposing to the full Board of Directors new nominees to the Board and for assessing Directors on an ongoing basis**
- b. **composed exclusively of outside (non-management) directors, the majority of whom are unrelated**

The Corporation complies. The Executive Chairman of the Board of Directors, in consultation with the Corporate Governance and Nominating Committee, identifies potential candidates as directors and the Committee examines such candidacies and makes recommendations to our Board accordingly. The Corporate Governance and Nominating Committee having the aforementioned responsibilities complies with the Proposed CSA Practices and Disclosure Rules.

The Corporation complies. As recommended by the Proposed CSA Practices and Disclosure Rules, the Corporate Governance and Nominating Committee is composed of three outside and unrelated directors, all of whom would also be considered “independent”.

- 5. **Implement a process for assessing the effectiveness of the Board of Directors, its Committees and individual directors**

The Corporation complies. Each year, the Corporate Governance and Nominating Committee conducts an evaluation of the performance and effectiveness of our Board and its Committees. It then shares the results of such evaluations with the Executive Chairman of our Board of Directors. Each director also meets with both our Executive Chairman of the Board and the Chairman of the Corporate Governance and Nominating Committee to discuss his or her performance throughout the past year.

- 6. **Provide orientation and education programs for new directors**

The Corporation complies. In compliance with the Proposed CSA Practices and Disclosure Rules, we have adopted and implemented an Orientation Program for New Directors, which enables our newly elected directors to participate in an initial information session on the Corporation in the presence of some of our senior management representatives. In addition, they are furnished with appropriate documentation relating to our commercial activities and our internal organization. The meetings in which our newly elected directors participate (including annual strategic planning sessions) as well as discussions with other directors and with our senior management representatives permit our new directors to familiarize themselves rapidly with our operations.

We have also adopted and implemented a Continuing Education Program for Directors, which provides our directors with access, on an ongoing basis, to information as to the best practices associated with boards and committees and as to emerging trends that may be relevant to their role as directors.

TSX Corporate Governance Guideline

Comments

7. Consider the size of the Board of Directors, with a view to improving effectiveness

The Corporation complies. Our Board of Directors is of the view that its size and composition are well suited to Bombardier's circumstances and allow for the efficient functioning of our Board of Directors as a decision-making body and that increasing the size of our Board from 13 to 14 members will not impair its effectiveness. In addition, the Corporate Governance and Nominating Committee is responsible for reviewing this situation from time to time.

8. The Board of Directors should review compensation of directors in light of risks and responsibilities

The Corporation complies. Our Board of Directors has delegated to the Corporate Governance and Nominating Committee the responsibility to review, from time to time, the policy pertaining to the compensation of our directors, in light of both market conditions and practices as well as risks and responsibilities. Any such review will cover the members of our Board who are non-executives, as well as Committee members and Chairs.

9. Committees of the Board of Directors should generally be composed of outside (non-management) directors, a majority of whom are unrelated directors

The Corporation complies.

- The Human Resources and Compensation Committee consists of three directors, all of whom are outsiders, unrelated and "independent".

This Committee has received the mandate from our Board of Directors to oversee succession planning for the position of President and Chief Executive Officers as well as for our senior officer positions. In addition, the Committee assesses the performance of our President and Chief Executive Officer and our other senior officers and determines their compensation.

The Human Resources and Compensation Committee determines the salary classes as well as the levels and degrees of participation to incentive compensation programs, whether bonuses or plans based on the evolution of the market performance of our shares. Our Board must approve the programs beforehand.

- The Corporate Governance and Nominating Committee consists of three directors, all of whom are outsiders, unrelated and "independent".

Our Board of Directors has delegated to the Committee the responsibility to monitor the composition of our Board of Directors and its Committees and of their performance and remuneration. The Committee also oversees the evolution of our corporate governance practices and policies, including our Code of Ethics and Business Conduct.

- The Retirement Pension Oversight Committee consists of three directors, all of whom are outsiders, unrelated and "independent".

The mandate that our Board of Directors has given to this Committee is to oversee, review and monitor the investment of assets held in our Pension Plans and matters related thereto and report to our Board of Directors.

- Audit Committee. See response to item 13.

10. The Board of Directors should expressly assume responsibility for, or assign to a Committee the general responsibility for, the approach to corporate governance issues

The Corporation complies. As recommended by the Proposed CSA Practices and Disclosure Rules, the responsibility pertaining to all matters relating to corporate governance has been delegated by our Board to the Corporate Governance and Nominating Committee.

11. a. Define limits to management's responsibilities by developing mandates for:

The Corporation complies.

(i) the Board of Directors

Our Board of Directors is, by law, responsible for supervising the management of the business and affairs of the Corporation. Any responsibility which is not delegated to either the management of the Corporation or a Committee of the Board remains with our Board of Directors. In general, all matters of policy and all actions proposed to be taken which are not in the ordinary course of business require the prior approval of our Board of Directors or of a Board Committee to which approval authority has been delegated. In addition, our Board has adopted a formal mandate which sets out its specific responsibilities.

TSX Corporate Governance Guideline

(ii) the President and Chief Executive Officer

b. the Board of Directors should approve the President and Chief Executive Officer's corporate objectives

12. Establish procedures to enable the Board of Directors to function independently of management

13. a. Establish an Audit Committee with a specifically defined mandate

b. all members should be non-management directors

Comments

The corporate objectives which the President and Chief Executive Officer is responsible for meeting, with the rest of the senior management placed under his supervision, are determined in accordance with the strategic plans and the budget as they are approved each year by our Board of Directors. The performance of the President and Chief Executive Officer and our senior management is assessed against the achievement of the strategic plans and the budget. The performance of the President and Chief Executive Officer may also be assessed, in part, in relation to specific objectives that have been fixed for him. In addition, our Board has adopted a formal mandate which sets out specific responsibilities for the President and Chief Executive Officer.

See response to item 11. a. (ii) above.

The Corporation complies. In June 2003, we developed and implemented a formal structure in order to enable our Board of Directors to function independently of our management.

Prior to or after each regular meeting of our Board of Directors, the directors who are not part of our management meet under the chairmanship of Mr. James E. Perrella, who has been named by our Board of Directors to act as our Lead Director. Mr. Perrella is an unrelated director under the TSX Corporate Governance Guidelines, and he would also be considered independent for the purposes of and in compliance with the Proposed CSA Practices and Disclosure Rules.

Additional meetings may be held at the request of any such director.

Thereafter, our Lead Director transmits to the Executive Chairman of the Board and the President and Chief Executive Officer any comment, question or suggestion raised by such directors.

Such directors may provide for their own procedures such as secretariat, notices of meeting, minutes and similar matters; however, they have no decision-making power.

The Corporation complies. The roles and responsibilities of the Audit Committee are set out in the mandate that has been approved by our Board of Directors and they include the review of our annual and interim financial statements. The Audit Committee has direct communication channels with both the internal and external auditors to discuss and review specific issues as appropriate.

The Corporation complies. The Audit Committee is composed of five outside and unrelated directors, each of whom are also "independent" within the meaning of MI 52-110.

As required by MI 52-110, each member of the Audit Committee is "financially literate" and at least one member, Mr. L. Denis Desautels, has "accounting or related financial experience".

See also our response to item 14 below.

TSX Corporate Governance Guideline

14. Implement a system to enable individual directors to engage outside advisors, at the Corporation's expense

Comments

The Corporation complies. With the prior authorization of the Corporate Governance and Nominating Committee, each director or Committee may, when needed, retain the services of outside advisors at the expense of the Corporation, except the Audit Committee, which does not require any prior authorization to do so.

SCHEDULE "B"

BOMBARDIER INC.

SHAREHOLDER PROPOSAL

The following shareholder proposal has been submitted for consideration at Bombardier's 2004 Annual Meeting of Shareholders.

HEP LIVING TRUST DTD 5/31/95 c/o Michael Huffington, whose address is situated at P.O. Box 49893 Los Angeles, California 90049, has submitted one proposal for consideration by Bombardier's shareholders. The proposal and the proposing shareholder's supporting statement are set out in italics below.

Shareholder Proposal: Customer Code of Ethics and Satisfaction

Be It Resolved That the corporate bylaws be amended to include a "Customer Code of Ethics and Satisfaction" to ensure that the Company adheres to the highest standards of behaviour in all of its relations with customers and prospective customers to ensure customer satisfaction. The "Customer Code of Ethics and Satisfaction" will pledge the Company to deal honestly with customers and prospective customers at all times, to honour its contracts and commitments, to treat its customers with fairness, respect and candour, to ensure that customers are provided with complete and truthful information at all times and in a timely manner and to ensure unprecedented customer satisfaction in all aspects of the customer's dealings with the Company. Within three months of the adoption of this resolution, the Board of Directors shall cause the Code to be published in an appropriate manner for the information of the Company's shareholders, customers and prospective customers.

Be It Further Resolved That the corporate bylaws be amended to require the appointment, within three months of the adoption of this resolution, of a "Customer Ethics and Satisfaction Officer" whose duties and responsibilities shall include the duty to monitor the Company's compliance with the Code and to report annually to the shareholders regarding the Company's compliance with the Code. The "Customer Ethics and Satisfaction Officer" shall also serve as the "advocate for the customer" within the Company and shall develop procedures whereby customer-raised issues may be effectively dealt with to ensure customer satisfaction. The office of Customer Ethics and Satisfaction Officer shall be held by an individual who holds no other officer position within the Company and, after the initial appointment, the office of Customer Ethics and Satisfaction Officer shall not remain vacant for more than 60 consecutive days at any time.

Supporting Statement:

While the Company has a well-deserved reputation for providing the finest in products, the Company does not always treat its customers with fairness, respect and candour. In this regard, sales have been lost. For example, according to the Company's 2003 Annual Report, only 77 business jets were delivered in fiscal 2003, compared with 162 in fiscal 2002. The Company's stock price has declined by more than 50 percent over the past two years, and the Company has slashed its dividend rate in half. As reported in the media, the Company has laid off more than 3,000 employees over the past year. The Company's customers, employees and shareholders deserve better. The "Customer Code of Ethics and Satisfaction" is intended to create a culture of performance, through which Bombardier is fully committed to the concept of customer satisfaction at all times. This, in turn, will increase the profitability of the Company.

The Board Of Directors Recommends To Shareholders To Vote AGAINST The Proposal For The Following Reasons:

Before assessing the merits of this proposal, we believe that some background perspective would be useful for shareholders. You may be aware that Mr. Michael Huffington (who is associated with the shareholder making the proposal in question), directly or indirectly, has in the past few months used various forms of advertisements, such as full-page newspaper ads, the rental of billboard space and the development of a website, in support of the proposal to amend Bombardier's corporate by-laws so as to include a "Customer Code of Ethics and Satisfaction" and to appoint a "Customer Ethics and Satisfaction Officer".

Hermes Aero, LLC, a limited liability company controlled by Mr. Michael Huffington (and thus also associated with the shareholder making the proposal in question), instituted legal proceedings against Bombardier in July 2003 in California relating to a contractual dispute between our Corporation and Hermes Aero arising from

Hermes Aero's agreement to purchase a Global Express aircraft. In our view, the suit brought by Mr. Huffington's company is without merit. Indeed, the California court in which Hermes Aero brought its suit has already ruled that the matter would be better dealt with in a Quebec court, and Hermes Aero did not appeal that ruling. We have also obtained an interim injunction from the Quebec Superior Court (a safeguard order) that is favourable to us in this matter. Hermes Aero sought permission to appeal the decision. That permission was refused by the Court.

In our view, Mr. Huffington and his company have launched this publicity campaign for the sole purpose of pressuring Bombardier, in a public forum, to give in to their demands. It is Bombardier's firm view that such publicity campaign is not an appropriate forum for Mr. Huffington and his company to present their grievances. With this in mind, Bombardier offers the following analysis of this shareholder proposal.

Customer satisfaction has always been and will always be the cornerstone of Bombardier's approach to business as demonstrated by its established track record of producing and delivering quality products and services. Indeed, Bombardier's existing core values, which for many years have been enshrined in our Code of Ethics and Business Conduct (which has been updated over the years), already address the demands contained in Mr. Huffington's proposal. In addition, on March 30, 2004, we reviewed our Code of Ethics and Business Conduct which reiterates the core values that have always governed our actions and decision-making. Among them, we promote "customer orientation" which requires that Bombardier be a profitable supplier of choice by making and delivering quality products and services on time, and "integrity", which urges every employee to behave ethically in everything they do and say.

Moreover, Bombardier has appointed a Compliance Officer as of January 5, 2004 whose responsibility it is, among others, to oversee corporate efforts to promote an ethical work environment and business practices.

Finally, we believe that as a matter of Canadian corporate law, a company's by-laws are not the appropriate instrument in which codes of conduct, ethics or other business practices should be articulated. Corporate by-laws are best suited to matters relating to a company's internal governance and procedures.

For all of the reasons given above, Bombardier believes that it is both unnecessary and inappropriate to amend its corporate by-laws so as to include a "Customer Code of Ethics and Satisfaction" and to appoint a "Customer Ethics and Satisfaction Officer". Consequently, we recommend that you vote **AGAINST** the shareholder proposal reproduced above.