

Reconciliation of segment to consolidated results

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2019	2018	2019	2018
Revenues				
Aviation	\$ 2,413	\$ 2,142	\$ 7,501	\$ 7,324
Transportation	1,793	2,161	8,269	8,915
Corporate and Others	(1)	—	(13)	(3)
	\$ 4,205	\$ 4,303	\$ 15,757	\$ 16,236
Adjusted EBIT				
Aviation	\$ 143	\$ 184	\$ 531	\$ 472
Transportation	(234)	167	70	750
Corporate and Others ⁽¹⁾	25	(65)	(131)	(193)
	\$ (66)	\$ 286	\$ 470	\$ 1,029
Special Items				
Aviation	\$ 49	\$ 13	\$ (663)	\$ 48
Transportation	2	(69)	48	(24)
Corporate and Others	1,579	—	1,583	4
	\$ 1,630	\$ (56)	\$ 968	\$ 28
EBIT				
Aviation	\$ 94	\$ 171	\$ 1,194	\$ 424
Transportation	(236)	236	22	774
Corporate and Others	(1,554)	(65)	(1,714)	(197)
	\$ (1,696)	\$ 342	\$ (498)	\$ 1,001

⁽¹⁾ Starting January 1, 2019, EBIT before special items and EBITDA before special items are replaced with adjusted EBIT and adjusted EBITDA, respectively. The definitions of both measures remain unchanged.

Reconciliation of adjusted EBITDA to EBIT

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2019	2018	2019	2018
EBIT	\$ (1,696)	\$ 342	\$ (498)	\$ 1,001
Amortization	129	84	422	272
Impairment charges (reversals) on PP&E and intangible assets ⁽¹⁾	—	—	(4)	11
Special items excluding impairment charges (reversals) on PP&E and intangible assets ⁽²⁾	1,630	(56)	976	20
Adjusted EBITDA	\$ 63	\$ 370	\$ 896	\$ 1,304

⁽¹⁾ Includes share of net gains from ACLP of \$57 million and \$37 million for the fourth quarter and fiscal year ended December 31, 2019, respectively (share of net losses of \$27 million and \$40 million for the fourth quarter and fiscal year ended December 31, 2018, respectively). The share of net gains from ACLP in the fourth quarter of 2019 includes certain provision reversals within ACLP amounting to approximately \$60 million.

⁽²⁾ Refer to the Consolidated results of operations section for details regarding special items.

Computation of diluted EPS

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2019	2018	2019	2018
Net income (loss) attributable to equity holders of Bombardier Inc.	\$ (1,770)	\$ 15	\$ (1,797)	\$ 232
Preferred share dividends, including taxes	(7)	25	(21)	4
Net income (loss) attributable to common equity holders of Bombardier Inc.	\$ (1,777)	\$ 40	\$ (1,818)	\$ 236
Weighted-average diluted number of common shares (in thousands)	2,397,868	2,477,954	2,383,987	2,501,047
Diluted EPS (in dollars)	\$ (0.74)	\$ 0.02	\$ (0.76)	\$ 0.09

Computation of adjusted EPS

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2019	2018	2019	2018
Adjusted net income (loss)	(172)	\$ 149	\$ (396)	438
Net income attributable to NCI	(51)	(40)	(190)	(86)
Preferred share dividends, including taxes	(7)	25	(21)	4
Adjusted net income attributable to equity holders of Bombardier Inc.	\$ (230)	\$ 134	\$ (607)	\$ 356
Weighted-average adjusted diluted number of common shares (in thousands of shares)	2,397,868	2,477,954	2,383,987	2,501,047
Adjusted EPS (in dollars)	\$ (0.10)	\$ 0.05	\$ (0.25)	\$ 0.14

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

	Fourth quarters ended December 31		Fourth quarters ended December 31	
	2019	2018	2019	2018
	(per share)		(per share)	
Net income (loss)	\$ (1,719)	\$ 55	\$ 55	\$ (0.02)
Adjustments to EBIT related to special items ⁽¹⁾	1,630	0.68	(56)	(0.02)
Adjustments to net financing expense related to:				
Loss on sale of long-term contract receivables ⁽¹⁾	—	—	31	0.01
Accretion on net retirement benefit obligations	22	0.01	15	0.00
Net change in provisions arising from changes in interest rates and net loss on certain financial instruments	(84)	(0.04)	67	0.02
Interest portion of gains related to special items ⁽¹⁾	—	—	(11)	0.00
Tax impact of special ⁽¹⁾ and other adjusting items	(21)	(0.01)	48	0.02
Adjusted net income (loss)	(172)	149	149	(40)
Net income attributable to NCI	(51)	(40)	(40)	(40)
Preferred share dividends, including taxes	(7)	25	25	25
Adjusted net income (loss) attributable to equity holders of Bombardier Inc.	\$ (230)	\$ 134	\$ 134	\$ 134
Weighted-average adjusted diluted number of common shares (in thousands)	2,397,868	2,477,954	2,397,868	2,477,954
Adjusted EPS	\$ (0.10)	\$ 0.05	\$ (0.10)	\$ 0.05

Reconciliation of adjusted EPS to diluted EPS (in dollars)

	Fourth quarters ended December 31	
	2019	2018
Diluted EPS	\$ (0.74)	\$ 0.02
Impact of special ⁽¹⁾ and other adjusting items	0.64	0.03
Adjusted EPS	\$ (0.10)	\$ 0.05

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

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

	Fiscal years ended December 31			
	2019		2018	
	(per share)		(per share)	
Net income (loss)	\$	(1,607)	\$	318
Adjustments to EBIT related to special items ⁽¹⁾		968	\$	0.41
Adjustments to net financing expense related to:				
Loss on repurchase of long-term debt ⁽¹⁾		84		—
Loss on sale of long-term contract receivables ⁽¹⁾		—		31
Accretion on net retirement benefit obligations		73		65
Net change in provisions arising from changes in interest rates and net loss (gain) on certain financial instruments		(130)		(0.05)
Interest portion of gains related to special items ⁽¹⁾		—		(15)
Tax impact of special ⁽¹⁾ and other adjusting items		216		0.09
Adjusted net income (loss)		(396)		438
Net income attributable to NCI (loss)		(190)		(86)
Preferred share dividends, including taxes		(21)		4
Adjusted net income (loss) attributable to equity holders of Bombardier Inc.	\$	(607)	\$	356
Weighted-average adjusted diluted number of common shares (in thousands)		2,383,987		2,501,047
Adjusted EPS	\$	(0.25)	\$	0.14

Reconciliation of adjusted EPS to diluted EPS (in dollars)

	Fiscal years ended December 31			
	2019		2018	
Diluted EPS	\$	(0.76)	\$	0.09
Impact of special ⁽¹⁾ and other adjusting items		0.51		0.05
Adjusted EPS	\$	(0.25)	\$	0.14

Reconciliation of free cash flow (usage) to cash flows from operating activities

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2019	2018	2019	2018
Cash flows from operating activities	1,073	1,289	\$ (680)	\$ 597
Net additions to PP&E and intangible assets	(121)	(248)	(523)	(415)
Free cash flow (usage)	\$ 952	\$ 1,041	\$ (1,203)	\$ 182

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