



# INVESTOR PRESENTATION

February 18, 2015

A base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada. A copy of the base shelf prospectus, any amendment to the base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

**BOMBARDIER**  
the evolution of mobility

# FORWARD LOOKING STATEMENTS

This presentation contains forward looking information (as defined in National Instrument 51-102—Continuous Disclosure Obligations) (collectively referred to herein as “forward-looking information” or “forward-looking statements”). Forward-looking statements include, but are not limited to: statements with respect to the Corporation's objectives, guidance, targets, goals, priorities, its market and strategies, financial position, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business outlook, prospects and trends of an industry; expected growth in demand for products and services; product development, including projected design, characteristics, capacity or performance; expected or scheduled entry-into-service of products and services, orders, deliveries, testing, lead times, certifications and project execution in general; the Corporation's competitive position; the expected impact of the legislative and regulatory environment and legal proceedings on the Corporation's business and operations; the Corporation's available liquidities and the Corporation's capital raising plan. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “anticipate”, “plan”, “foresee”, “believe”, “continue”, “maintain” or “align”, the negative of these terms, variations of them or similar terminology. By their nature, forward-looking statements require the Corporation to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause the Corporation's actual results in future periods to differ materially from forecasted results. While the Corporation considers its assumptions to be reasonable and appropriate based on information currently available, there is a risk that they may not be accurate. For additional information with respect to the assumptions underlying the forward-looking statements made in this presentation, refer to the respective “Guidance and forward-looking statements” sections in the “Overview”, “Bombardier Aerospace” and “Bombardier Transportation” sections in the MD&A for the fiscal year ended December 31, 2014 (the “2014 MD&A”), incorporated by reference in the prospectus.

Certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to: risks associated with general economic conditions; risks associated with the Corporation's business environment (such as risks associated with the financial condition of the airline industry and major rail operators); operational risks (such as risks related to developing new products and services; doing business with partners; product performance warranty and casualty claim losses; regulatory and legal proceedings; the environment; dependence on certain customers and suppliers; human resources; fixed price commitments and production and project execution); risks relating to the Corporation's ability to implement its capital raising plan and mitigate potential liquidity underperformance; financing risks (such as risks related to liquidity and access to capital markets, exposure to credit risk, certain restrictive debt covenants, financing support provided for the benefit of certain customers and reliance on government support); and market risks (such as risks related to foreign currency fluctuations, changing interest rates, decreases in residual value and increases in commodity prices). For more details, see the “Risks and Uncertainties” section in the 2014 MD&A, incorporated by reference in the prospectus. Readers are cautioned that the foregoing list of factors that may affect future growth, results and performance is not exhaustive and undue reliance should not be placed on forward-looking statements. The forward-looking statements set forth herein reflect the Corporation's expectations as at the date of this presentation and are subject to change after such date. Unless otherwise required by applicable securities laws, the Corporation expressly disclaims any intention, and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

All amounts in this presentation are expressed in U.S. dollars unless otherwise indicated.

This presentation contains both IFRS and non-GAAP measures. Non-GAAP measures are defined and reconciled to the most comparable IFRS measures in the 2014 MD&A. See “Non-GAAP financial measures” at the end of this presentation.

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the evolution of mobility

# INTRODUCTION

- **On February 12<sup>th</sup>, 2015, Bombardier Inc. announced a number of key strategic initiatives:**
  - Release of Q4 2014 results
  - Appointment of Alain Bellemare as President and CEO of Bombardier Inc., as well as a member of the Board of Directors
    - Mr. Bellemare joins Bombardier after an 18-year career at United Technologies Corp., including at Pratt & Whitney
  - Appointment of Pierre Beaudoin as Executive Chairman of the Board of Directors
  - Progress of key programs, notably the *CSeries*, and *Global 7000/8000* - programs are progressing according to plans
  - Announcement of a financing plan to position the Corporation with a flexible and strong financial profile

# BOMBARDIER IS THE WORLD'S LEADING MANUFACTURER OF BOTH PLANES AND TRAINS

## Bombardier Inc.

(Fiscal Year ended December 31, 2014)

- Revenues: \$20.1 billion
- EBIT before special items<sup>(1)</sup> (Margin): \$923 million / 4.6%
- Adjusted Net Income<sup>(1)</sup> (Per Share): \$648 million / \$0.35
- Available Short-Term Capital Resources: \$3.8 billion
- Backlog of \$69.1 billion
- Market Capitalization: \$4.1 billion<sup>(2)</sup>
- 74,000 employees<sup>(3)</sup>
- 80 production and engineering sites in 28 countries and a worldwide network of service centres



## Bombardier Aerospace

(Fiscal Year ended December 31, 2014)

- Revenue: \$10.5 billion (52% of total)
- EBIT before special items<sup>(1)</sup>: \$437 million
- Order Backlog: \$36.6 billion
- Employees<sup>(3)</sup>: 34,100

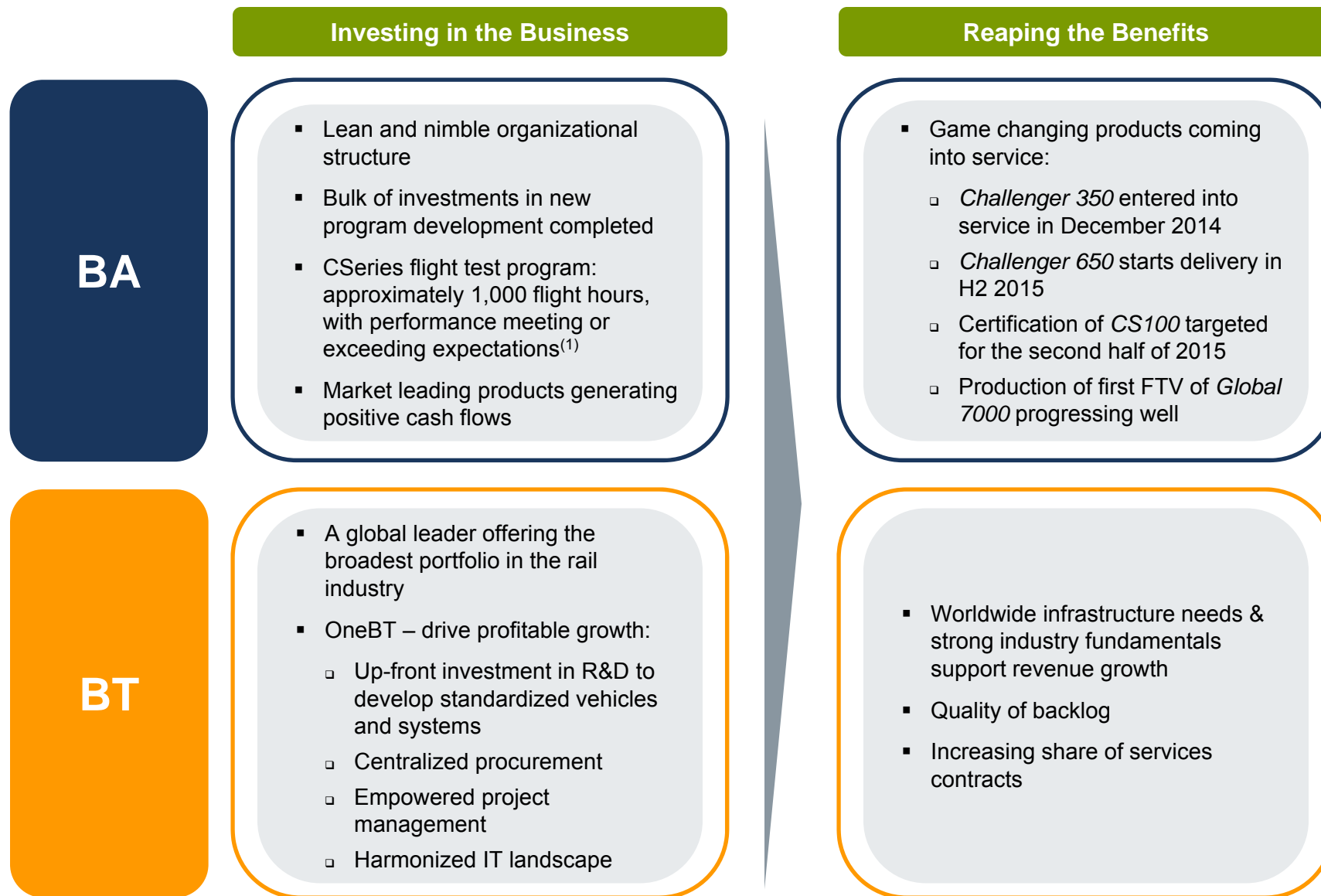


## Bombardier Transportation

(Fiscal Year ended December 31, 2014)

- Revenue: \$9.6 billion (48% of total)
- EBIT before special items<sup>(1)</sup>: \$ 486 million
- Order Backlog: \$32.5 billion
- Employees<sup>(3)</sup>: 39,700

# TRANSFORMATION ROADMAP



5 Note: See forward-looking statements on page 2 of this presentation.

(1) Currently under development. See aircraft program disclaimer at the end of this presentation. All data and specifications are estimates, subject to change in family strategy, branding, capacity and performance during the design, manufacture and certification process (based on 500 NM trips)

# HIGHLIGHTS

## Global Leader in Commercial & Business Aircraft

- **Business aircraft : #1 in 2014 based on units delivered (34%)**
- **Commercial: Most efficient portfolio in the industry (*CRJs\** / *Q400s\** / *CSeries\**)**

## Amongst the Leading Worldwide RAIL OEM's

- **A world leader in rail transportation – one of the most diversified and innovative portfolio of products & services in the transportation industry**
- **Significant services operations generate recurrent & stable revenue streams**

## Strong Industry Fundamentals

- **BBA: Solid growth forecasted in worldwide fleet supported by pick-up in the U.S.**
- **BCA: Air travel growing rapidly in emerging markets driven by an expanding middle class**
- **BT: Growing worldwide populations and urbanization leading to urban sprawl and congestion will drive demand for public transportation solutions**

## Significant Investments Made in Next Generation Products

- **Significant investments over the last five years have reached their peak**
- **Game-changing products expected to enter into service in the short-term to drive revenue growth**

## Robust Financial Profile

- **Order backlog of \$69.1 billion as at December 31, 2014**
- **Diversified revenue base both in terms of geography and products**
- **Action plan implemented to significantly improve profitability, at both BA and BT**

# FINANCING PLAN

On February 12<sup>th</sup>, 2015, along with the release of its Q4 results, Bombardier Inc. (“Bombardier”, or the “Corporation”), announced that it is taking the initiative to launch a financing plan designed to position the Corporation with a flexible and strong financial profile

## Balance Sheet

- Intend to raise approximately \$600 million in new equity – depending on market conditions
- Intend to raise up to \$1.5 billion in new debt capital – depending on market conditions
- Corporation has filed a preliminary short form base shelf prospectus

## Dividends

- Suspension of dividends on Class A shares (multiple voting) and Class B shares (subordinate voting)

## Strategic Initiatives

- Will explore other initiatives such as certain business activities’ potential participation in industry consolidation in order to reduce debt

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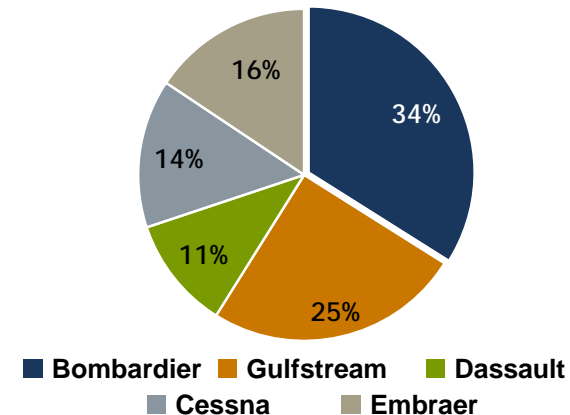
# BOMBARDIER AEROSPACE - A GLOBAL LEADER IN COMMERCIAL & BUSINESS AIRCRAFT MANUFACTURING

## Business Aircraft

- Global leader in manufacturing of business aircraft
  - #1 market share position by units delivered (34%)
  - #2 based on revenues (37%)
- Comprehensive product portfolio covering a wide spectrum of business aircraft market, from light to large business aircraft



**Market Shares by Units Delivered<sup>(1)</sup>**  
(601 aircraft deliveries)

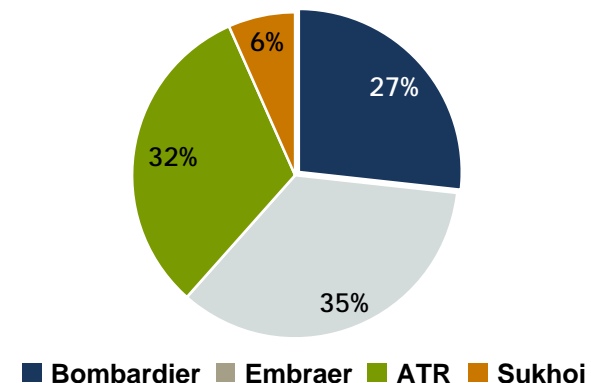


## Commercial Aircraft

- Leading manufacturer of commercial aircraft with < 150 seats
  - Achieved over 27% share in the 20- to 99-seat segment
  - Designed for the growing 100 to 149 seat market, the 100% new *CSeries* aircraft family will offer significant performance advantage over in-production aircraft in its class
- Highly efficient product offering in all market segments

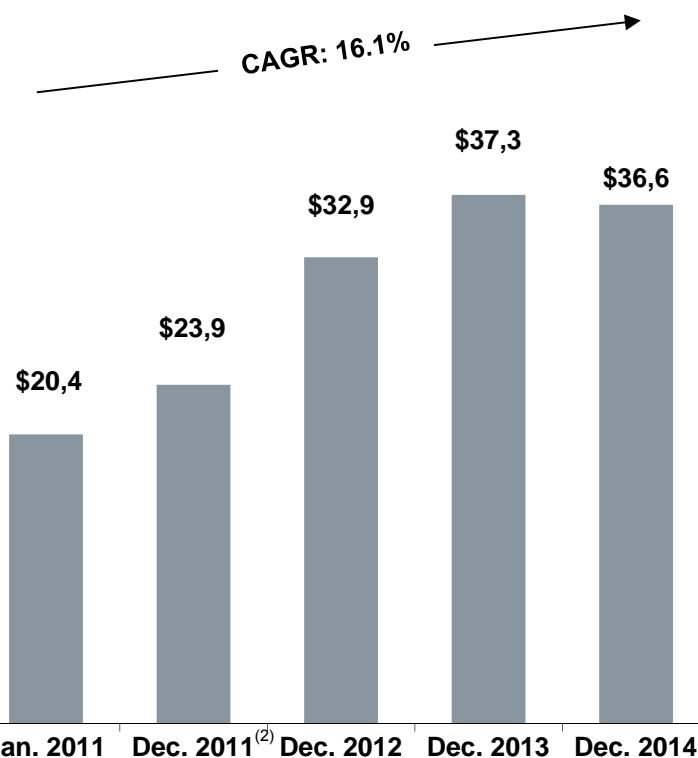


**Market Shares by Units Delivered<sup>(2)(3)</sup>**  
(692 aircraft deliveries)

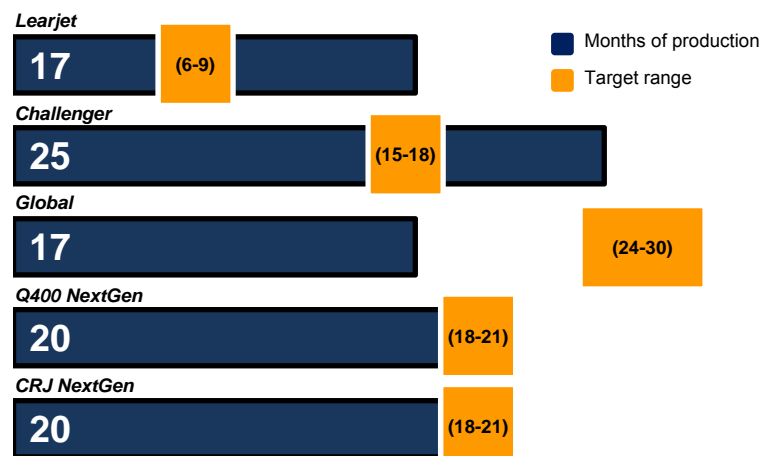


# SOLID BACKLOG SECURES PRODUCTION AND REVENUES OVER COMING YEARS

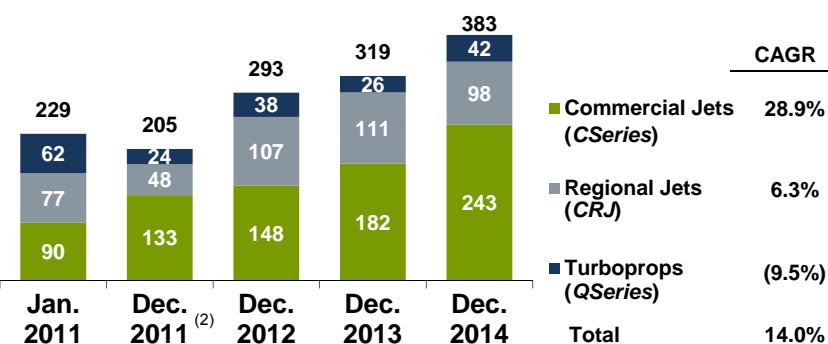
## Order Backlog (\$Bn)



## Order Backlog in Months of Production<sup>(1)</sup> (as at December 31, 2014)



## Commercial Aircraft - Order Backlog (Firm Orders)



(1) The number of months in production is calculated by dividing the order backlog in units as at December 31, 2014 for each family of aircraft (excluding orders for the Learjet 85, Global 7000 and Global 8000 aircraft) by the number of aircraft delivered in the previous 12 months, converted into an equivalent number of months. The order backlog in months of production provides insight on the depth of the order backlog based on the last 12-month production rates. This metric is not forward-looking, and does not take into account potential changes in production rates or the ability of the customers to take delivery of the aircraft and the timing of such delivery.

(2) The fiscal year ended December 31, 2011 comprises 11 months of results.

# POSITIVE LONG TERM OUTLOOK FOR BOMBARDIER AEROSPACE'S MARKETS

## Key Market Indicators & Status

### Business Aircraft

Industry confidence: ▲	Corporate profits: ▲
Pre-owned inventory levels: ▲	Aircraft utilization rates: ▲
Aircraft shipments and billings: ▲	

### Commercial Aircraft

Passenger traffic levels: ▲▶	Fuel prices: ▲
Airline profitability: ▲	Environmental regulations: ▲
Aircraft shipments: ▲	Replacement demand: ▲

### Customer Services

Installed base: ▲	Aircraft utilization rates: ▶
Average age of fleet: ▶	

## Outlook

Long-term growth drivers for the business aircraft industry remain solid, with 22,000 aircraft deliveries in targeted markets expected until 2033, valued at \$617 billion<sup>(1)</sup>

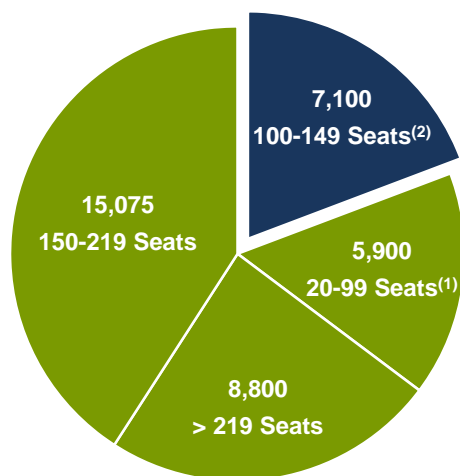
Demand for commercial air travel is growing in emerging markets with increasing GDP and an expanding middle class

Global Maintenance, Repair & Overhaul ("MRO") market for commercial aircraft expected to grow to ~\$87 billion by 2024, a 4.2% CAGR over the 10-year period<sup>(2)</sup>

# SIGNIFICANT OPPORTUNITIES EXIST IN THE 100-TO 149-SEAT SEGMENT

## 20-year Commercial Aircraft Market Forecasts

OEM Market Forecasts	New Deliveries	Seat Segments
Boeing	25,680	90-175
Airbus	11,275	100-174
Bombardier	7,100	100-149



## Market Opportunity

- Four- and Six- abreast aircraft are designed for a different segment
- 2/3 of the 100-149 seat fleet is >15 years old
- Over 50% of all single-aisle flights carry less than 150 passengers

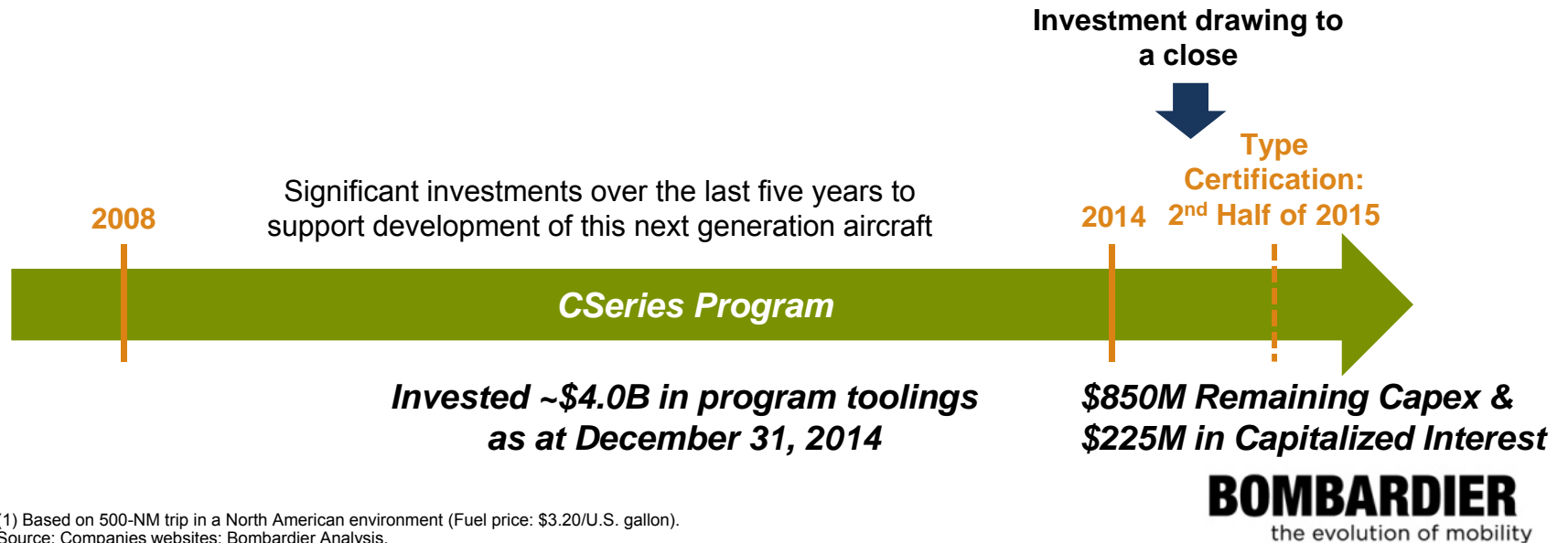
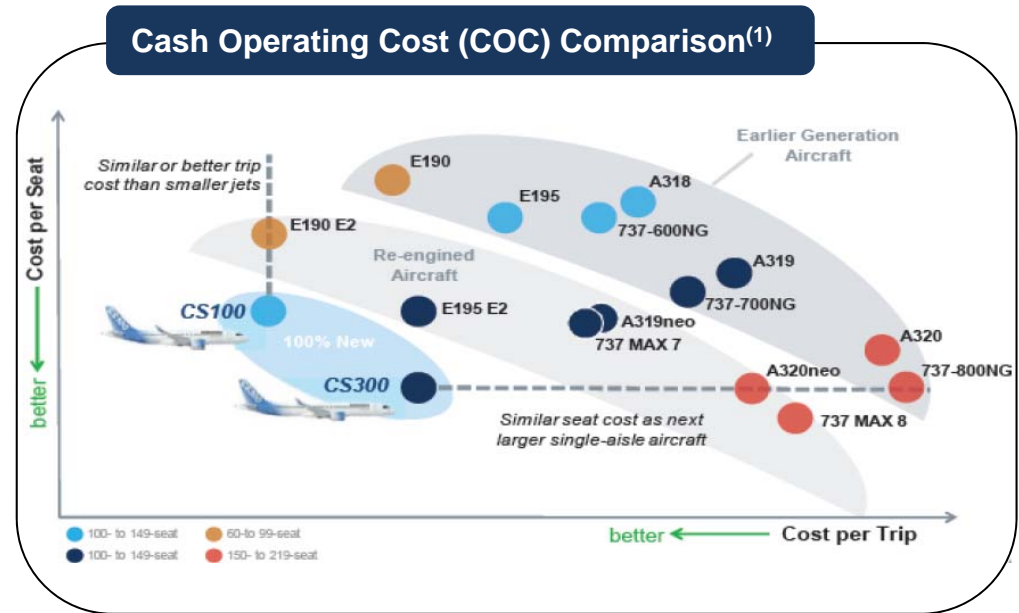
## Bombardier Solution

### 100% New aircraft

- Unbeatable economics with a 15% operating cost advantage over in-production aircraft and up to 12% operating cost advantage over re-engined aircraft
- Latest generation of system technology and state-of-the-art aerodynamics
- Lighter structure due to extensive use of advanced materials
- Greatly reduced noise and emissions with 20% CO2 advantage against in-production aircraft
- Operational flexibility – short field and longer range performance
- Type certification for the CS100 aircraft is targeted for the second half of 2015 and type certification for the CS300 aircraft expected to follow approximately six months afterwards

# CSERIES: A GAME CHANGING AIRCRAFT EXPECTED TO BE CERTIFIED IN THE SECOND HALF OF 2015

- CSeries program is a true disruptor in the Aerospace landscape
  - CSeries enables airlines to match best-sized aircraft to demand at best-in-class per-seat cost
- Aircraft testing & development progressing according to schedule
  - Type certification for the CS100 aircraft is targeted for the second half of 2015
  - Type certification for the CS300 aircraft expected approximately six months after the CS100 certification



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# BOMBARDIER TRANSPORTATION – AMONGST THE LEADING WORLDWIDE RAIL MANUFACTURERS

## Rolling Stock

- One of the most comprehensive rail vehicle portfolios
  - Light rail vehicles
  - Metros
  - Commuter & regional trains
  - Intercity & (very) high speed trains
  - Electric and diesel locomotives
  - Propulsion and controls, bogies
- Over 100,000 Bombardier rail vehicles are in operation globally



## Signaling & Systems

- Most innovative technology in the industry poised to drive growth in the years ahead
  - Mass transit & airport systems
  - Mainline systems
  - Operation & maintenance of systems
  - E-mobility solutions
  - Mass transit & mainline signaling

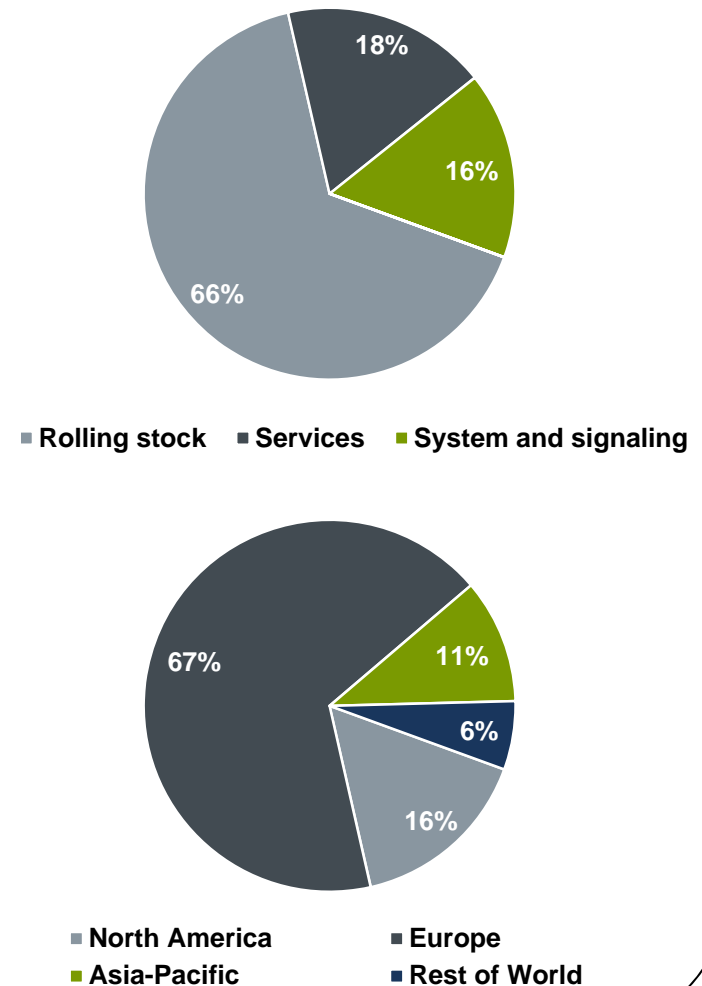


## Services

- Leading expertise to deliver complete life-cycle service and support tailored to each customer
  - Fleet management
  - Modernization and overhaul
  - Material solutions
- Significant services operations generate recurrent & stable revenue streams





## 2014 Segmented Revenues







# BT CONTINUES TO SECURE LARGE AND STRATEGIC ORDERS AROUND THE WORLD



775 metro cars<sup>(1)</sup> for BART  
in San Francisco  
\$1.5 B (2012)



450 cars and maintenance  
for Queensland Rail<sup>(2)</sup>  
\$2.7 B (2014)



336 double-deck EMUs for  
ATIF and SNCF in Paris  
\$484 M (2014)

585 AVENTRA cars and  
maintenance for Crossrail  
\$2.1B (2014)



94 INNOVIA metro cars  
for Riyadh, Saudi Arabia  
\$383M (2013)



240 TRAXX Locomotives  
for Transnet Freight Rail  
\$1.2 B (2014)






108 ELECTROSTAR  
EMUs for GTR in the U.K.  
\$227 M (2014)



O&M for  
Metrolinx and Go Transit  
\$937 M (2012)



130 TRAXX Locomotives<sup>(3)</sup>  
for DB  
\$573 M (2013)



180 commuter cars  
for S-Bahn Hamburg  
\$427 M (2013)



384 MOVIA metro cars  
for Stockholm Metro  
\$771 M (2013)



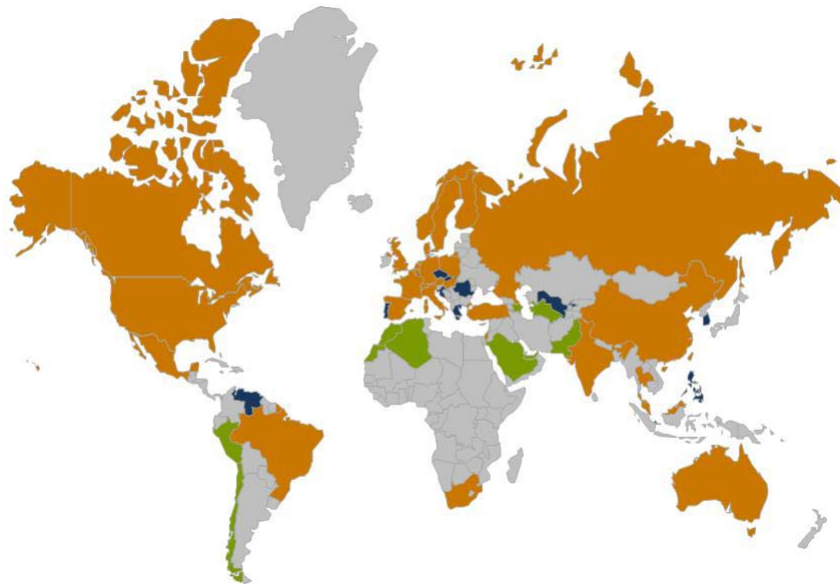
INTERFLO200 signalling  
for Kars-Baku in Azerbaijan  
\$203 M (2013)

CITYFLO650 signalling  
for Delhi Metro (DMRC)  
\$62 M (2013)

48 FLEXITY 2 LRVs  
for DeLijn  
\$165 M (2012)

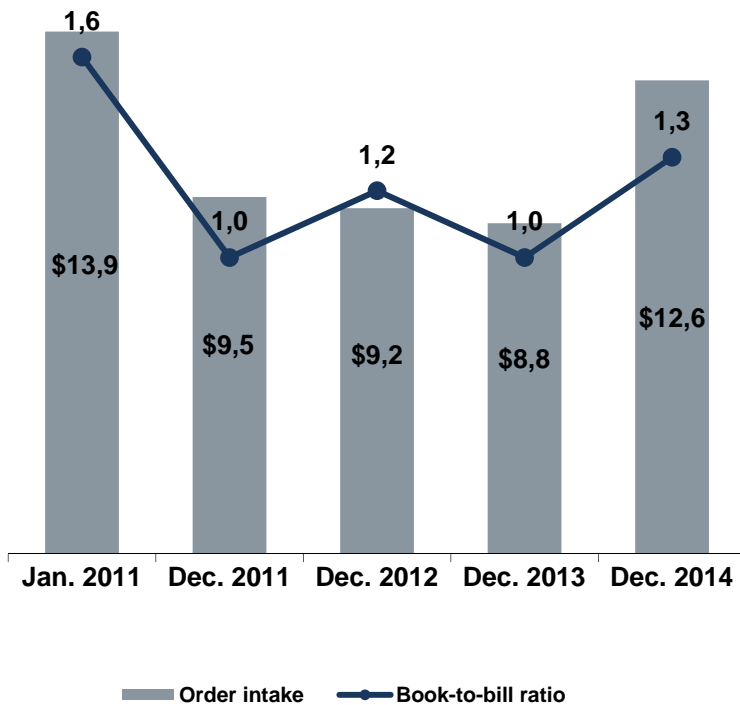




16 Note: Contract values, BT share only, only year of base contract signature considered.  
(1) Including an option for 365 cars exercised in January 2014.  
(2) Contract signed as part of a consortium. Only the value of BT's share is stated  
(3) First call-offs from a frame agreement for up to 450 locomotives.

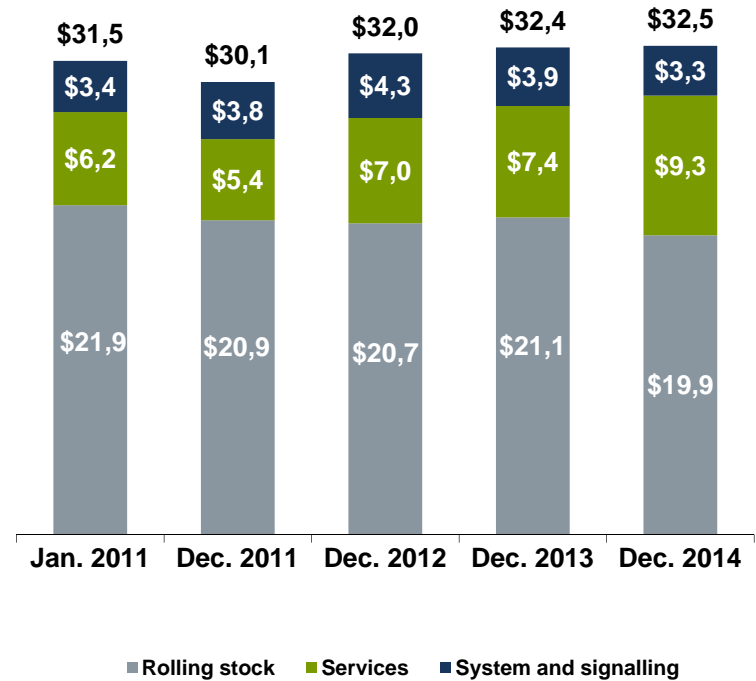


# STRONG BACKLOG & ORDER INTAKE

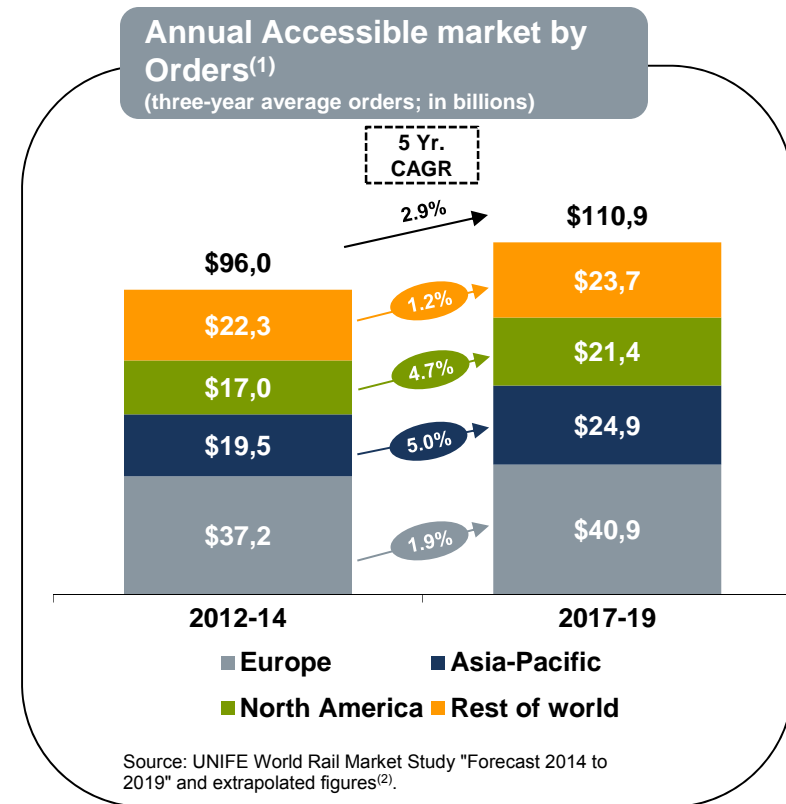
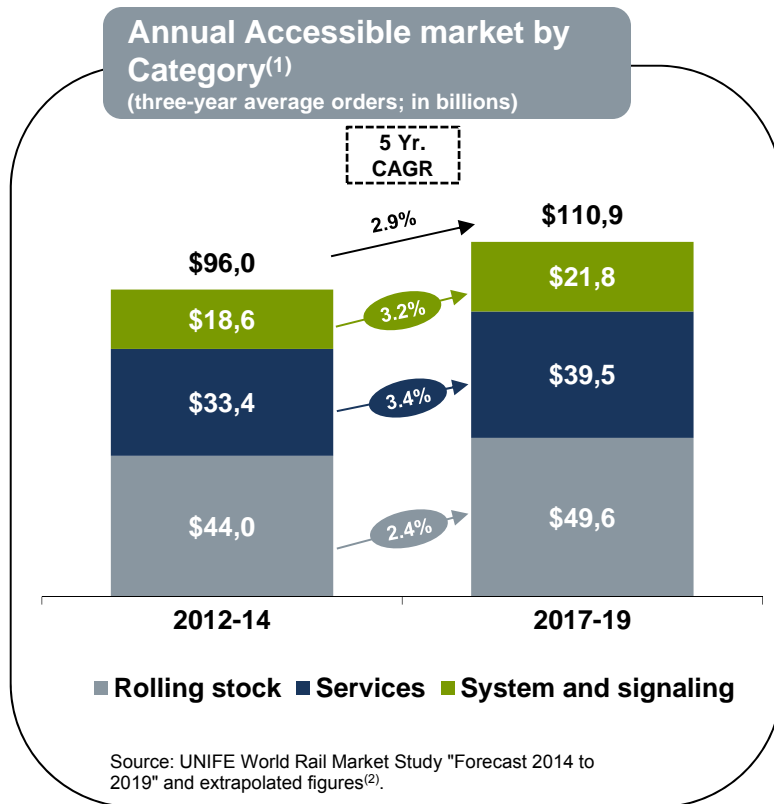
Order Intake & Book-To-Bill Ratio (\$Bn)



Order Backlog (\$Bn)



# BT'S ACCESSIBLE RAIL MARKETS ARE EXPECTED TO GROW IN LINE WITH LONG-TERM GDP TRENDS



- Europe remains the largest market
- Rolling stock continues to be the biggest segment

(1) The overall accessible rail market is the world rail market, excluding the share of markets associated with contracts that are awarded to local players without open-bid competition. BT's accessible market also excludes the infrastructure, freight wagon and shunter segments.

(2) Based on data from the UNIFE World Rail Market Study "Forecast 2014 to 2019" published in September 2014 for BT's accessible markets only. UNIFE data is updated every two years based on the 55 largest rail markets worldwide. UNIFE figures are published in euro. An exchange rate of 1€ = \$1.31475, the average cumulative exchange rate over the 2012-14 period, was used to convert all figures. Data was extrapolated based on UNIFE data for 2011-13 and 2014-16.

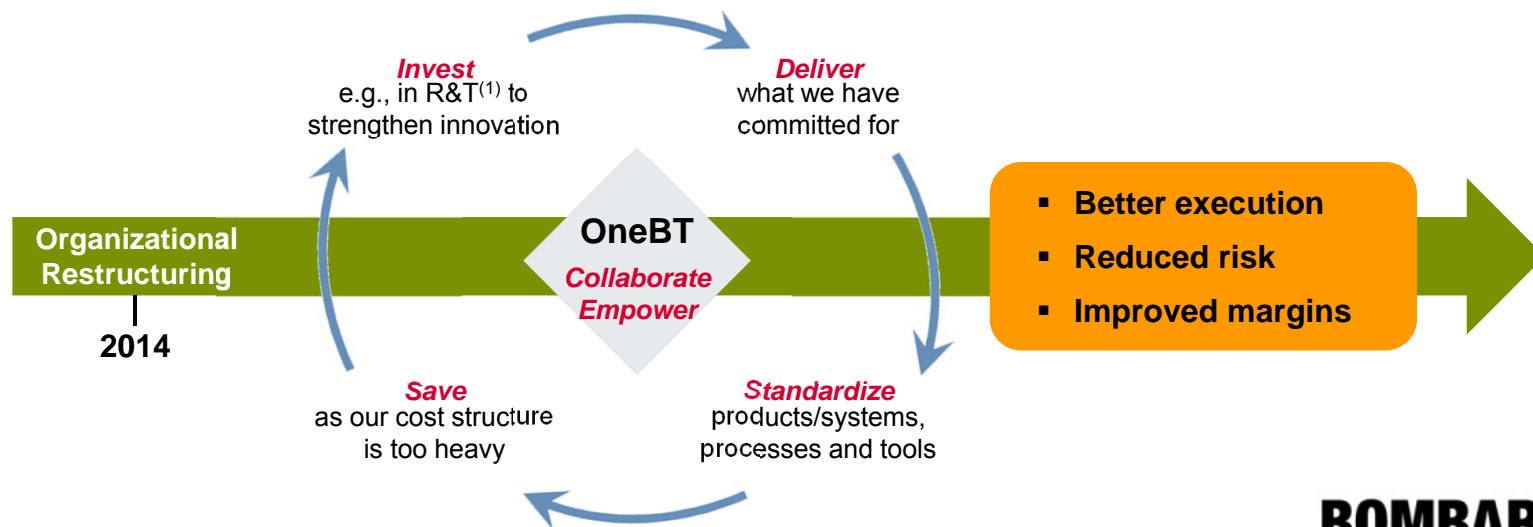
# TRANSPORTATION – GLOBAL LEADER AND STILL GROWING

## Key Highlights

- Global leader
- Strong industry fundamentals driving growth
  - Increased urbanization & congestion
  - Increased environmental awareness
- Backlog of quality contracts representing good visibility in future revenues



ZEFIRO 380



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# SUMMARY OF 2014 RESULTS

Fiscal years ended December 31

(in millions of dollars)	2014		2013	
Revenues				
Aerospace	\$10,499		\$9,385	
Transportation	\$9,612		\$8,766	
Total – Revenues	\$20,111		\$18,151	
EBIT before special items <sup>(1)</sup>				
Aerospace	\$437	4.2%	\$388	4.1%
Transportation	\$486	5.1%	\$505	5.8%
Total – EBIT before special items <sup>(1)</sup>	\$923	4.6%	\$893	4.9%
EBITDA before special items <sup>(1)</sup>				
Aerospace	\$738	7.0%	\$655	7.0%
Transportation	\$602	6.3%	\$629	7.2%
Total – EBITDA before special items <sup>(1)</sup>	\$1,340	6.7%	\$1,284	7.1%

## SUMMARY OF 2014 RESULTS (CTD.)

Fiscal years ended December 31

Segmented free cash flow (usage) (in millions of dollars)	2014	2013
Aerospace		
Cash flows from operating activities	\$798	\$974
Net additions to PPE & intangible assets	(\$1,857)	(\$2,213)
Total Aerospace	(\$1,059)	(\$1,239)
Transportation	\$122	\$668
Interest and taxes <sup>(1)</sup>	(\$180)	(\$336)
<b>Free cash flow (usage)<sup>(2)</sup></b>	<b>(\$1,117)</b>	<b>(\$907)</b>

# GUIDANCE FOR 2015<sup>(1)</sup>

	Profitability	Liquidity	Deliveries / Growth and order intake
<b>Business Aircraft</b>	EBIT margin of approximately 7%, an improvement of approx. 1% compared to 2014	Cash Flow from Operating Activities (CFOA): between \$1.0 billion and \$1.4 billion CAPEX: approx. \$1.0 billion	Approximately 210 deliveries
<b>Commercial Aircraft</b>	Negative EBIT of approximately \$200 million <sup>(2)</sup>	Neutral CFOA CAPEX: approx. \$900 million	Approximately 80 deliveries
<b>Aerostructure and Engineering Services</b>	EBIT margin of approximately 4%	Neutral CFOA CAPEX: approx. \$100 million	Revenues of approximately \$1.8 billion, mainly from internal contracts
<b>Transportation</b>	Slight improvement in EBIT margin compared to 2014	Improvement in free cash flow <sup>(3)</sup> compared to 2014, but expected to remain below EBIT	Revenue growth in the low-single digits (excl. Fx) Book-to-bill ratio <sup>(4)</sup> > 1.0

Note: See forward-looking statements on page 2 of this presentation.

CAPEX includes net additions to PP&E and intangible assets.

(1) See the Guidance and forward-looking statements sections in Overview, BA and BT of the 2014 MD&A for details regarding forward-looking statements and the assumptions on which they are based.

(2) Includes the dilutive impact of the CSeries program including the write-down of inventory to net realizable value. Early production units in a new program incur higher costs and generally have lower selling prices than units produced later in the program's life cycle.

(3) See "Non-GAAP financial measures" at the end of this presentation.

(4) Defined as new orders over revenues.

# BOMBARDIER: STRENGTHENED FINANCIAL POSITION

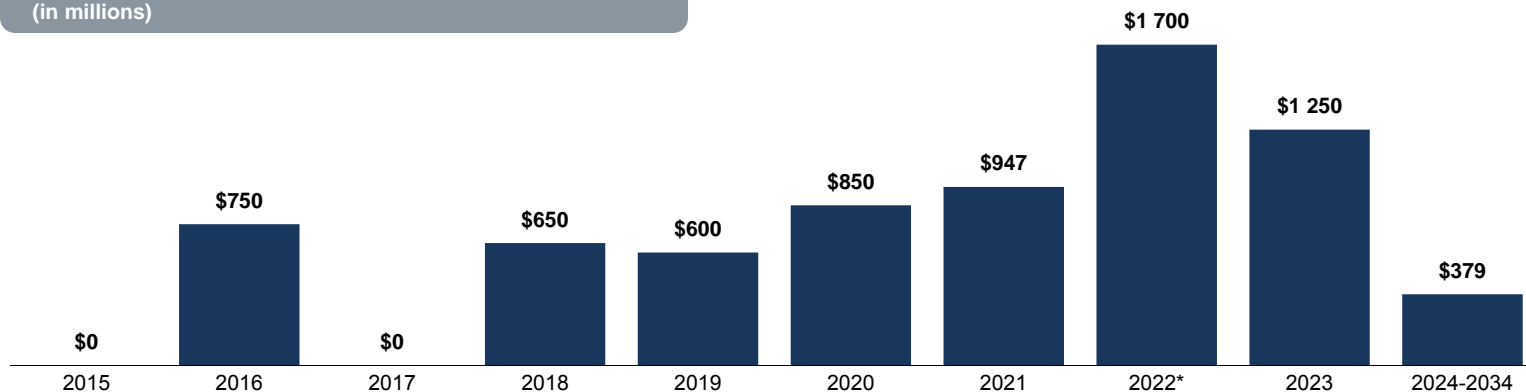
## Financing plan with Bombardier intending to undertake:

- Raise approximately \$600 million in new equity – depending on market conditions
- Raise up to \$1.5 billion in new debt capital – depending on market conditions
- Corporation has filed a preliminary short form base shelf prospectus

### Liquidity (in millions)

	<b>Dec. 31, 2014</b>
Cash and cash equivalents	\$2,489
Revolving credit facilities	\$1,357
<b>Total</b>	<b>\$3,846</b>

### Debt Maturity Profile (notional amount) (in millions)



\*Debt maturing in 2022 includes the \$500 million and \$1.2 billion Senior Notes due in March and October 2022, respectively.



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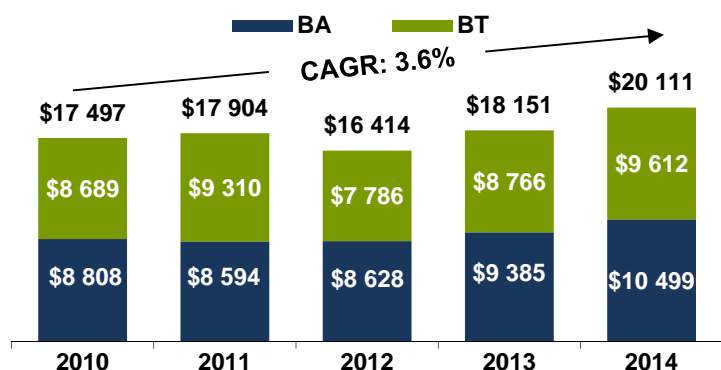
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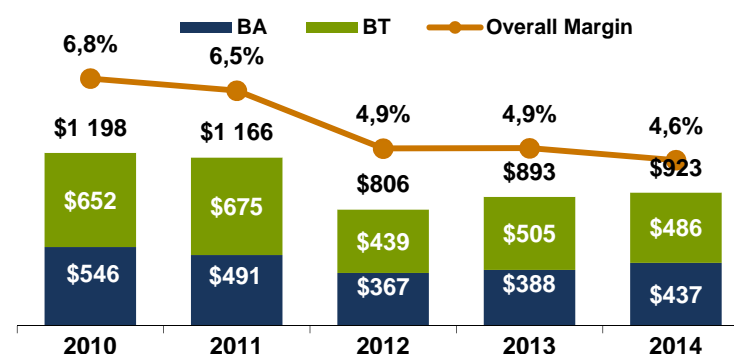
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# HISTORICAL FINANCIAL PROFILE

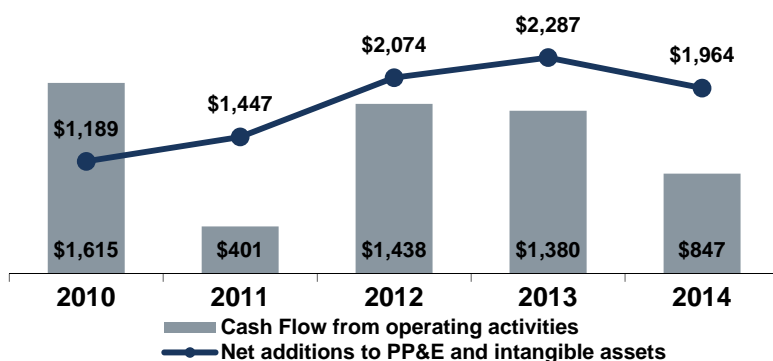
**Revenues**  
(in millions)



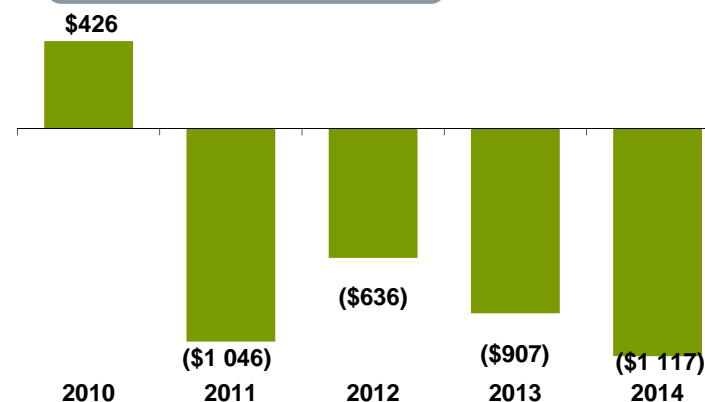
**EBIT before Special Items** (in millions)



**Cash flow from operating activities and net additions to PP&E and intangible assets**  
(in millions)



**Free Cash Flow Usage**  
(in millions)



**Cash flow from operating activities are being re-invested in program development**

### Aircraft Program Disclaimer

*The CSeries family of aircraft, Challenger 350 aircraft and Global 7000 and Global 8000 aircraft programs are currently in development, and as such are subject to changes in family strategy, branding, capacity, performance, design and/or systems. All specification and data are approximate, may change without notice and are subject to certain operating rules, assumptions and other conditions. This document does not constitute an offer, commitment, representation, guarantee or warranty of any kind. The configuration and performance of the aircraft may differ from the descriptions and photos provided and, together with any related commitment, representations, guarantee or warranty, shall be determined in a final purchase agreement.*

### Caution Regarding A Non-GAAP Financial Measure

*This presentation is based on reported earnings in accordance with International Financial Reporting Standards (IFRS). Reference to generally accepted accounting principles (GAAP) means IFRS, unless indicated otherwise. This presentation is also based on non-GAAP financial measures including: EBITDA, EBIT before special items, EBITDA before special items, Adjusted net income, Adjusted EPS, Free cash flow, Adjusted debt, Adjusted EBIT, Adjusted EBITDA, and Adjusted interest. Management believes that providing certain non-GAAP financial measures in addition to IFRS measures provides users with enhanced understanding of results and related trends and increases transparency and clarity of the core results of the business. For these reasons, a significant number of readers analyze the Corporation's results based on these performance measures. EBIT before special items, EBITDA before special items, adjusted net income and adjusted EPS exclude items that do not reflect, in management's opinion, core performance and help readers to better analyze results, enabling better comparability of these results from one period to another and with peers.*

*Non-GAAP financial measures are mainly derived from the consolidated financial statements but do not have standardized meanings prescribed by IFRS. The exclusion of certain items from non GAAP performance measures does not imply that these items are necessarily non-recurring. From time to time, management may exclude additional items if they believe doing so would result in a more transparent and comparable disclosure. Other entities in the Corporation's industry may define the above measures differently than management does. In those cases, it may be difficult to compare the performance of those entities to the Corporation's based on these similarly-named non-GAAP measures.*

*Refer to the 'Non-GAAP financial measures' section in 'Overview' of the 2014 MD&A for definitions of these metrics. Refer to the 'Analysis of results' section in the 'Aerospace' and 'Transportation' sections of the 2014 MD&A for reconciliations to the most comparable IFRS measures.*

# **BOMBARDIER**

the evolution of mobility