



Deutsche Bank - 2010 Leverage Finance Conference Presentation to investors

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BOMBARDIER



Forward-looking statements

This presentation includes forward-looking statements, which may involve, but are not limited to, statements with respect to the ours objectives, targets, goals, priorities and strategies, financial position, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business conditions outlook, prospects and trends of the 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; competitive position; and expected impact of the legislative and regulatory environment and legal proceedings on our business and operations. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “anticipate”, “plan”, “foresee”, “believe” or “continue”, the negative of these terms, variations of them or similar terminology. By their nature, forward-looking statements require us to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause our actual results in future periods to differ materially from forecasted results. While we consider our 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 Forward-looking statements sections in BA and BT in the MD&A of the Corporation’s annual report for fiscal year 2010.

Certain factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include risks associated with general economic conditions, risks associated with our 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; to the environment; dependence on certain customers and suppliers; human resources; fixed-price commitments and production and project execution), financing risks (such as risks related to liquidity and access to capital markets, 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 Other in the MD&A of the Corporation’s annual report for fiscal year 2010. 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 our 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.



1

Overview



2

Aerospace



3

Transportation



4

Financial Performance

Bombardier – A Global Market Leader

For the fiscal year 2010

<i>(in millions of U.S. dollars)</i>		BOMBARDIER INC.	
Revenues	\$ 19,366	Free Cash Flow	\$ (215)
EBITDA	\$ 1,596	Backlog ^(a)	\$ 43,800
EBIT	\$ 1,098	EPS ^(b) <i>(in U.S. dollars)</i>	\$ 0.39
Net income	\$ 707	Employees ^(a)	62,900

AEROSPACE		TRANSPORTATION	
#1 - Business aircraft manufacturer #1 - Regional aircraft manufacturer		#1 - Rail equipment manufacturer and services provider	
Revenues	\$ 9,357	Revenues	\$ 10,009
EBITDA	\$ 844	EBITDA	\$ 752
EBIT	\$ 473	EBIT	\$ 625
Backlog ^(a)	\$ 16,700	Backlog ^(a)	\$ 27,100
Employees ^(a)	28,900	Employees ^(a)	33,800

(a) As of January 31, 2010

(b) Diluted

Investment Considerations

A world-leading company

- #1 Business and Regional aircraft manufacturer
- #1 Rail equipment manufacturer and Services provider
- Balance sheet steadily strengthened over the recent years
- Strong cash position (\$2.8 billion as of July 31, 2010) with no immediate significant maturities.

Aerospace well positioned going forward

- Performed well in a challenging environment
- Significant investments in new product development
- Focus on execution and customer satisfaction

Transportation benefited from a strong market

- Good visibility with most of next year's revenues and earnings already in backlog
- Aiming to consolidate past growth
- Focus on execution resulting in continued performance improvement

Bombardier Today

62,900 employees*

- 95 nationalities
- 23 languages

A presence in over 60 countries

Customers in over 100 countries



Bombardier Today

**More than 100,000
Bombardier rail cars and
locomotives in service
worldwide**

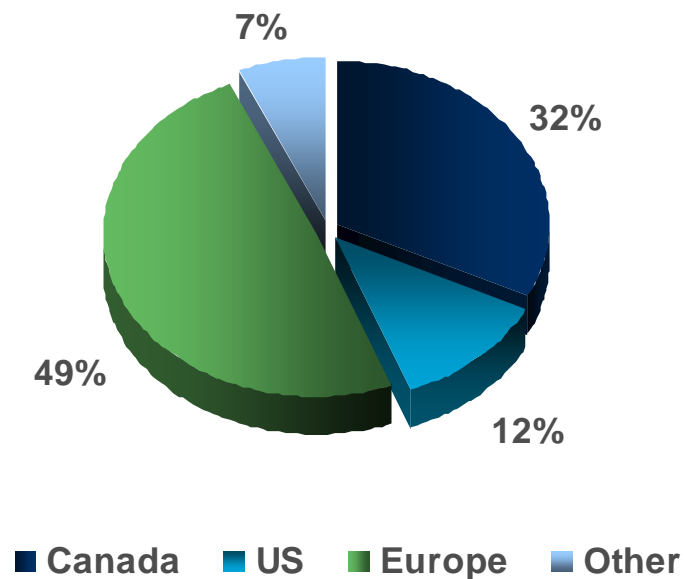


**Every three seconds, a
Bombardier aircraft takes
off or lands somewhere
around the globe**



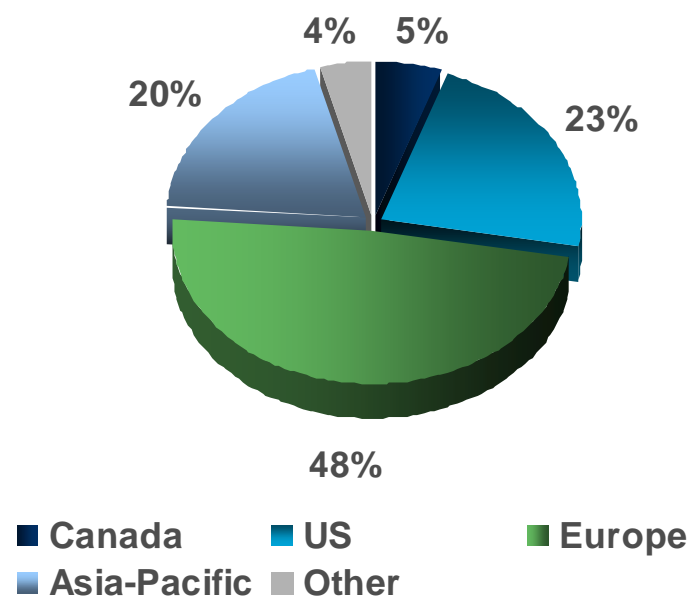
Bombardier – A truly global company

Employees Geographic segmentation



Total employees: 62,900*






F2010 Revenues Geographic segmentation



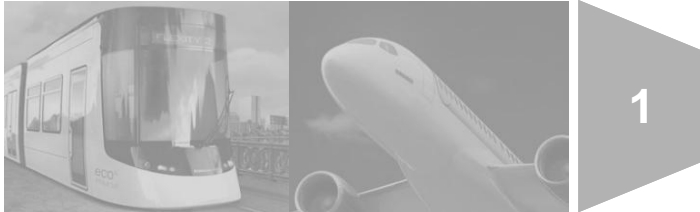
Total F2010 revenues: US\$19.4 billion

* As of January 31, 2010

Bombardier – From entrepreneurial to global leader

	1942-1973	1974-1985	1986-1993	1994-2001	2002-today
Entry	 Invention of snowmobile	 Rail transportation	 Aerospace	 Consolidation of leadership position	 Global leadership
Revenues*	\$0.7 B	\$1.0 B	\$5.6 B	\$12.4 B	\$19.4 B
Major acquisitions	<ul style="list-style-type: none"> ▪ Lohnerwerke (Rotax) 	<ul style="list-style-type: none"> ▪ MLW Worthington ▪ Alco Power (U.S.) 	<ul style="list-style-type: none"> ▪ Canadair ▪ Shorts ▪ Learjet ▪ deHavilland ▪ BN } BT ▪ ANF } 	<ul style="list-style-type: none"> ▪ Waggonfabrik Talbot ▪ Deutsche Waggonbau ▪ Adtranz 	Organic growth
Products Developed or Major Projects		<ul style="list-style-type: none"> ▪ 423 cars - Montreal Subway ▪ 825 cars - NY City subway (\$1BUS) 	<ul style="list-style-type: none"> ▪ CRJ100/200 ▪ Learjet 31A ▪ Learjet 60 	<ul style="list-style-type: none"> ▪ CRJ700 ▪ Learjet 45 ▪ Global Express ▪ Q400 	<ul style="list-style-type: none"> ▪ Talent II ▪ Zefiro ▪ Challenger 300 ▪ Learjet 85 ▪ CSeries

* In constant US dollars



Overview



Aerospace



Transportation



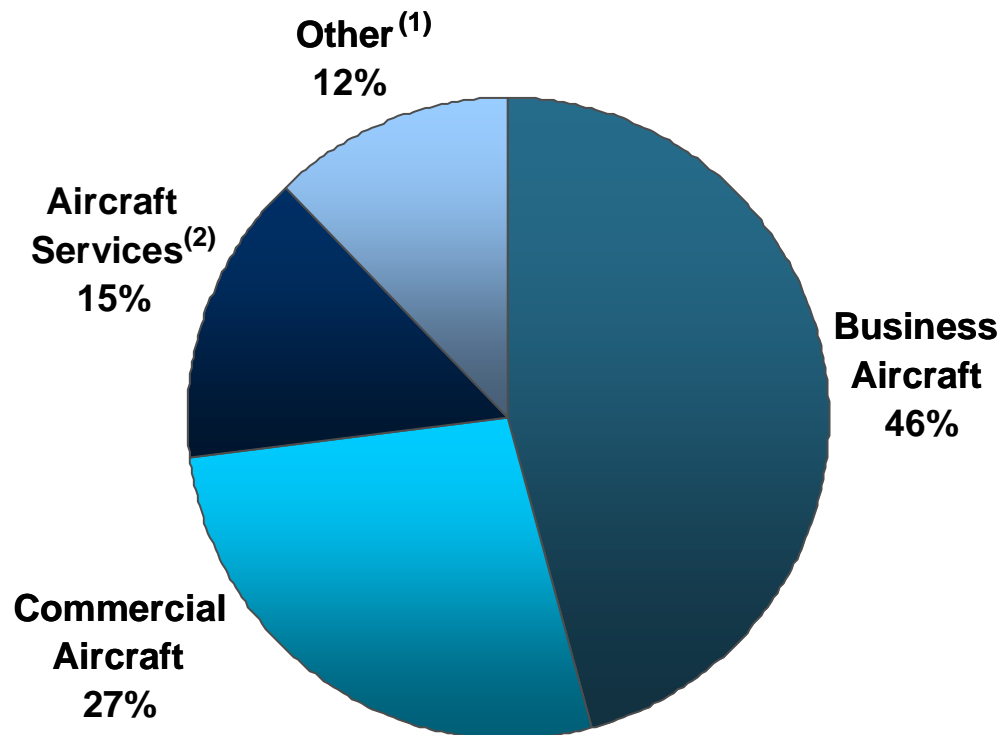
Financial Performance

Bombardier Aerospace - A Global Market Leader

Balanced portfolio of products and services

AEROSPACE REVENUE BREAKDOWN BY BUSINESS

(%) Aerospace revenue – Fiscal year 2010



Total Revenues F2010 = \$9,357 million

- (1) Other includes primarily sales of pre-owned aircraft and component manufacturing for third parties
- (2) Includes revenues from parts logistics, aircraft fractional ownership and hourly flight entitlement program's service activities, aircraft maintenance, commercial training and Military Aviation Training (MAT)

Bombardier's Business Aircraft offers the industry's most complete product portfolio

LEARJET Family



Learjet 40 XR



Learjet 45 XR



Learjet 60 XR



Learjet 85

CHALLENGER Family



Challenger 300



Challenger 605



Challenger 800 Series

GLOBAL Family



Global 5000



Global Express XRS

Bombardier is well-positioned in the business jet market with product line covering 94% of revenues

	Market Shares Q2C2010*	Very Light Jet	Light Jet	Super Light Jet	Midsize Jet	Super Midsize Jet	Large Jet	Super Large Jet	Ultra-Long Range Jet	Converted Airlines
Bombardier	34%		L40XR	L45XR	L60XR	CL-300	CL-605	G5000	GEX-XRS	CL-800 Series
					L85			Global Vision		
Gulfstream	23%				G150	G200	G350	G450	G550	
						G250		G500	G650	
Cessna	10%	Mustang	CJ3	XLS+	Sovereign	CX				
		CJ1+	CJ4							
		CJ2+								
Dassault	19%						F2000DX	F900DX	F7X	
							F2000LX	F900EX /LX		
Hawker Beechcraft	10%	Premier 1A	H400XP	H750	H850XP	H4000				
		Premier II	H450XP		H900XP					
Embraer	3%	P100	P300		Legacy 450	Legacy 500				Legacy 600 /650
										Lineage
Other	0%	HondaJet								
		Eclipse								
		SJ30-2								

← **94% of Market Revenue** →

In Prod.
38

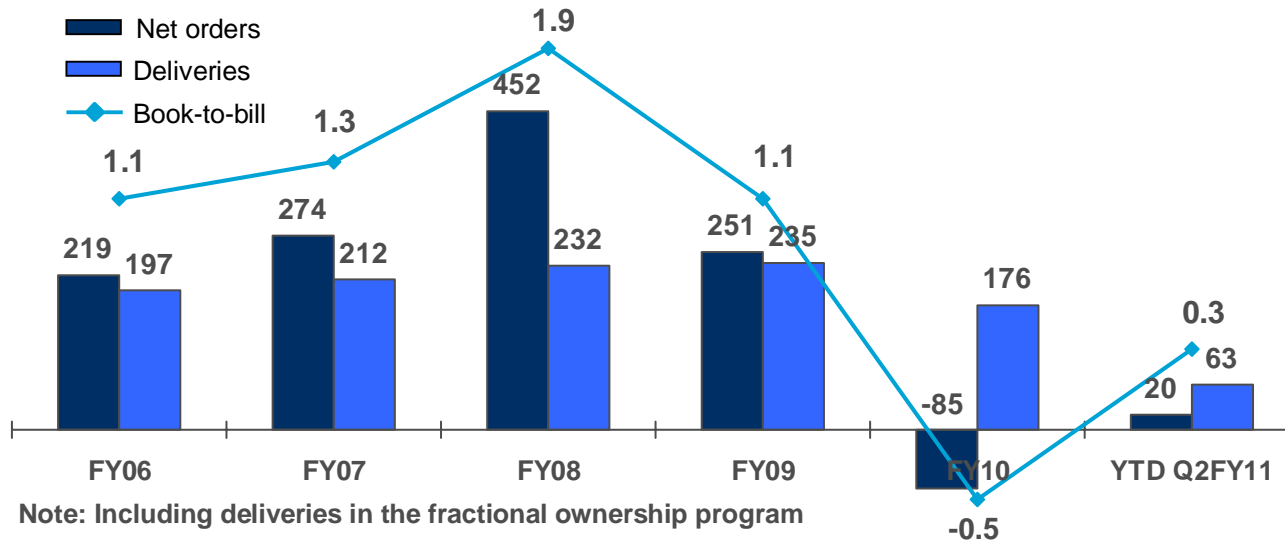
In Dev.
12

Note: Segmentation is largely determined by a combination of cabin volume, range and speed.

* Market shares calculated on a revenue basis excluding VLJs, Boeing and Airbus converted airliners

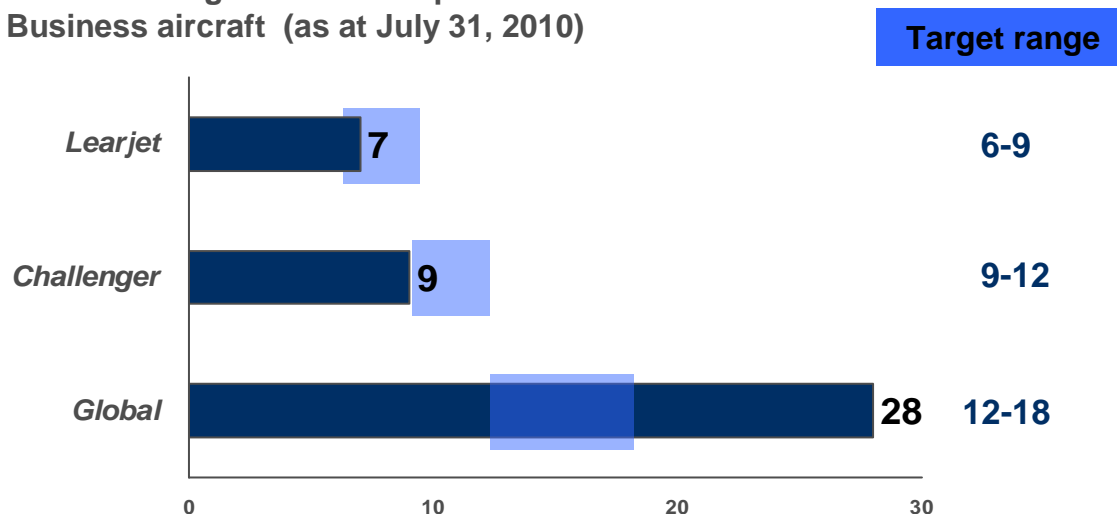
Orders and backlog – Business aircraft

Net orders, deliveries and book-to-bill
Business aircraft (FY06 – Q2FY11)



Based on production rates and backlog, we expect deliveries for business aircraft to decrease by approx. 15% in FY2011

Order backlog in months of production
Business aircraft (as at July 31, 2010)



Note: Number of months of backlog is based on the last 12-month deliveries and excludes orders for *Flexjet* and *Learjet 85*.

Bombardier's Commercial Aircraft portfolio is aligned with current market trends towards environmentally friendly aircraft

Q-SERIES

Turboprop



CRJ NextGen

Regional jets



CSERIES

Mainline single-aisle jets



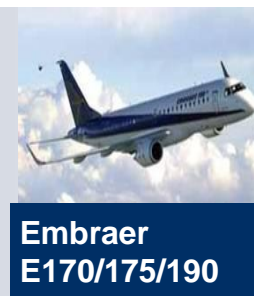
Competitors offer aircraft in each of Bombardier Commercial Aircraft's segments...



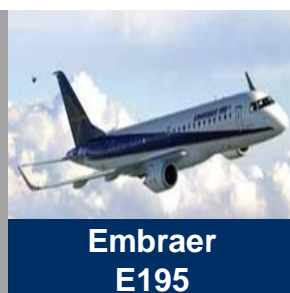
Turboprops



Regional Jets



Single-Aisle
Mainline Jets

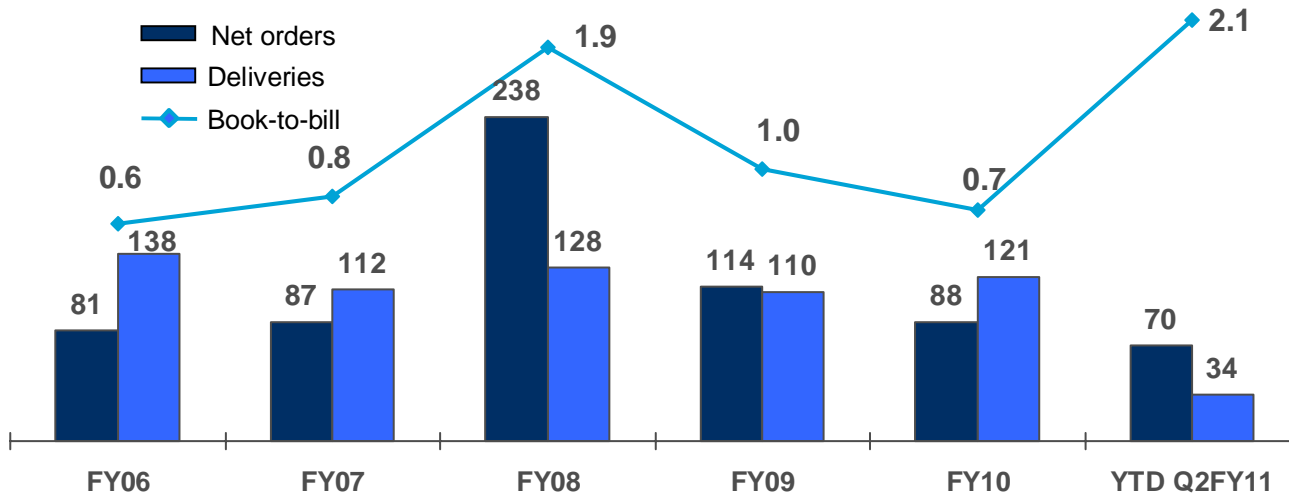


Bombardier is the leader in the 20- to 149-seat market segment with a market share of 39%*

* Based on the 24-Month Market Net Order as of July 31, 2010 (net of cancellations and conversions between programs and does not include corporate aircraft).

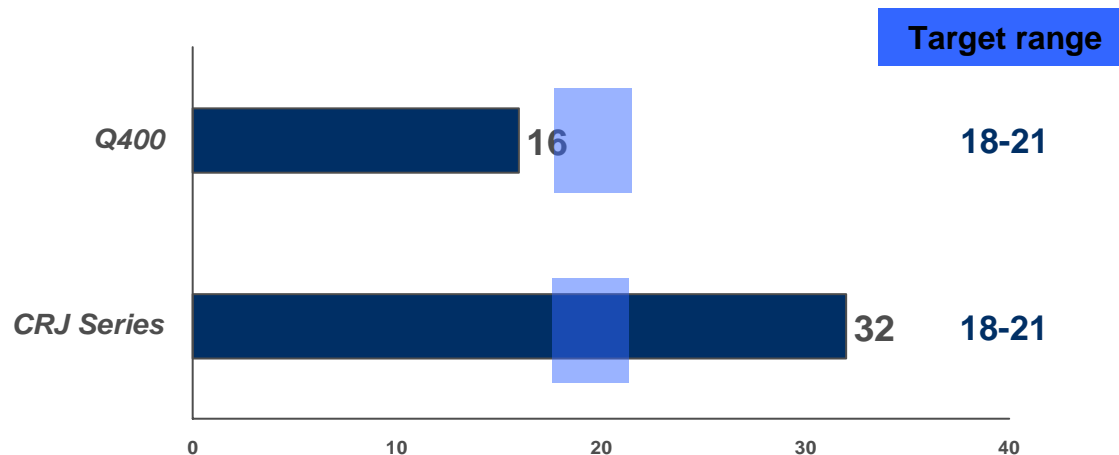
Orders and backlog – Commercial aircraft

Net orders, deliveries and book-to-bill
Commercial aircraft (FY06 – Q2FY11)



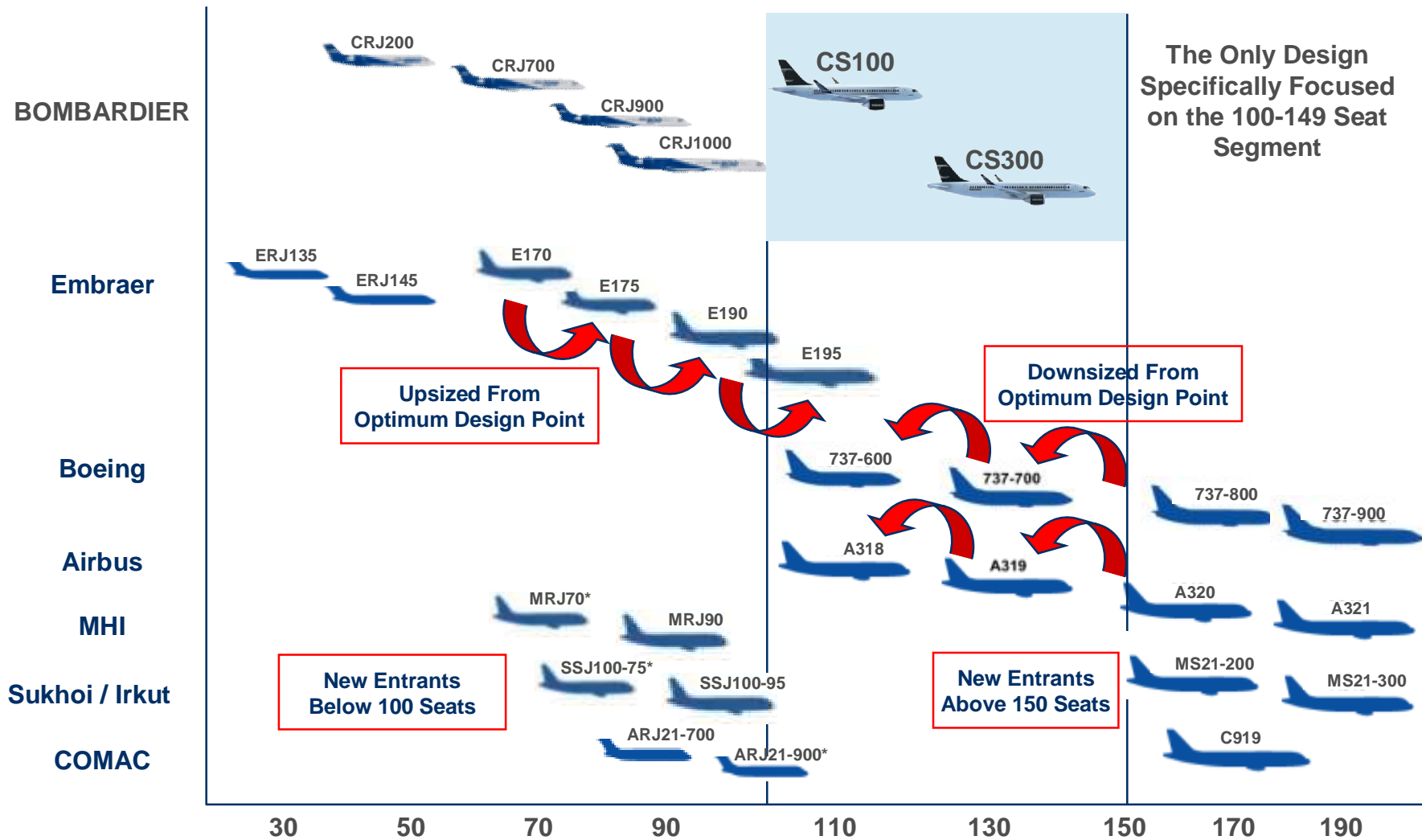
Based on production rates and backlog, we expect deliveries for commercial aircraft to decrease by approx. 20% in FY2011

Order backlog in months of production
Commercial aircraft (as at July 31, 2010)



Note: Number of months of backlog is based on the last 12-month deliveries and includes orders for the CRJ1000.

C-Series • A New Family Optimized for the Lower End of the 100 to 149-seat Market Segment Is Long Overdue



* Programs that are not yet launched or are under study

CSERIES

A Game Changer in its Class

90 firm orders and 90 options from three customers to date



- ✓ **Family of Aircraft with Full Operational Commonality**
- ✓ **Unmatched Reduction in Environmental Footprint**
- ✓ **Total Life Cycle Cost Improvement**
- ✓ **15% Better Cash Operating Costs – 20% Fuel Burn Advantage**
- ✓ **Widebody Comfort In A Single Aisle Aircraft**
- ✓ **Mature 99% Reliability at Entry Into Service**
- ✓ **Operational Flexibility – Short Field and Longer Range Performance**

CSeries Aircraft Program

Executing according to plan

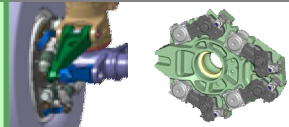
2008

Technologies Selection and Program Launched At Farnborough Airshow



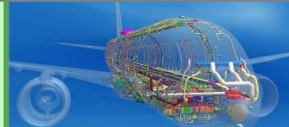
2009

Finalizing Conceptual Design Phase And Start Definition Of System Interfaces



2010

Joint Definition Phase, Technologies Demonstrators, Facilities



2011

Complete Product Definition Release
Build And Commission System Test Aircraft



2012

First Flight



2013

CS100 Aircraft Entry Into Service



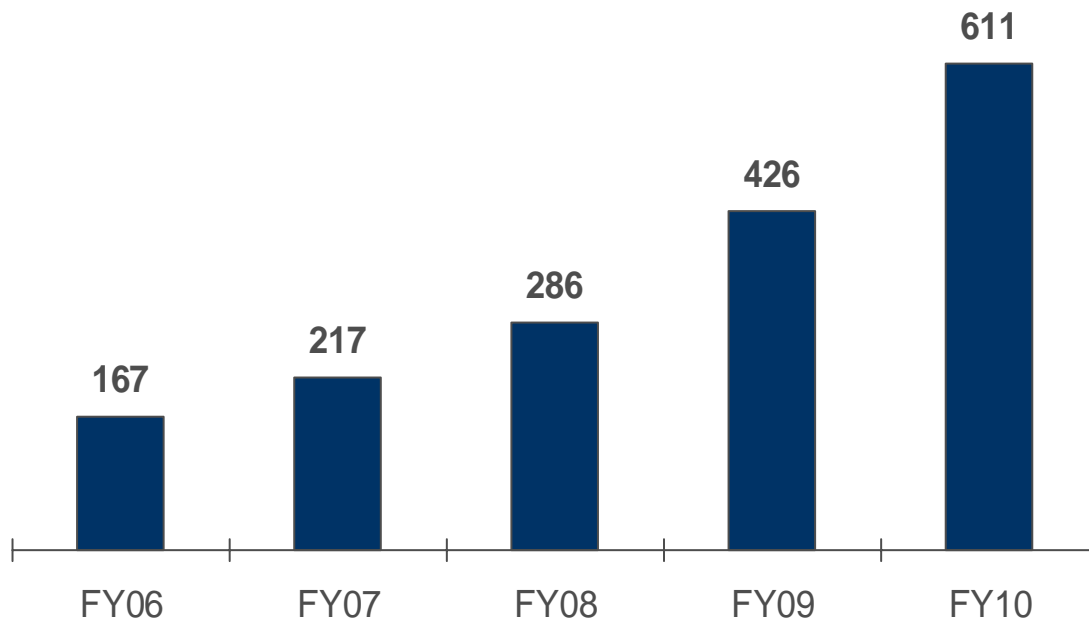
2014

CS300 Aircraft Entry Into Service



Bombardier Aerospace is investing significant amounts in new product development

Investment in CAPEX
(in millions of U.S. dollars)



New product development:

- CRJ1000
- CSeries
- Learjet 85 aircraft
- Global Vision flight deck

Capital expenditures, including significant investments in product development, are expected to almost double in FY11

Aerospace – Outlook for F2011

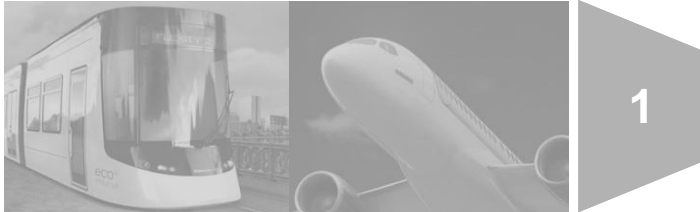
In F2011, Aerospace will continue to be impacted by the economic downturn

What we expect *

- Approximately 15% less business jet deliveries in F2011 than in F2010
- Approximately 20% less commercial aircraft deliveries in F2011 than in F2010
- EBIT margin should remain at a similar level as F2010
- Free cash flow is expected to be neutral in F2011 as cash flow from operating activities will be used to finance capital expenditures, including the significant investments in product development



* Please refer to forward-looking statements in MD&A for underlying assumptions



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Financial Performance

We are providing a full range of products and solutions to our customers around the world

Rolling stock

Passengers



- Light rail vehicles
- Metros
- Commuter trains
- Regional trains
- Intercity trains
- High-speed trains
- Very high-speed trains

Locomotives & Equipment



- Locomotives
- Bogies
- Traction converters
- Auxiliary converters
- Drives / traction motors
- Train control and communication

Services



- Fleet management
- Spare parts & logistics management
- Vehicle refurbishment and overhaul
- Component repair and overhaul
- Technical support

System & Signaling

Systems



- Automated people movers
- Advanced rapid transit
- Light rapid transit
- Automated monorail
- Operations and maintenance
- Transit security

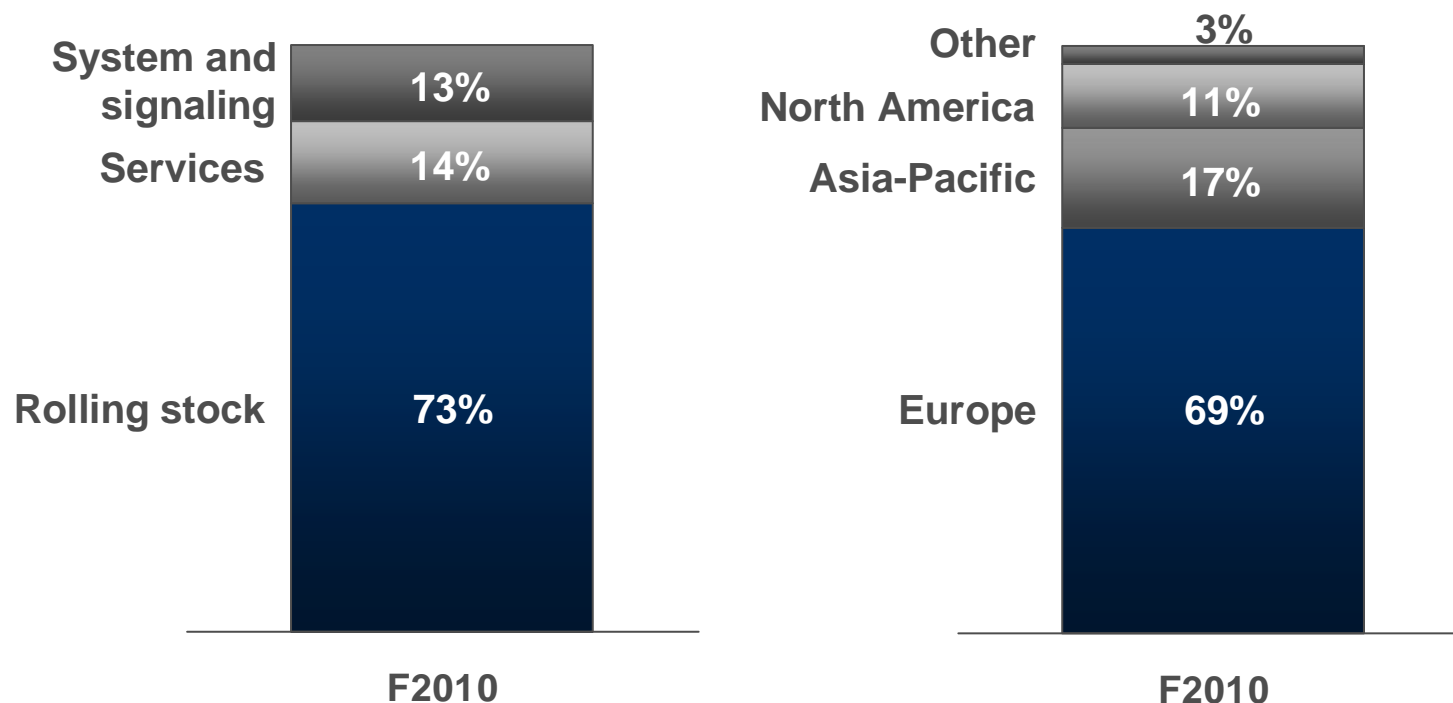
Rail Control Solutions



- Integrated control systems
- Onboard computer systems
- Automatic train protection and operation
- Wayside interlocking and equipment

Transportation

Revenues by product line and geographic region



Total Revenues F2010 = \$10,009 million

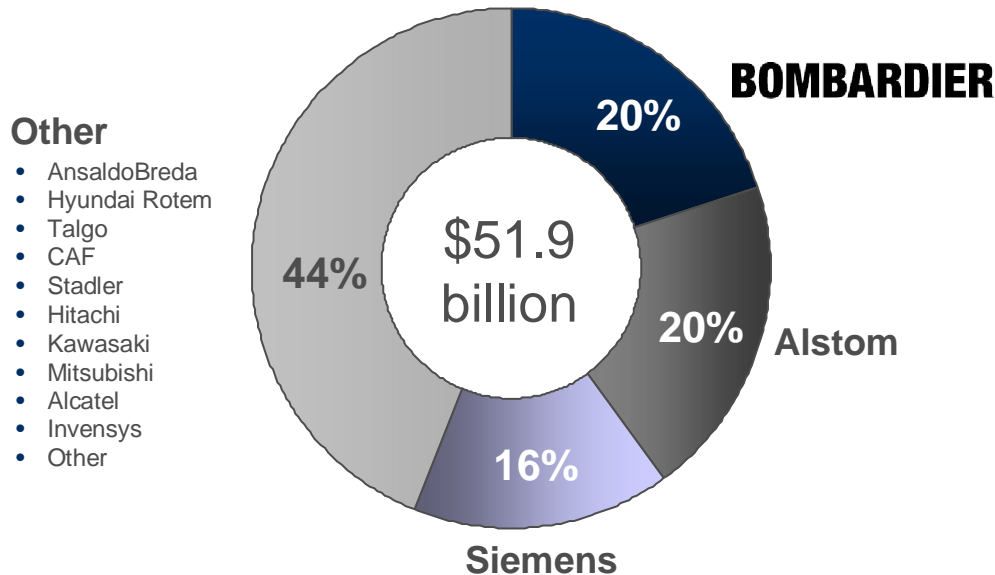
Note: Revenues are attributed to countries based on the location of the customer

BT is the market leader in the rail industry

The market showed a strong overall growth of 10%

Average market shares based on order intake 2007-09

Bombardier relevant market



Our relevant market represents the worldwide rail market accessible to external suppliers, therefore excluding the share of local contractors in emerging markets, maintenance performed in-house by operators and the Japanese market. This market also excludes markets in which we do not have a product offering, therefore excluding freight locomotives in North America, worldwide freight cars, rail infrastructure and electrification. Due to the cyclical nature of the market and in line with common industry practice, our relevant market is stated as the average of a three-year period, based on published orders for rolling stock and system, and on estimated market volumes for services and signalling.

Competitors with at least 10% market share in one segment

	PASSENGERS					LOCOMOTIVES AND EQUIPMENT			SERVICES	SYSTEM	SIGNALLING
	Light rail	Metros	Commuter	Regional	High speed & intercity	Electric locomotives (1)	Bogies	Propulsion & controls			
BT	#1	#4	#1	#1	#3	#1	#1	#1	#1	#2	#6 (2)
Alstom											
Siemens											
Stadler											
CAF											
Hyundai Rotem											
Ansaldo STS											
Thales											

Clear strategies for products and R&D along seven platforms for rolling stock and systems

Seven vehicle platforms

HS & VHS: Comfort and operational performance at 250-380 kph



Intercity: Comfort at 160-250 kph



Regional & Commuter: Capacity and versatility at <160 kph



Metro: Capacity and reliability at <100 kph



Light rail: City mobility



Systems: Driverless technology



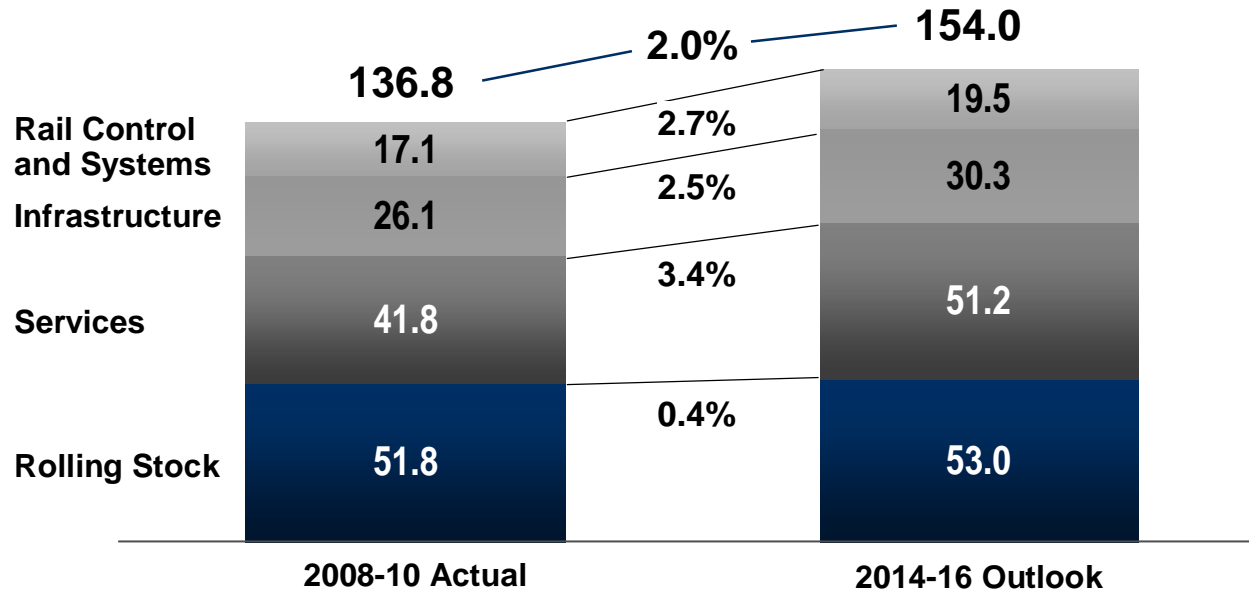
Locomotives: Power to haul



The fundamentals of the rail industry are positive

Accessible market by segment

(for calendar years)
(in billions of dollars)

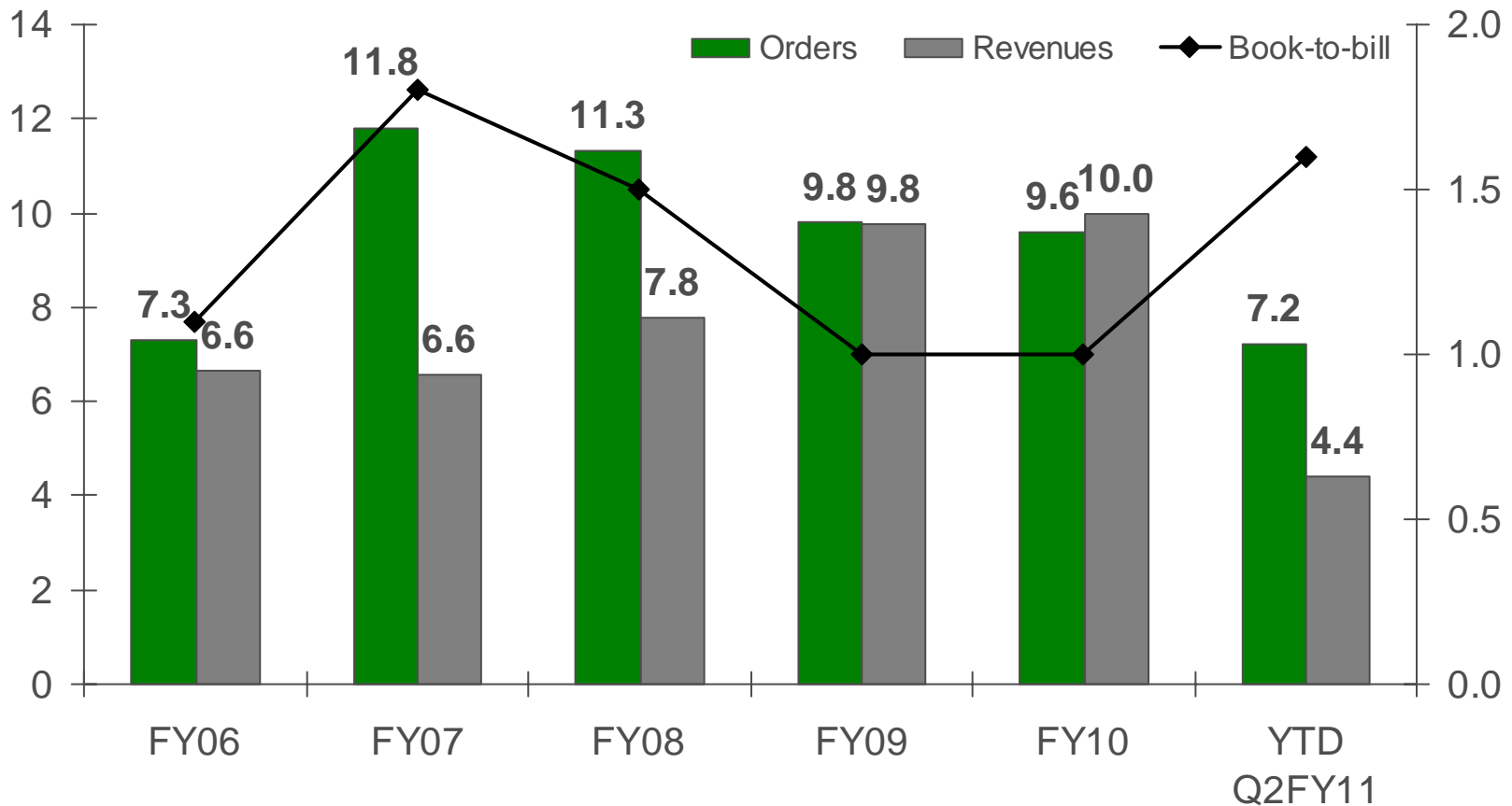


Source: "Worldwide rail market study - status quo and outlook 2016" published by the Association of the European Rail Industry in September 2008 (2008 UNIFE Study).

Values translated using a Euro/USD foreign exchange rate of 1.3870

Strong order intake at Transportation generated revenue growth over the last five years

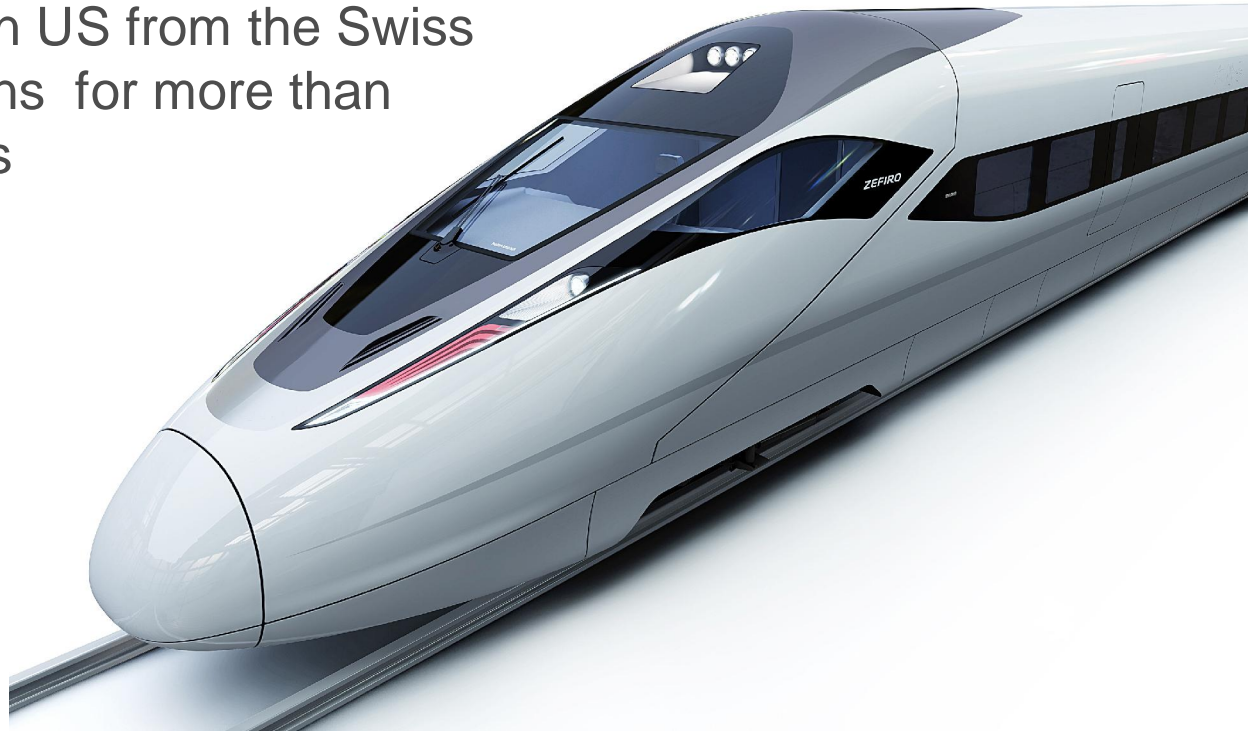
Orders, revenues and book-to-bill
(in billions of U.S. dollars)



Backlog as of July 31, 2010: \$30.3 billion

Recent orders

- Signed a framework agreement with SNCF for up to 860 double deck trains for an estimated amount of \$11 billion (two firm orders already received for 129 trains)
- Order in June 2010 for 59 double deck trains valued at \$1.6 billion US from the Swiss Railways with options for more than 100 additional trains



In the medium term, the market is expected to remain at a high level with major tenders progressing

Market outlook

- In the short to medium term, the market will be fuelled by several large contracts, already in advanced stages
- In the longer term, concerns regarding funding will need to be overcome, e.g. by innovative financing solutions
- Overall, the fundamentals for rail remain positive and growth in emerging markets will continue to benefit the rail supply industry

Key projects to be awarded

<i>Project name</i>	<i>Size</i>
 DB intercity trains (ICx) ¹	220 trains
 MOR HS/VHS trains	more than 70 trains
 Trenitalia VHS ²	50 trains
 Thameslink (London)	up to 1200 cars
 Israel double-deck coaches	up to 460 cars
 BART Rapid Transit	more than 700 cars
 Stockholm Metro	300 cars
 Melbourne trams	up to 150 trains
 IR ³ locomotives “Madhepura”	up to 800 twin units
 IR ³ locomotives “Dankuni”	up to 1,000 units
 Amtrak locomotives	up to 70 units
 Dublin Metro North	System
 Brisbane Gold Coast Rapid Transit	System
 London SSL ATC Equipment	Signalling

1) Preferred bidder status awarded to Siemens/ Bombardier

2) Preferred bidder status awarded to Ansaldo Breda/ Bombardier

3) IR: Indian Railways

Transportation – Moving into high gear

STRATEGIC FOCUS

Fiscal years 2002-2014

Contribution to increased earnings and industry leadership

Moving into high gear

Goal 8% EBIT*

Profitable growth TOPSIX

Goal 6% EBIT achieved

Turnaround TOPTEN

Post-merger integration

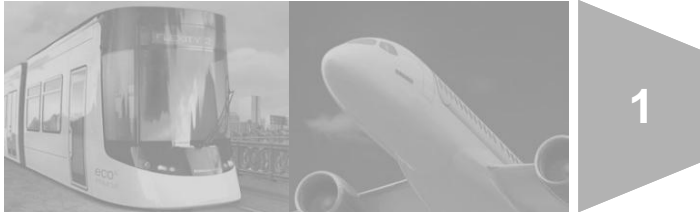
2002-2005 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014

We will reach our goal by:

- Continuing to improve execution
- Further reducing our costs
- Improving our portfolio of products
- etc...



* Please refer to forward-looking statements in MD&A for underlying assumptions



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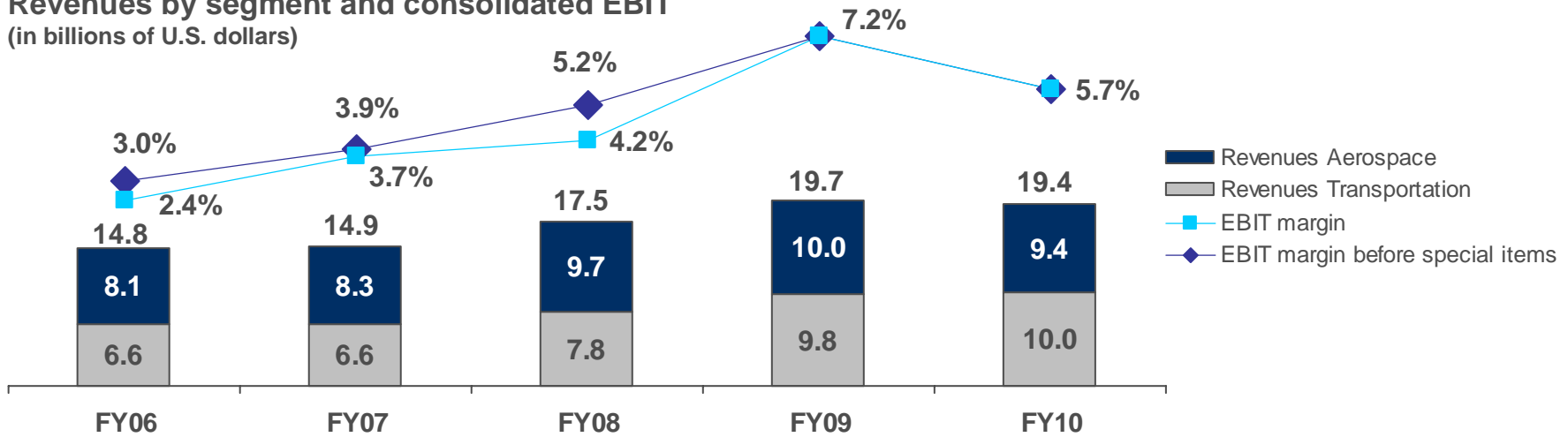
4

Financial Performance

Significant improvements over the last five years, however, Aerospace has been impacted by the economic crisis in the last 2 years

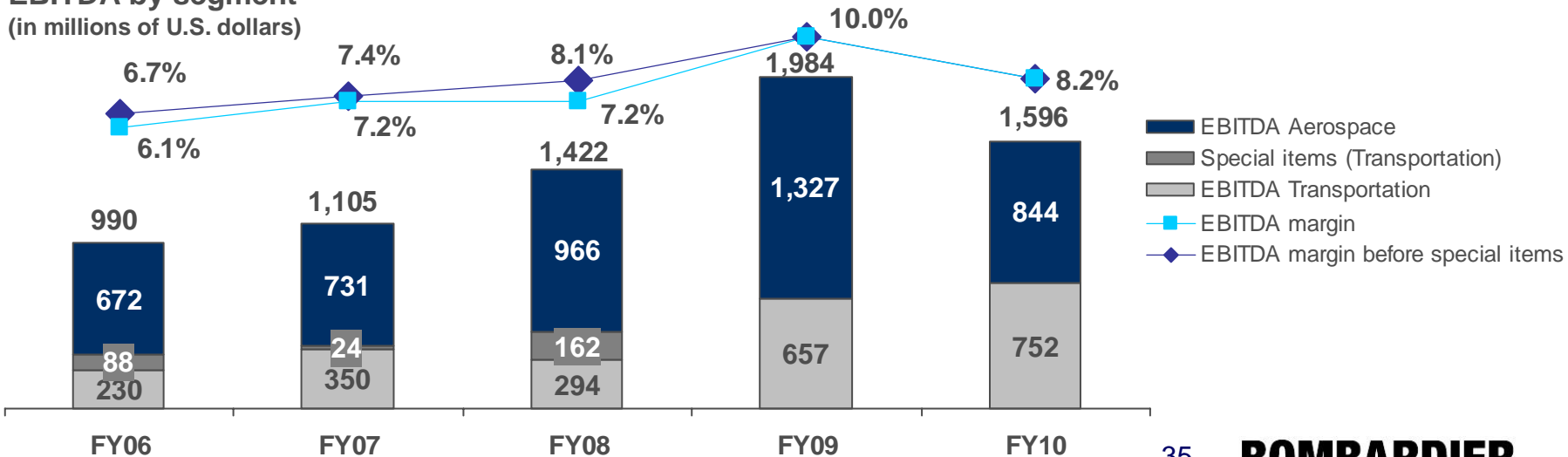
Revenues by segment and consolidated EBIT

(in billions of U.S. dollars)



EBITDA by segment

(in millions of U.S. dollars)



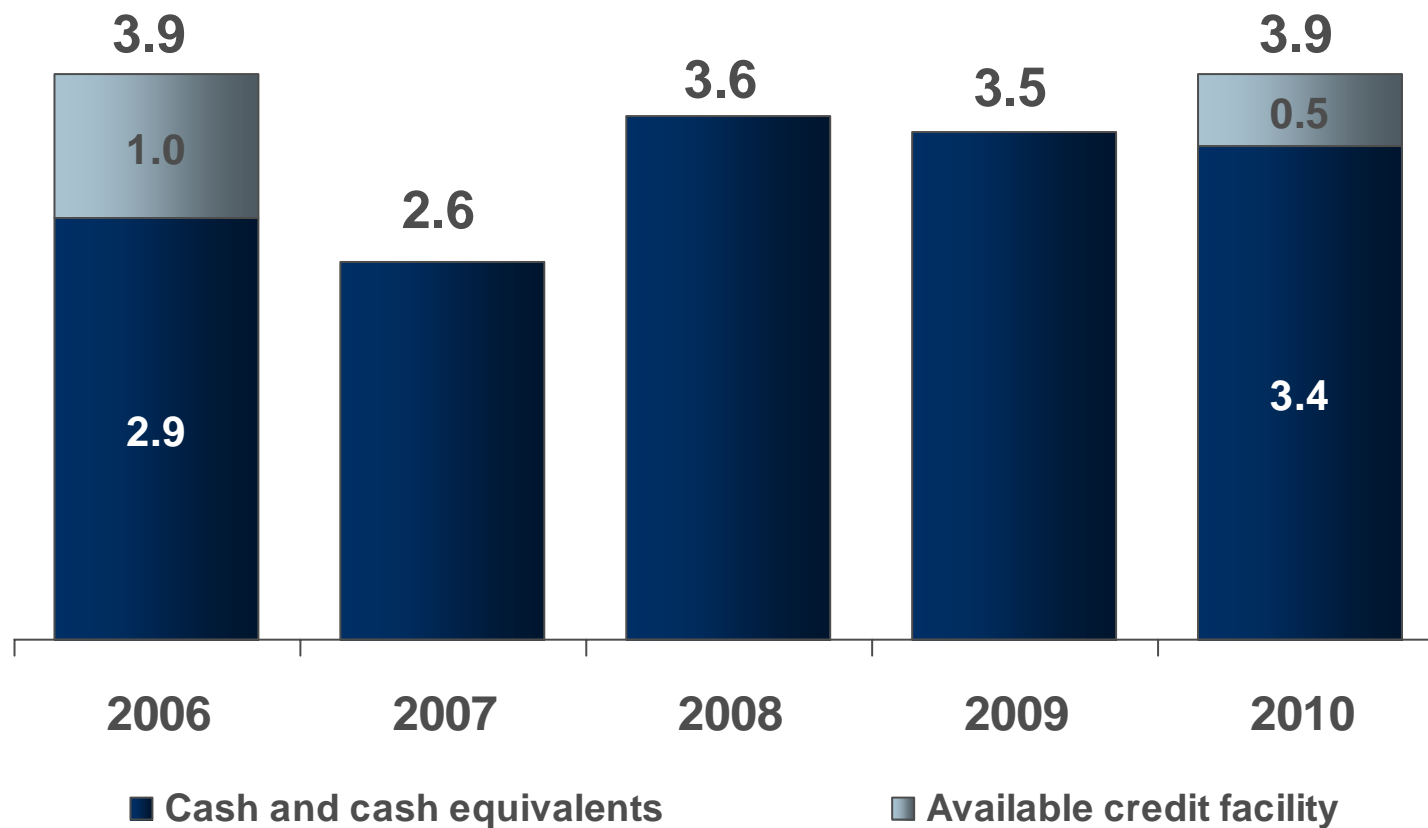
Significant improvements over the last five years

Maintained strong liquidity

Short-term capital resources

(as at January 31)

(in billions of U.S. dollars)



Significant improvements over the last five years

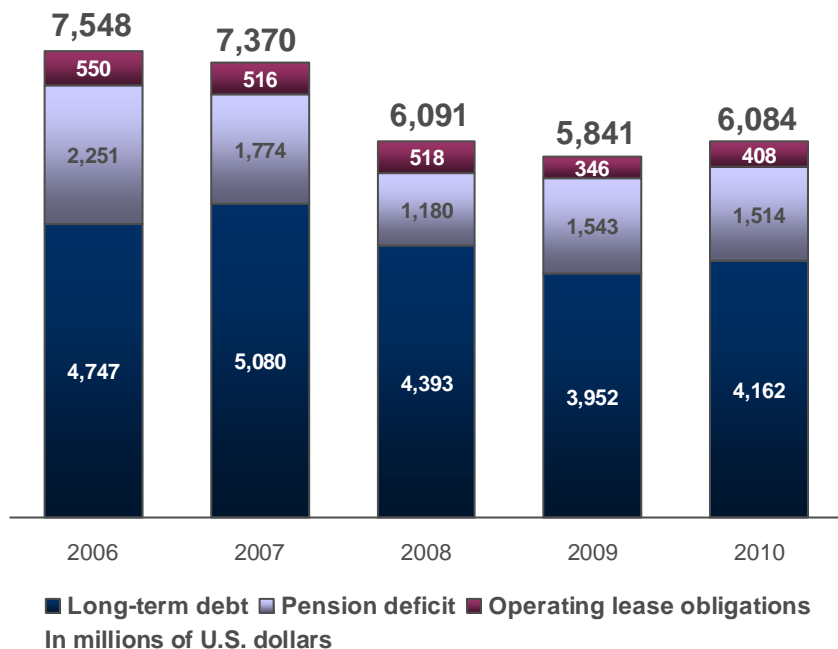
Capital structure

In March 2010, we implemented a refinancing plan aimed at extending our long-term debt maturity profile and providing additional short-term capital resources.

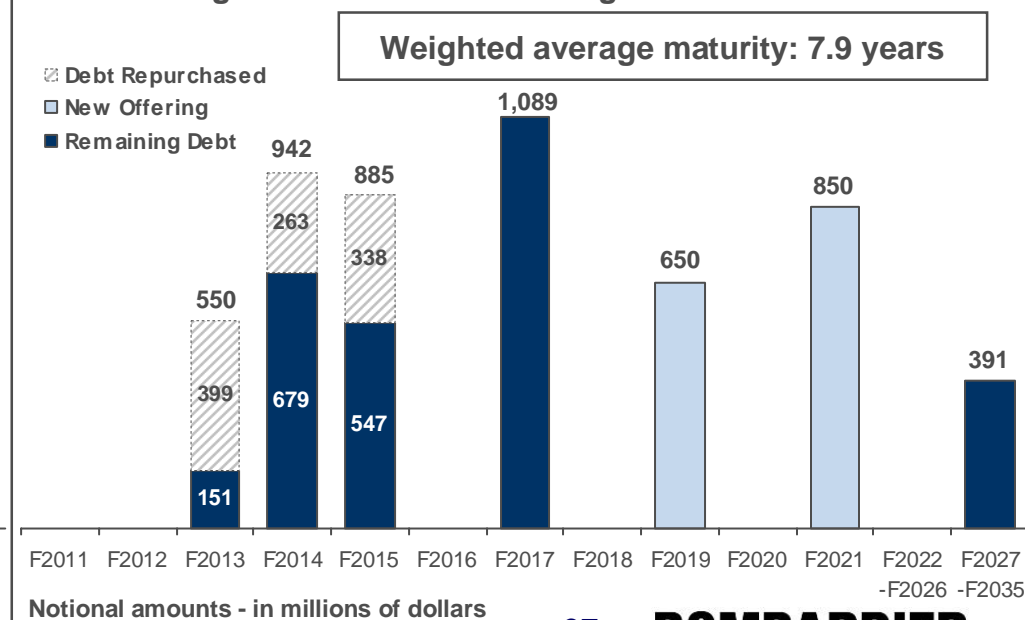
As such, we issued \$1.5 billion of Senior Notes due in calendar years 2018 to 2020. Concurrently, we repurchased a total of \$1.0 billion of long-term debt maturing from calendar years 2012 to 2014.

Reduced total debt and extended maturities

Total adjusted debt (as at January 31)



Debt Maturity Profile After Giving Effect to the Refinancing Plan



Financial results overview

(In millions of U.S. dollars, except per share amounts)

	Q2 F2010-11		Q2 F2009-10		YTD Q2 F2010-11		YTD Q2 F2009-10	
		%		%		%		%
Revenues								
Aerospace	1,962		2,399		3,897		4,618	
Transportation	2,117		2,547		4,428		4,799	
Total Revenues	4,079		4,946		8,325		9,417	
EBIT								
Aerospace	91	4.6	154	6.4	180	4.6	264	5.7
Transportation	140	6.6	159	6.2	275	6.2	284	5.9
Total EBIT	231	5.7	313	6.3	455	5.5	548	5.8
Financing expense, net	44		49		72		82	
EBT	187	4.6	264	5.3	383	4.6	466	4.9
Income taxes	39		62		82		106	
Net income	148	3.6	202	4.1	301	3.6	360	3.8
Dilutes EPS (in dollars)	0.08		0.11		0.16		0.20	

Free Cash Flow

(In millions of U.S. dollars)

	Q2 F2010-11	Q2 F2009-10	YTD Q2 F2010-11	YTD Q2 F2009-10
Aerospace	(287)	(10)	(492)	(540)
Transportation	(132)	149	(159)	(111)
Interest and taxes	(89)	(121)	(74)	(148)
Total	(508)	18	(725)	(799)
Cash & cash equivalents	2,776	2,804		

We have what it takes to deliver results:

- Broad, leading-edge product offering
- Markets with solid long-term demand growth
- Global presence and a diversified customer base
- Committed to invest in our product development programs
- Solid balance sheet with strong liquidity

Sharpening our execution, investing in our people and products, and being socially responsible are the drivers of profitable growth at Bombardier

Today, the success story continues ...



CSeries

Today, the success story continues ...



Zefiro