

Leadership

Bombardier Aerospace Paris Airshow Presentation



Aerospace Senior Management Team

Bombardier Aerospace

June 18, 2007

BOMBARDIER

Forward-looking statements

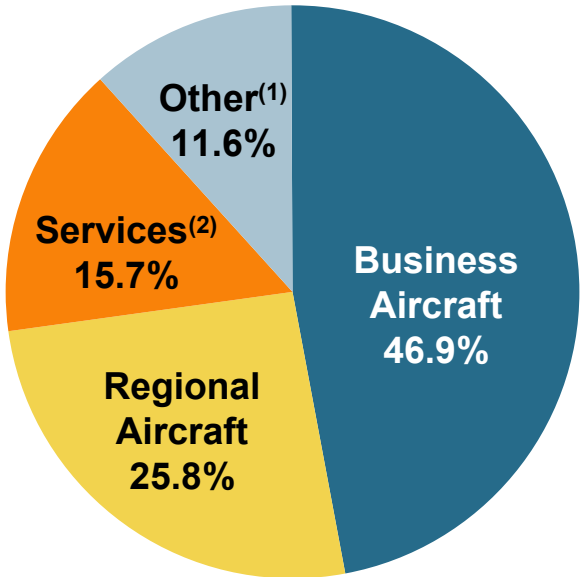
This presentation includes forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “anticipate”, “plan”, “foresee”, “believe” or “continue” or the negatives of these terms or variations of them or similar terminology. By their nature, forward-looking statements require Bombardier Inc. (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 current information 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, please refer to the respective sections of the Corporation’s aerospace segment (“Aerospace”) and the Corporation’s transportation segment (“Transportation”) in the F07 MD&A.

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 the Corporation’s business environment (such as the financial condition of the airline industry, government policies and priorities and competition from other businesses), operational risks (such as regulatory risks and dependence on key personnel, risks associated with doing business with partners, risks involved with developing new products and services, warranty and casualty claim losses, legal risks from legal proceedings, risks relating to the Corporation’s dependence on certain key customers and key suppliers, risks resulting from fixed-term commitments, human resource risk, and environmental risk), financing risks (such as risks resulting from reliance on government support, risks relating to financing support provided on behalf of certain customers, risks relating to liquidity and access to capital markets, risks relating to the terms of certain restrictive debt covenants and market risks (including currency, interest rate and commodity pricing risk) – see the Risks and Uncertainties section in the F07 MD&A. 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.

Bombardier Aerospace has a balanced portfolio of products and services

REVENUE BREAKDOWN BY BUSINESS

(%) Aerospace revenue – FY07



Total Revenues FY07 = \$8.2B

(1) Other includes primarily other manufacturing (eg, Amphibious, sub-contract) and pre-owned aircraft sales
(2) Services include services (ie, non-manufacturing) and Flexjet revenues
Source: Bombardier 2007 Annual Report

Last year at Farnborough, a few key issues were identified

Farnborough 2006

Aerospace

- Improving profit margin

Aircraft Services

- Developing the market

CSeries

- Continuing business planning with core team

Regional Aircraft

- Addressing temporary market difficulties

Business Aircraft

- Meeting contractual commitments

We have made progress on the key issues identified last year

Farnborough 2006

Paris 2007

Aerospace
(P.Beaudoin)

- Improving profit margin



- On track for 5% EBIT in FY08

Aircraft Services
(G.Scott)

- Developing the market

CSeries
(G.Scott)

- Continuing business planning with core team

Regional Aircraft
(S.Ridolfi)

- Addressing temporary market difficulties

Business Aircraft
(P.G.Côté)

- Meeting contractual commitments

Bombardier Aerospace is on a journey to sustainable improved profitability

Downsize, Stabilize, and Deliver (2001-2002)

Organization

- 35,000 to 27,000 empl.
- 101 to 75 VPs

Operations

- Deliver uncompleted Business Aircraft
- Restructure *Flexjet*

Product Strategy

- Keep *Challenger 300* and *CRJ700/900* development programs on track
- Launch derivatives of *Global Express* and *Learjet 45*

Re-organize into Business Units, Change accounting (2002-2004)

Organization

- Implement Business Unit structure

Operations

- Move from Program to Average Cost Accounting
- Deploy SAP

Product Strategy

- Prepare for end of *CRJ200* production
- Prepare future of Commercial aircraft
- Focus on reliability (*CRJ*, *Q400*, *Global*, *Learjet 45*)

Cultural Change and Profitability (2004-2006)

Organization

- Cultural Transformation
- Downsizing continues
- 15% Management Change

Operations

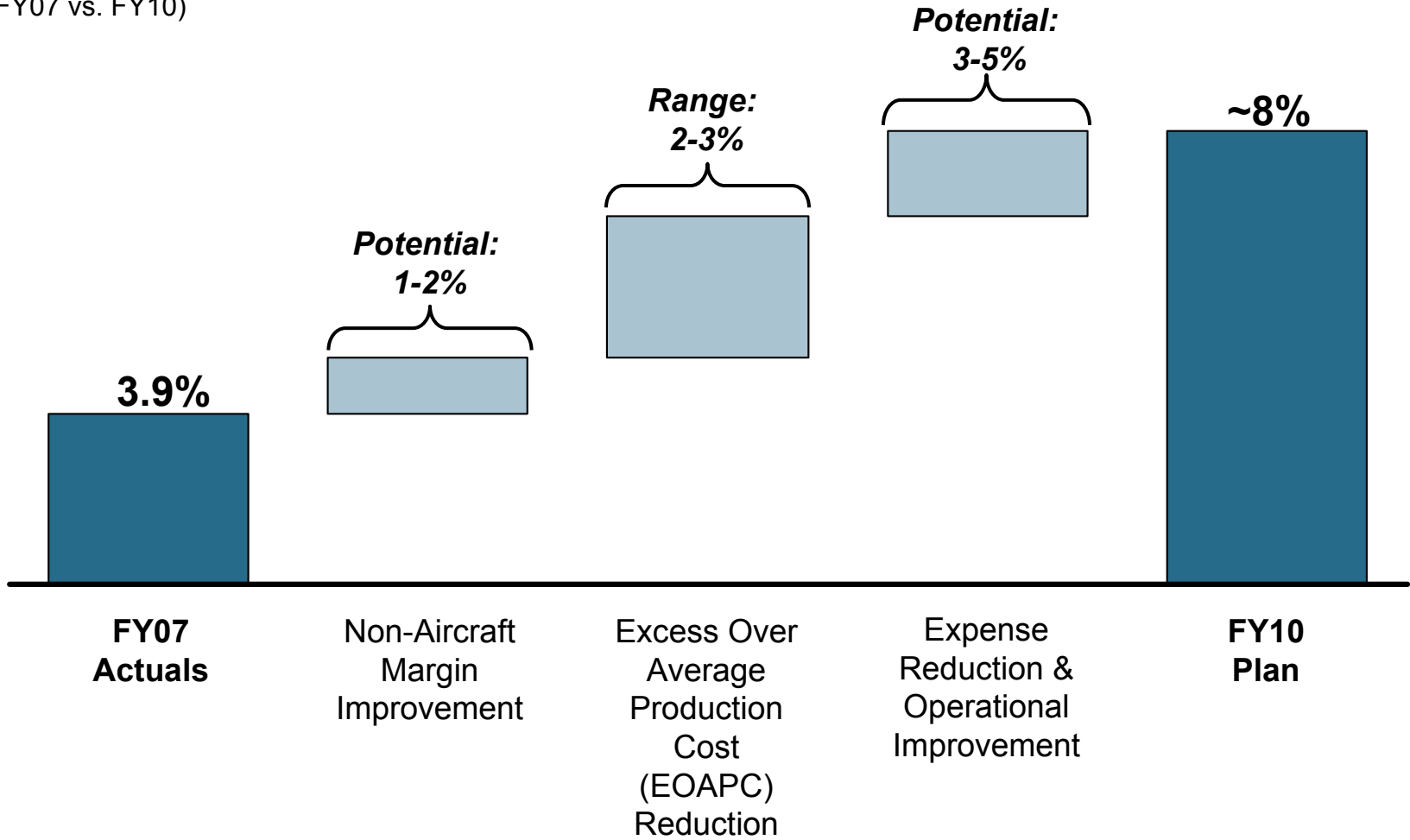
- Industrial Strategy
- Achieving Excellence
- Lean initiatives
- Emerging countries sourcing strategies

Product Strategy

- *Learjet Upgrade*
- *Challenger 605*
- *Global Express Upgrade*
- *CRJ1000*
- *CSeries*

Our plan will achieve EBIT of 8% by FY10

BOMBARDIER AEROSPACE EBIT
% (FY07 vs. FY10)

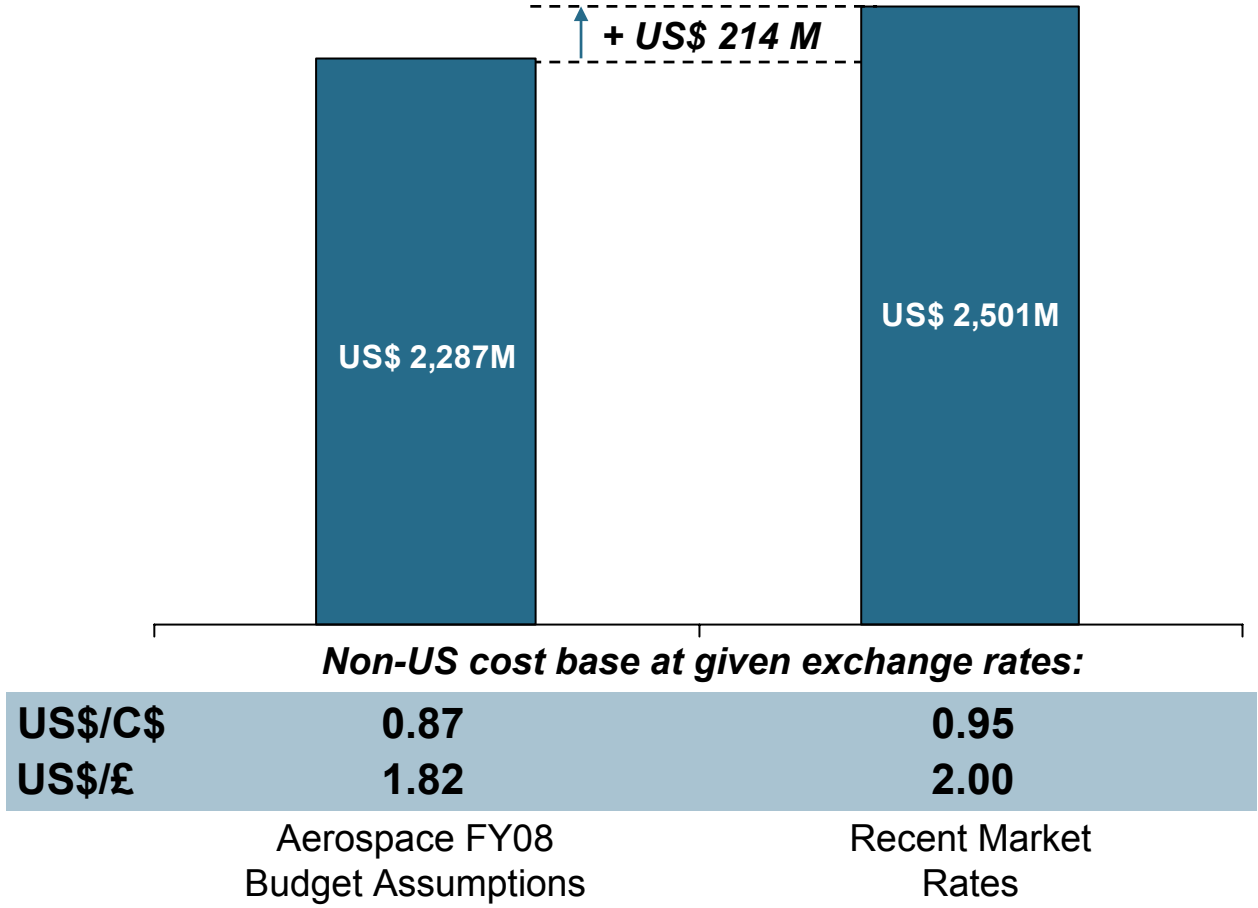


Our plan exceeds target, to compensate for potential headwinds

A portion of gains above-and-beyond 8% EBIT target will absorb headwinds such as foreign exchange

NON-US-DENOMINATED COST BASE⁽¹⁾ BY EXCHANGE RATE

Total C\$- and £-denominated cost base by exchange rate



(1) Assuming non-US denominated cost base in C\$ and £ of 2,085M and 260M, respectively
 Source: Bombardier 2007 Annual Report

Two pillars of our industrial strategy

1 Drastically improve the performance of current operations

- Achieving Excellence
- Lean Manufacturing
- Other Initiatives

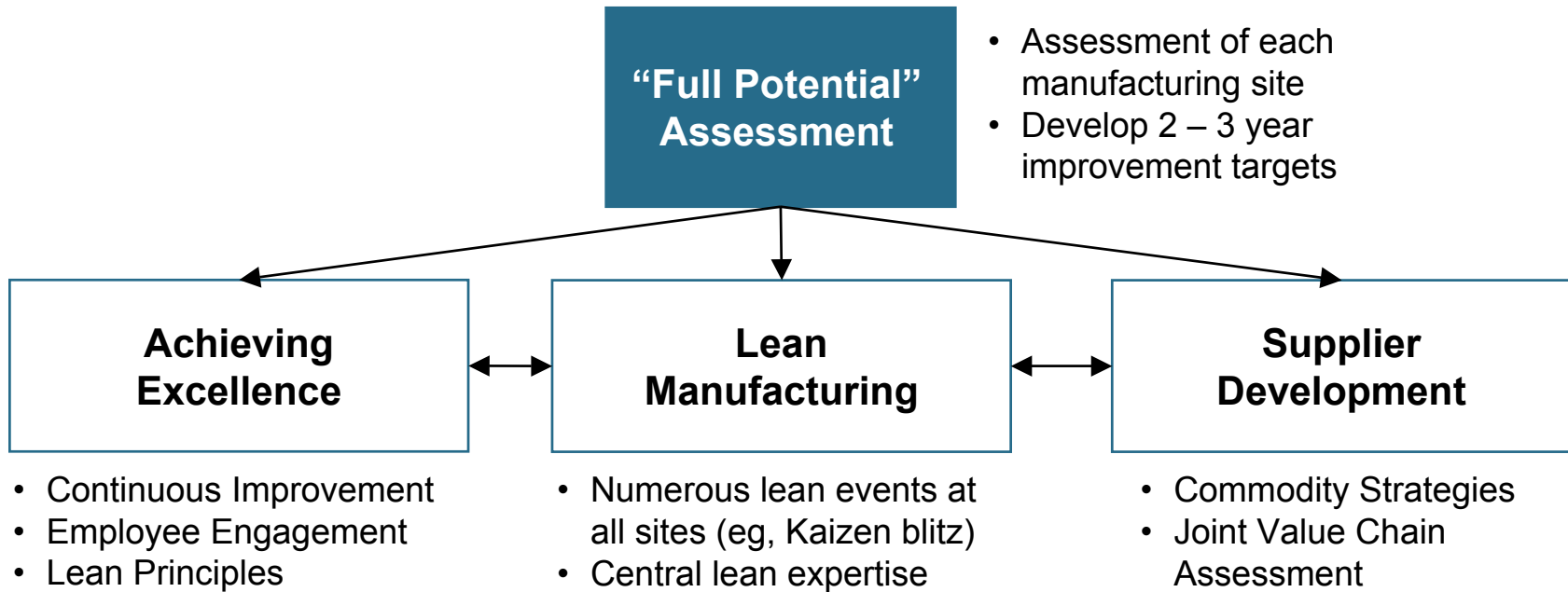
2 Build a low cost manufacturing base in emerging countries

- Bombardier-owned plant in Querétaro, Mexico
- Major supplier in China
 - Shenyang Aircraft Company (SAC), a unit of AVIC 1

**Our industrial strategy contributes to
Expense Reduction and Operational Improvement**

1 Drastically improve the performance of current operations

Coherent implementation of operational improvement initiatives



- **78% of employees certified “Bronze” in Achieving Excellence**
- **Learjet 40/45 Lean Implementation: 13% reduction in cycle time⁽¹⁾**
- **Mirabel Plant Lean Initiative: 20% reduction in CRJ900 cycle time⁽²⁾**

We are well along the way toward our 2-3 year targets

(1) 13% reduction achieved in the first nine months of implementation; Year one target = 18% total reduction

(2) 20% reduction achieved over the period from 31 January 2006 to 30 April 2007

2 Build a low cost manufacturing base in emerging countries

Mexico Manufacturing Centre ramp-up plan is progressing well

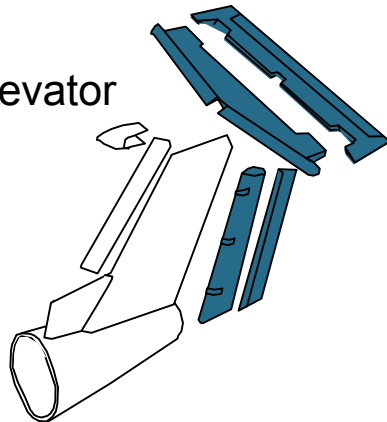
Structures assembly

Challenger 850 centre fuselage



**~11%
cost reduction⁽¹⁾**

Q400 rudder,
Horizontal stabilizer and elevator



Electrical harnesses

CRJ 700/900, Challenger 300,
Global Express



**~33%
cost reduction⁽¹⁾**

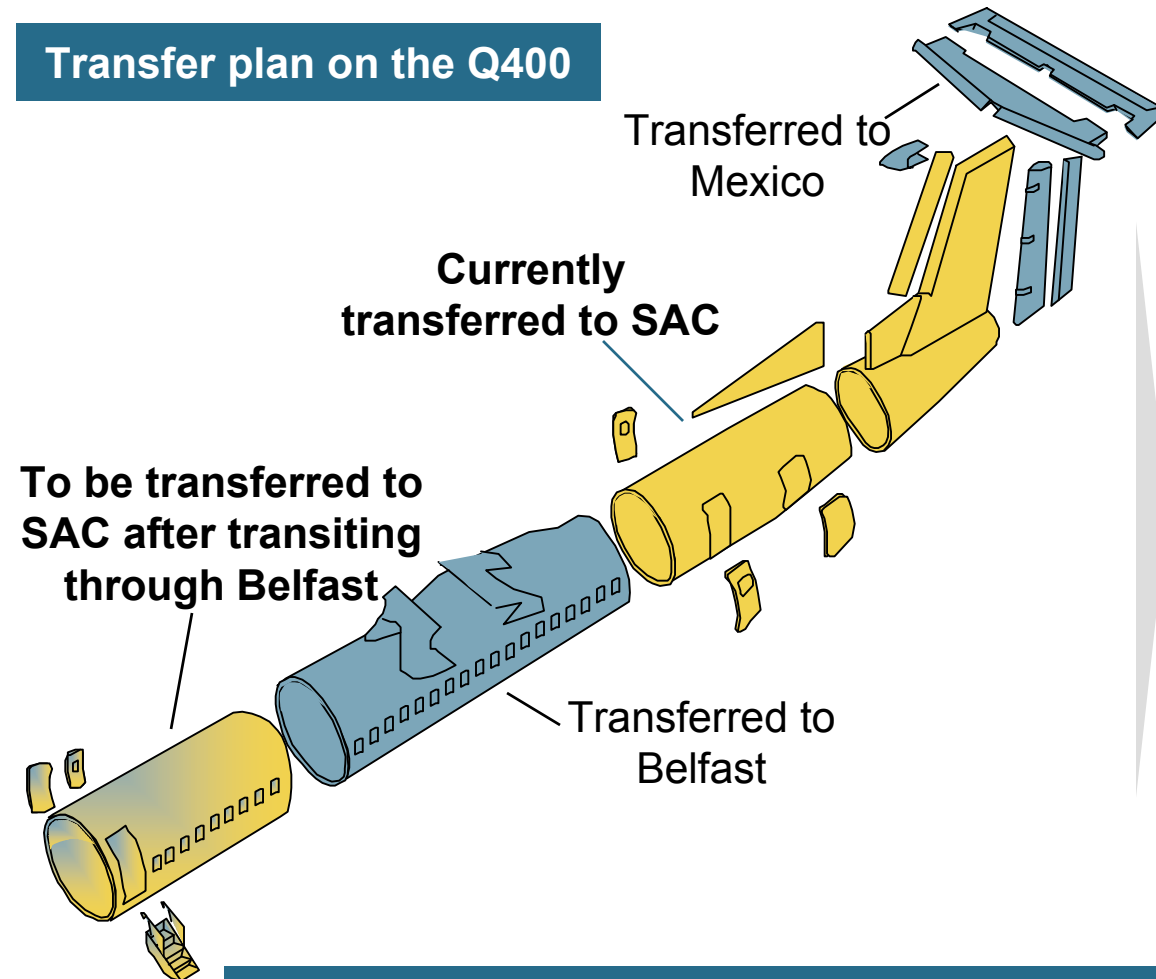


(1) Forecasted unit cost reduction no later than FY10, including absorption of transfer costs

2 Build a low cost manufacturing base in emerging countries

Q400 transfer to China and Querétaro contributes to building a lower cost base

Transfer plan on the Q400



New business practices put in place to ensure the success of this transfer

- Support the transfer as if we were dealing with our own plant
- Clear accountability on Belfast to make our supplier development successful in China

Transfer of work to AVIC 1/SAC is a groundbreaking development in China for Bombardier Aerospace

Financial results show our steady progress

(US\$ Millions)	Q1 F2007-08	Q1 F2006-07	F2006-07	F2005-06
Revenues				
Business	1,089	965	3,858	3,330
Regional	538	464	2,122	2,690
Other	633	524	2,250	2,067
Total Revenues	2,260	1,953	8,230	8,087
EBIT	112 5.0%	55 2.8%	322 3.9%	266 3.3%
Amortization	104	103	409	406
EBITDA	216 9.6%	158 8.1%	731 8.9%	672 8.3%
Reduction in EOAPC⁽¹⁾	69 3.1%	42 2.2%	277 3.4%	162 2.0%
EBITDA before reduction in EOAPC	285 12.6%	200 10.2%	1,008 12.3%	834 10.3%

(1) Excess Over Average Production Cost
Source: Annual Reports and Q1/FY08 MD&A

We have made progress on the key issues identified last year

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Paris 2007

Aerospace
(P.Beaudoin)

- Improving profit margin



- On track for 5% EBIT in FY08

Aircraft Services
(G.Scott)

- **Developing the market**



- **Satisfied with first results of new business unit**

CSeries
(G.Scott)

- Continuing business planning with core team

Regional Aircraft
(S.Ridolfi)

- Addressing temporary market difficulties

Business Aircraft
(P.G.Côté)

- Meeting contractual commitments

Aircraft Services unit serves a large installed base

Parts

Service Centres

Training

Aircraft In Service	
CSeries	TBD
QSeries	754
CRJ	1,368
Learjet	2,293
Challenger	906
Global	204
Amphibious	144
TOTAL	5,669



Capturing value from our growing installed base & product line

Source: Program Status Reports, Owners & Operators (O&O) Database and Company Reports (31 January 2007); ACAS database (6 June 2007)

Aircraft Services' mandate is to provide customers with a complete aftermarket experience

- **Total life cycle cost solutions**
- **Worldwide support services**
- **Total platform solutions for Government and Missionized Aircraft Market**
- **New aftermarket business model**

**Bombardier focuses on a complete service offering to provide an
*AMAZING CUSTOMER EXPERIENCE***

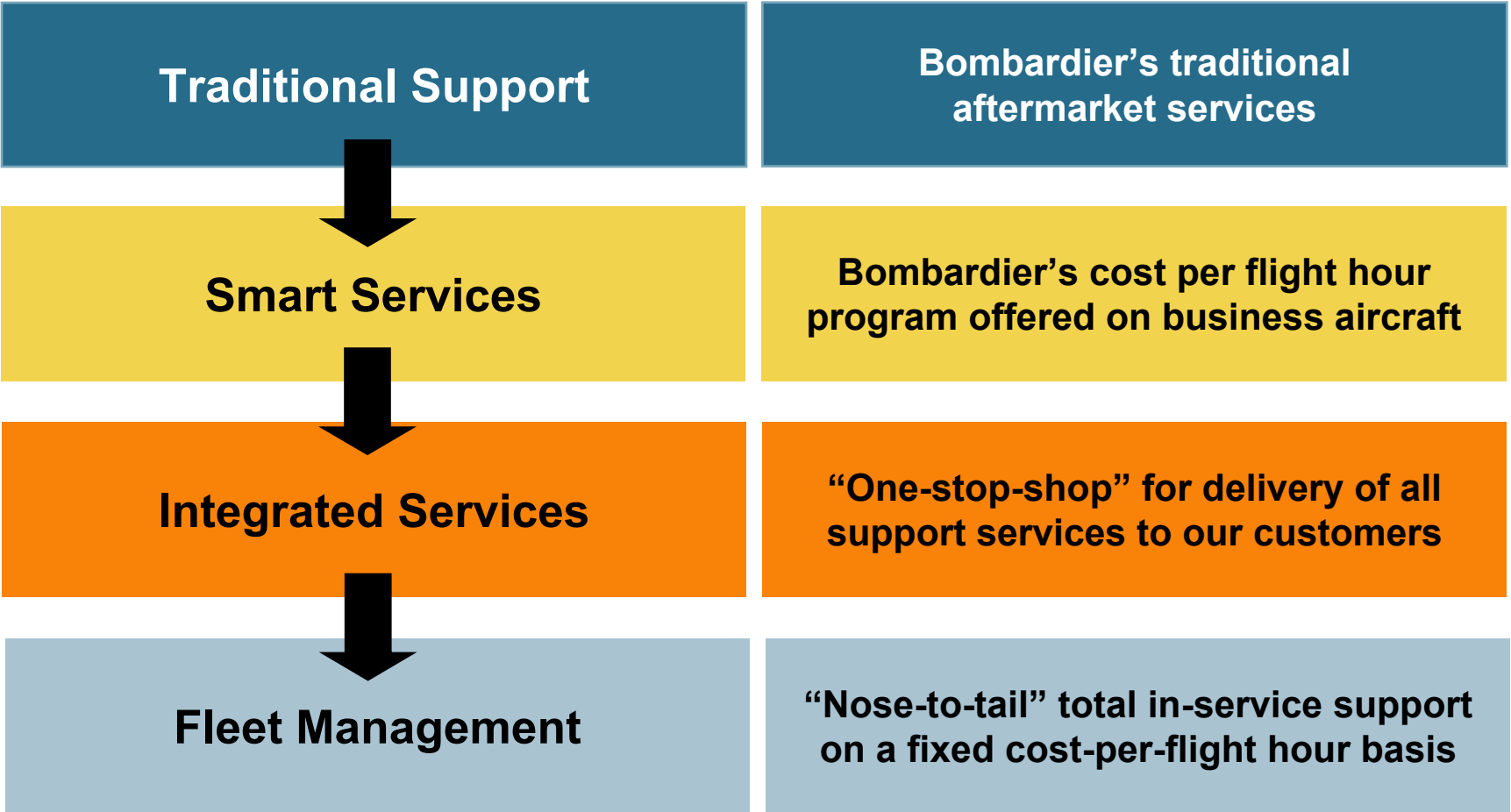
Aircraft Services has seen significant achievements over FY07



- Increased off-the-shelf fulfillment up 10 % pts through inventory optimization
- Increased parts stock levels in Frankfurt 15 % pts over last year
- Expanded Dallas Service Centre with a new 100,000 sq-ft facility
- Trained 5,025 pilots and 1,799 technicians
- Delivered two CL-415 aircraft, the first of 16 CL-415 kits and the first of nine CL-215T kits
- Won orders from Japan Coast Guard & Icelandic Coast Guard for 4 Q300 Maritime Patrol Aircraft

FY07 stabilized business profitability and improved customer experience

Progress continues in migrating to a new aftermarket business model



Demonstrated success of Business Aircraft's Smart Services model will be leveraged across our product lines



Goal

Replicate Business Aircraft Smart Services' success in the Regional Aircraft market

- **870 of ~3,400 aircraft are covered by the Smart Parts nose-to-tail program today**
- **All current production models may participate in the Smart Services program**
- **Capture rates of up to 70% on some models**
- **20 million flight hours; 2,000 endorsements; 20 years of protection**

FY08 will see further progress toward a focused set of goals

Aircraft Services Business Unit	FY07 Revenue Contribution ⁽¹⁾	Goals for FY08
Parts	51%	<ul style="list-style-type: none"> • Implement improved Parts business model
Service Centres	25%	<ul style="list-style-type: none"> • Improve Service Centres' productivity
Training	15%	<ul style="list-style-type: none"> • Continue Commercial Training growth
Amphibious / Specialized ⁽²⁾	9%	<ul style="list-style-type: none"> • Continue to increase Amphibious deliveries • Capture Specialized Aircraft Solutions market opportunities

Focus on continuing business improvement, increasing sales and EBIT

(1) Contribution to total Aircraft Services business unit revenues
 (2) Specialized aircraft revenues recognized by Business Aircraft or Regional Aircraft units, according to aircraft platform utilized

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Paris 2007

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Aircraft Services
(G.Scott)

- Developing the market



- Satisfied with first results of new business unit

CSeries
(G.Scott)

- **Continuing business planning with core team**



- **CSeries momentum building**

Regional Aircraft
(S.Ridolfi)

- Addressing temporary market difficulties

Business Aircraft
(P.G.Côté)

- Meeting contractual commitments

Bombardier's forecast shows significant demand in the 100-149 seat category

COMMERCIAL AIRCRAFT MARKET FORECAST

Unit deliveries, 20-149 seat aircraft (2007 – 2026)

Seat Category	2007 – 2026
20-59 Seat	1,000
60-99 Seat	4,300
100-149 Seat	5,900
Total	11,200

The CSeries would respond to a significant portion of forecasted demand

C*SERIES* team is working toward three strategic goals and objectives

Three Primary Objectives:

1 Technology Development

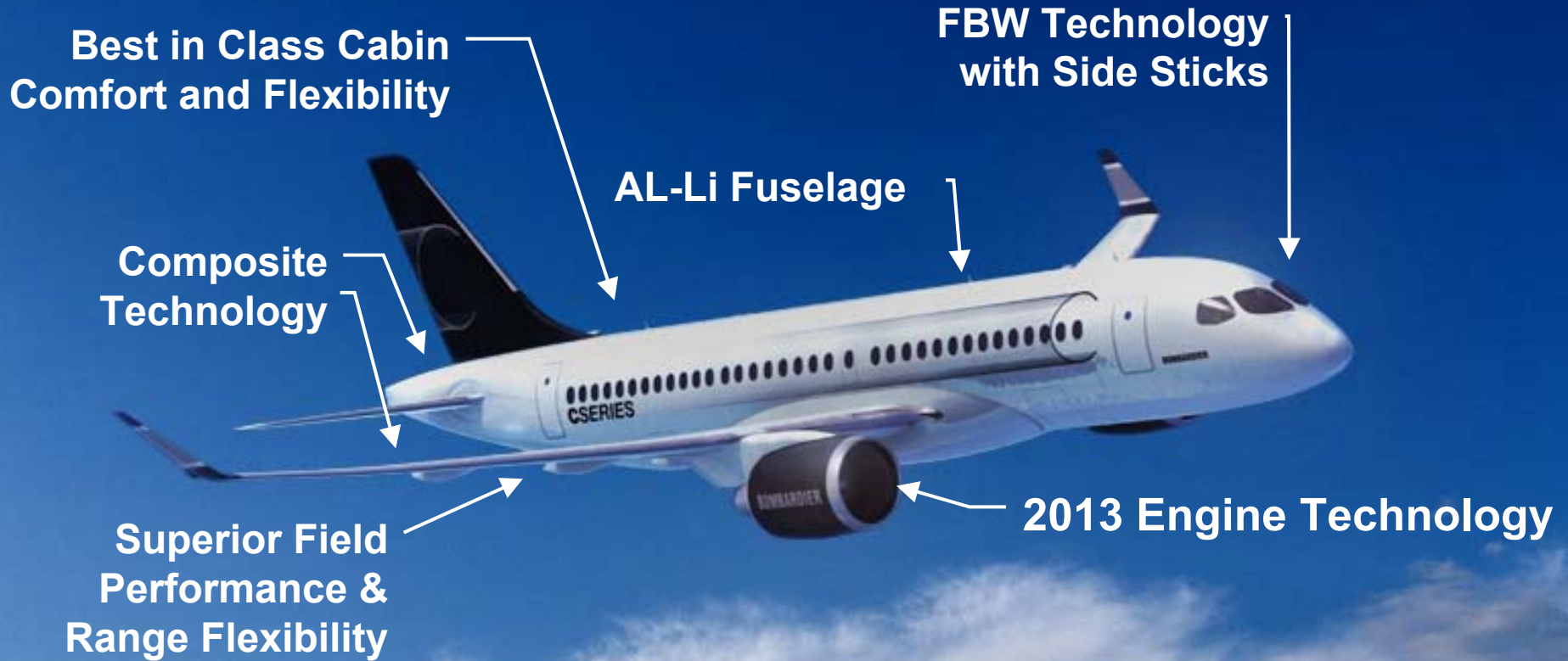
2 Customer Engagement

3 International Partnerships



Bombardier is progressing the C*Series* business plan

1 Many technical improvements have been made to the **C*SERIES*** design



2

Customer interest in the CSeries program continues to grow as the benefits of 2013 technology evolve

Working one-on-one with airlines to confirm final configuration and analyze future fleet requirements:

- Fleet planning & retirement scenarios
- Detailed performance analyses
- Technical audits and increased involvement of key suppliers, especially engine manufacturers, in airline discussions

Discussions are ongoing with potential launch customers and other early program customers

3 Partnership discussions are progressing

- **Bombardier is currently in discussions with prospective international partners who would bring financial, technical and geo-strategic resources to our project.**
- **China's AVIC1 and Bombardier have reached a non-binding memorandum of understanding (MOU) on a strategic cooperation on five-abreast commercial airplanes in the 90- to 149-seat market.**

CSERIES timing geared for 2013 EIS

2006

2007

2008-2013

2013

Business Model & Product Optimization

- Technology
- Partnerships
- Customer engagement

Program Confirmation

- Technology readiness
- Partner & supplier agreements
- Launch customer orders

Development



Entry into Service

We have made progress on the key issues identified last year

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- CSeries momentum building

Regional Aircraft
(S.Ridolfi)

- **Addressing temporary market difficulties**



- **Strengthened market fundamentals and business position**

Business Aircraft
(P.Côté)

- Meeting contractual commitments

Regional Aircraft has weathered the market difficulties and strengthened its business position

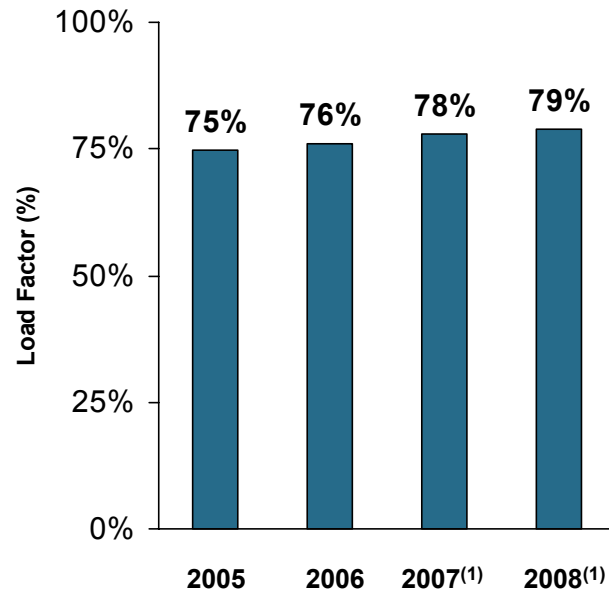
- **Strengthened Industry Environment**
- **Strengthened Sales, Backlog and Market Prospects**
- **Strengthened Product Strategy**
- **Strengthened Operating Efficiencies**
- **Strengthened Customer Experience**

Stronger Everywhere

Continuing airline industry turnaround, especially in the US

WORLDWIDE AIRLINE LOAD FACTORS

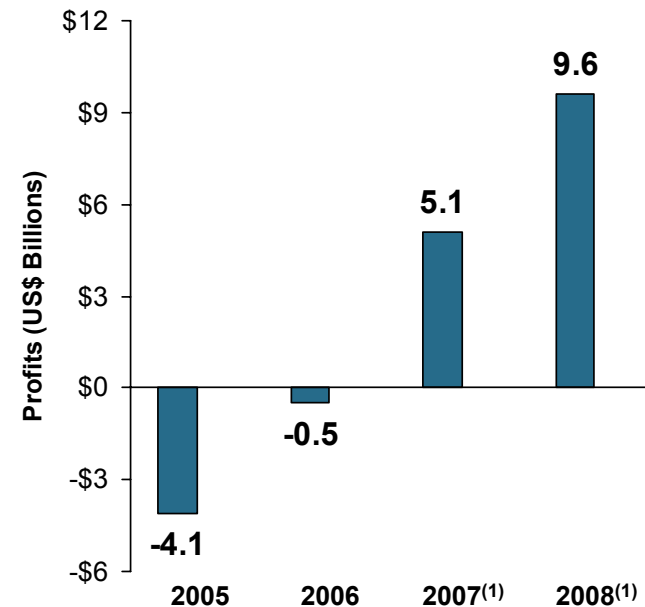
Load factor % (2005 – 2008⁽¹⁾)



**Load factors increasing steadily;
Regional Airline load factors at
record levels**

AIRLINE INDUSTRY PROFITS

US\$ Billions (2005 – 2008⁽¹⁾)

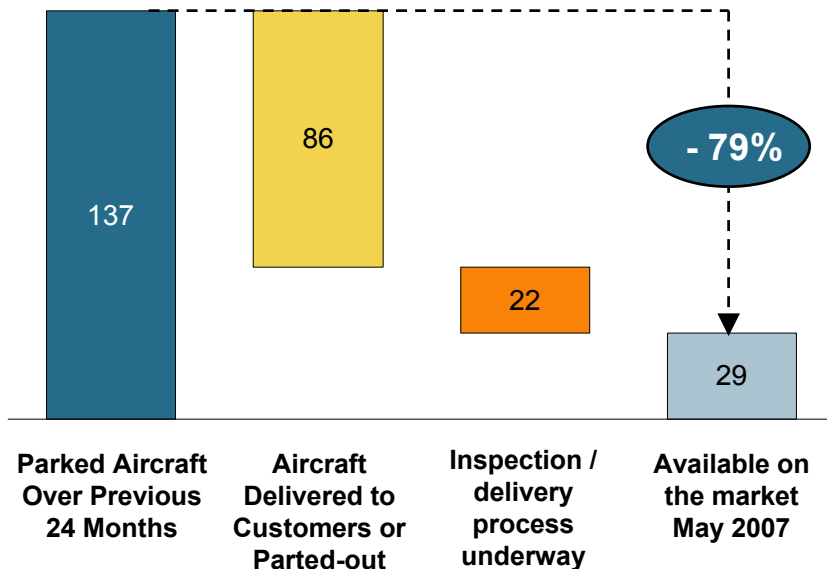


**North American profit levels have
swung from a \$7.7B loss to a
forecasted \$2.0B profit**

Secondary market has been extremely active with airlines scrambling to add needed capacity

RE-ABSORPTION OF CRJ200s

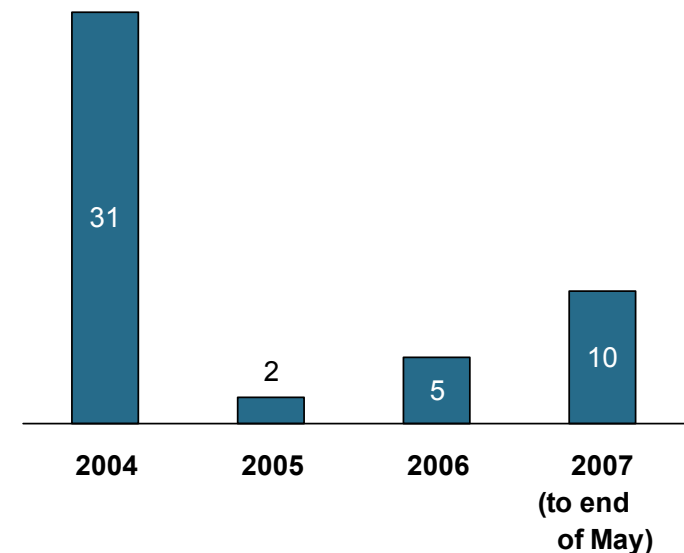
of units, 24 months leading up to May 2007



Almost 80% of CRJ200s have been re-absorbed into the market

QSERIES AVAILABLE INVENTORY

of units, as of May 2007

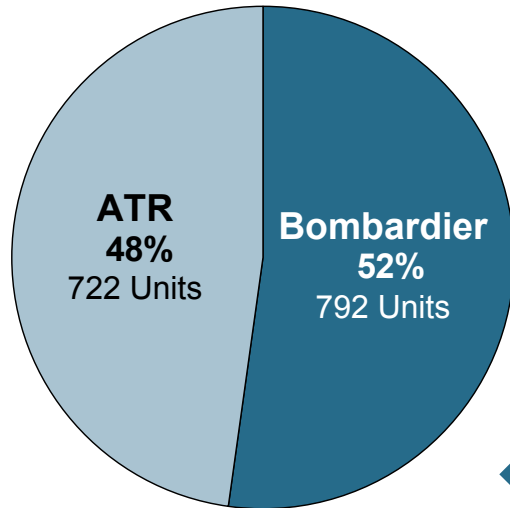


Used turboprop inventory at low levels

Bombardier has the two strongest regional market franchises

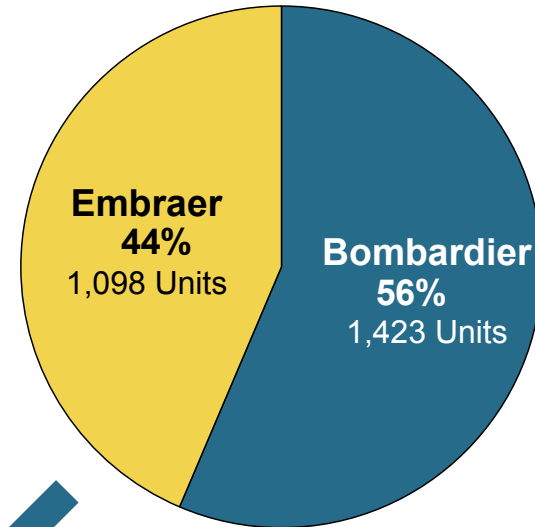
TOTAL PROGRAM DELIVERIES - TURBOPROPS

All Q-Series and ATR 42 & 72 models (as of 30 April 2007)



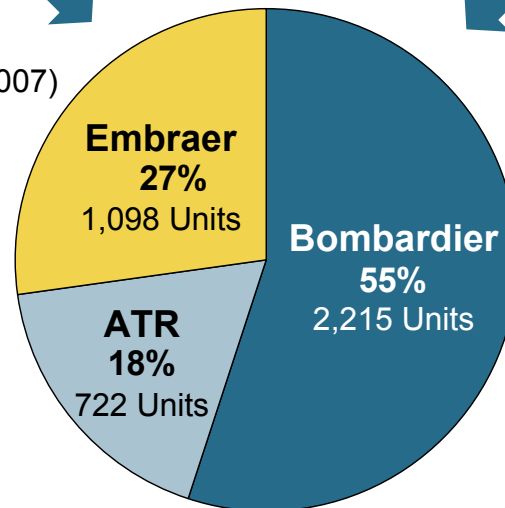
TOTAL PROGRAM DELIVERIES - JETS

All CRJ and Embraer jet models (as of 30 April 2007)

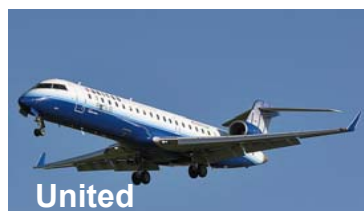
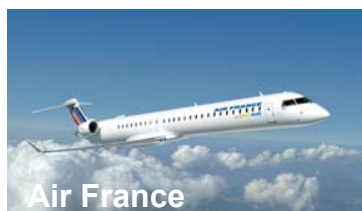
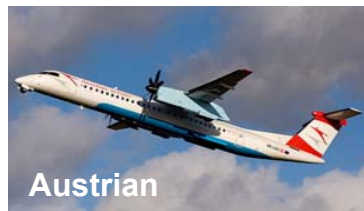


TOTAL PROGRAM DELIVERIES

All turboprop and jet models (as of 30 April 2007)



Bombardier's customer base is, by far, the strongest

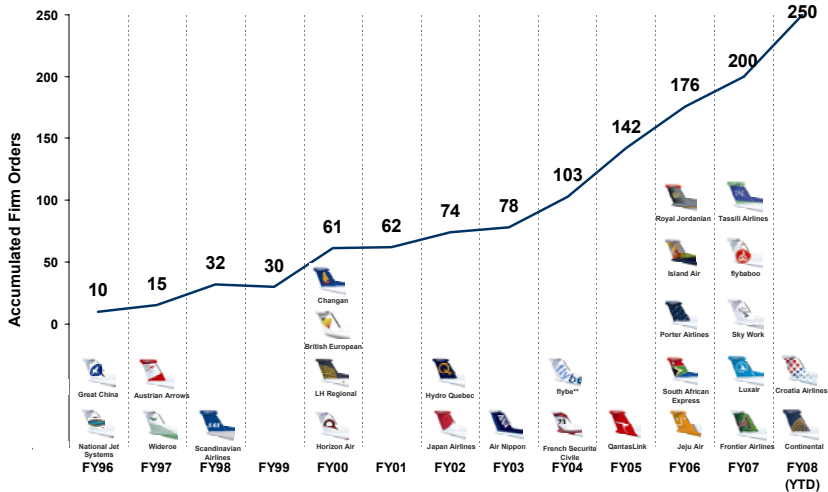


With over 2,200 regional aircraft deliveries to 125 customers, we pride ourselves in our customer knowledge and focus

Bombardier's products are gaining momentum

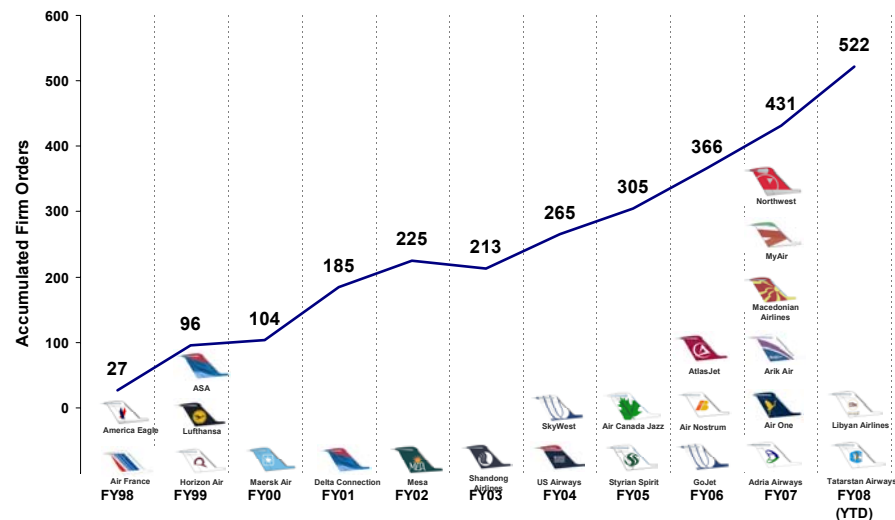
Q400 ORDER MOMENTUM

Accumulated firm orders; net (1996 – 2007 YTD)



CRJ 700/900/1000 ORDER MOMENTUM

Accumulated firm orders; net (1996 – 2007 YTD)



Q400, CRJ700 and CRJ900 have delivered value for our customers

We have had strong sales performance this year



Delta – 44 CRJ900



Horizon – 15 Q400



Lufthansa – 15 CRJ900



Pinnacle – 15 Q400



BritAir – 8 CRJ1000



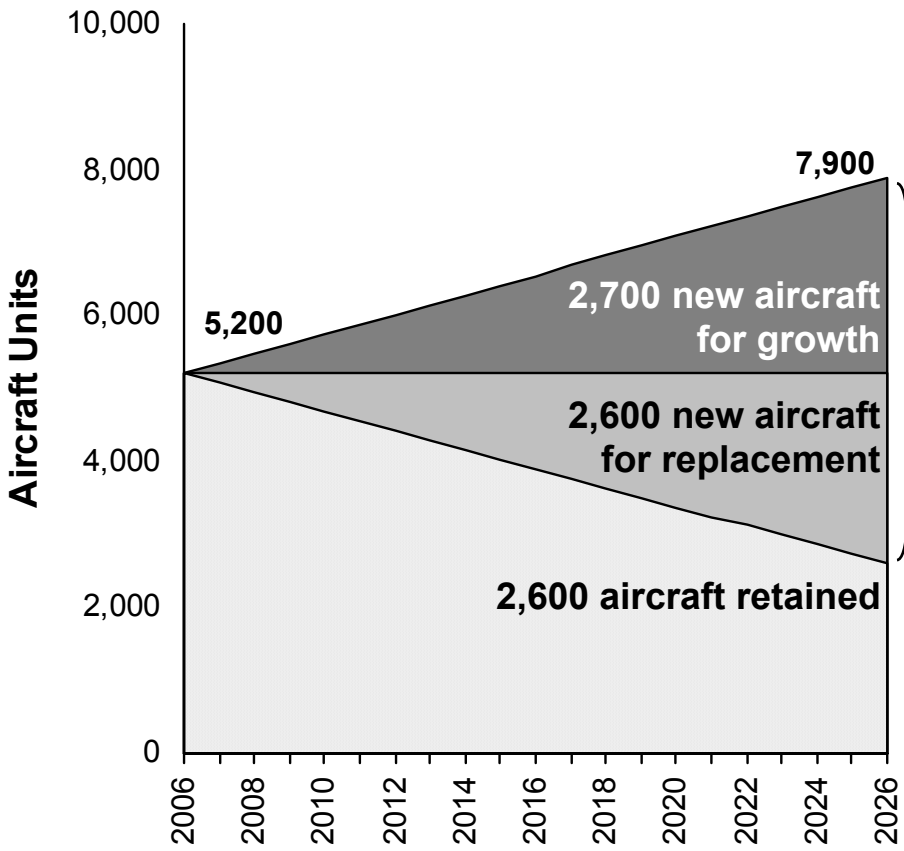
Flybe – 15 Q400

**Booked a total of 152 aircraft orders
to 16 customers since 1 January 2007**

Forecast shows strong market, with 5,300 deliveries in the 20 to 99-seat regional segment

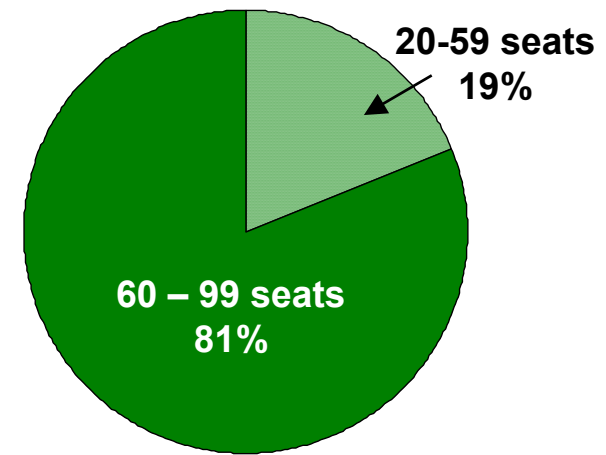
BOMBARDIER COMMERCIAL AIRCRAFT MARKET FORECAST

20 to 99-seat segment fleet size (2006 – 2026)



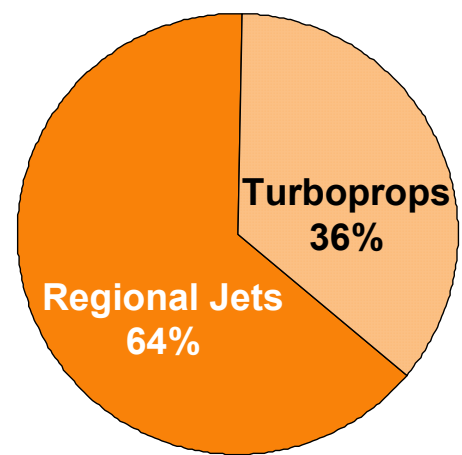
20 TO 99-SEAT DELIVERIES BY SEAT SEGMENT

% of total units delivered, Total units = 5,300 (2007 – 2026)



20 TO 99-SEAT DELIVERIES BY ENGINE TYPE

% of total units delivered, Total units = 5,300 (2007 – 2026)



Source: Bombardier 2007 Commercial Aircraft Market Forecast

Bombardier continues to strengthen our product strategy



CRJ200 40-50 seats



CRJ700 66-78 seats



CRJ900 75-90 seats



CRJ1000 86-100 seats

**NextGen
launched!**



Q200 37-39 seats



Q300 50-56 seats

**Q400 has
taken off!**



Q400 68-78 seats

**CRJ1000
launched!**

The NextGen strengthens our CRJ family

✓ **Improved Economics**

Reduced Fuel Burn, Lower Airframe DMCs, Weight Reduction Programs



✓ **More Environmentally Friendly**

Reduced CO₂, Lower Exterior Noise, Improved Gas Mileage



✓ **Enhanced Passenger Experience**

New Interior, Larger Bins, Larger Windows, LED Lighting



- First CRJ900 NextGen delivery to Northwest Airlines
- CRJ900 NextGen available for viewing at our display

CRJ NextGen improves the passenger experience



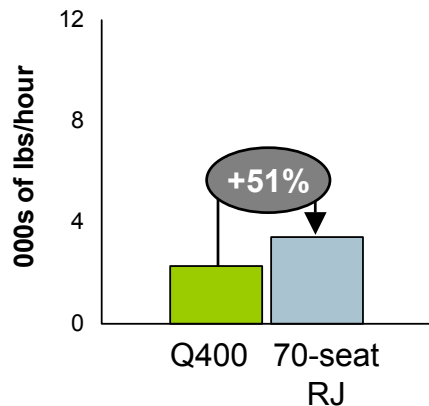
- 27% larger overhead bins
- 24% larger windows
- New LED cabin lighting
- New sidewalls and ceiling detail

The Q400 has led the resurgence of the turboprop market



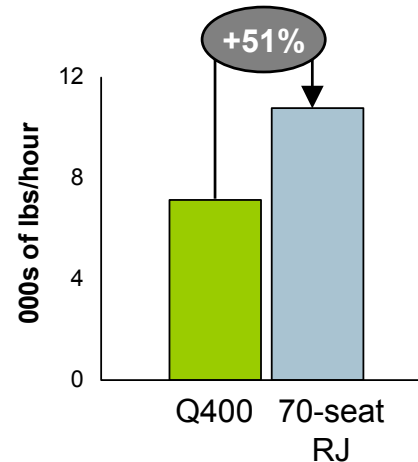
FUEL BURN COMPARISON

lbs/hr fuel burn, Q400 vs. 70-seat RJ



CO₂ EMISSIONS COMPARISON

lbs/hr CO₂ emissions, Q400 vs. 70-seat RJ



We have strengthened our operating efficiencies



■ Mirabel Lean Initiatives

- 20% reduction in cycle time
- 33% productivity improvement
- 43% work in process reduction
- 90% reduction in number of accidents



■ Toronto Ramp-Up

- 100% increase in Q400 production
- 100% increase in Q300 production
- 40% increase in Global production
- 15% overhead reduction
- New investments in production/facility

Customer experience continues to improve, focusing on key priorities

Improve Our Response Time

Improve Supplier Management

Strengthen Information Management

Deploy Parts Availability & Regional Depot

Strengthen Our Customer Touch Points

Improve Overall Fleet Utilization

Strengthen Customer Communication

Reduce Operating and Life Cycle Costs

We are setting new standards for very high reliability

Success Story

Lufthansa CityLine's CRJ900 fleet achieved an average 100% schedule completion rate from entry into service in July 2006 through November 11, 2006.

"This is the best new aircraft type introduction within the Lufthansa Group," said Klaus Froese, Managing Director, Lufthansa CityLine.

Low operating costs, passenger comfort plus record-setting reliability have helped make the Bombardier CRJ the most successful regional aircraft program in history. And Lufthansa one of the most successful airlines in the world.



100%
SCHEDULE COMPLETION RATE

www.crj.bombardier.com

BOMBARDIER

CRJ700 Customers	SCR ⁽¹⁾
American Eagle	98.0 %
ASA	99.5 %
BritAir	99.2 %
Comair	99.6 %
GoJet	99.7 %
Horizon	99.5 %
Lufthansa	99.4 %
Mesa Air	99.1 %
PSA Airlines	99.8 %
Shandong Airlines	100.0 %
SkyWest Airlines	99.5 %
Fleet Average	99.4%
CRJ900 Customers	SCR ⁽¹⁾
Air Nostrum	100 %
Air One	99.2 %
Jazz	99.5 %
Lufthansa	100 %
Macedonian Airlines	100 %
Mesa	99.6%
SkyWest Airlines	99.8%
Fleet Average	99.7%

(1) SCR = Schedule Completion Rate

Source: Bombardier Schedule Completion Rate report at February 2007

Regional Aircraft has weathered the market difficulties and strengthened its business position

- **Strengthened Industry Environment**
- **Strengthened Sales, Backlog and Market Prospects**
- **Strengthened Product Strategy**
- **Strengthened Operating Efficiencies**
- **Strengthened Customer Experience**

We are continuing to improve performance

We have made progress on the key issues identified last year

	<i>Farnborough 2006</i>	<i>Paris 2007</i>
Aerospace (P.Beaudoin)	<ul style="list-style-type: none"> Improving profit margin 	<ul style="list-style-type: none"> On track for 5% EBIT in FY08
Aircraft Services (G.Scott)	<ul style="list-style-type: none"> Developing the market 	<ul style="list-style-type: none"> Satisfied with first results of new business unit
CSeries (G.Scott)	<ul style="list-style-type: none"> Continuing business planning with core team 	<ul style="list-style-type: none"> CSeries momentum building
Regional Aircraft (S.Ridolfi)	<ul style="list-style-type: none"> Addressing temporary market difficulties 	<ul style="list-style-type: none"> Strengthened market fundamentals and business position
Business Aircraft (P.G.Côté)	<ul style="list-style-type: none"> Meeting contractual commitments 	<ul style="list-style-type: none"> Still challenged to meet demands of a growing market

Bombardier's Business Aircraft portfolio is centred on three families

LEARJET FAMILY



Learjet 40 XR



Learjet 45 XR



Learjet 60 XR

CHALLENGER FAMILY



Challenger 300



Challenger 605



Challenger 850

GLOBAL FAMILY



Bombardier Global 5000



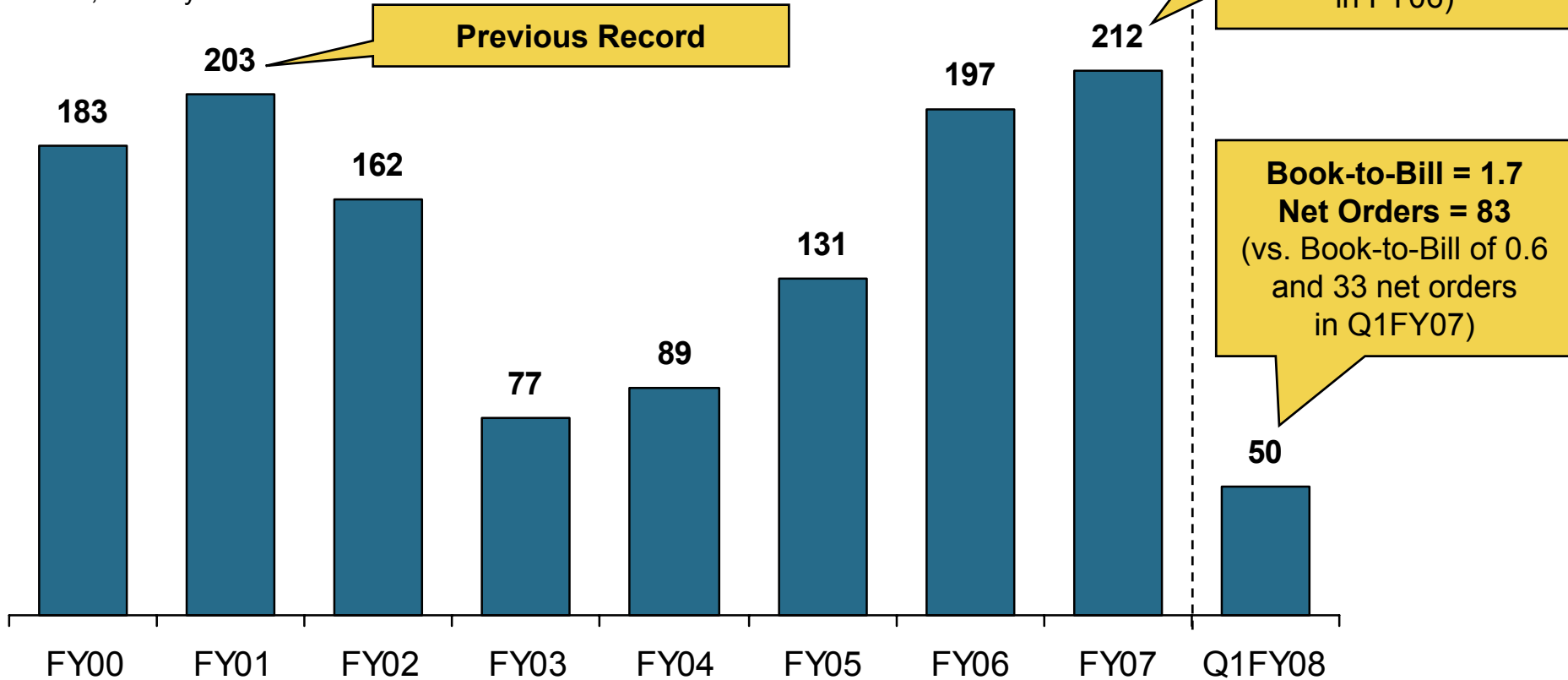
Global Express XRS

Bombardier's portfolio covers 97% of the market

Bombardier saw record Business Aircraft deliveries in FY07, and order intake remains strong

BOMBARDIER BUSINESS AIRCRAFT DELIVERIES

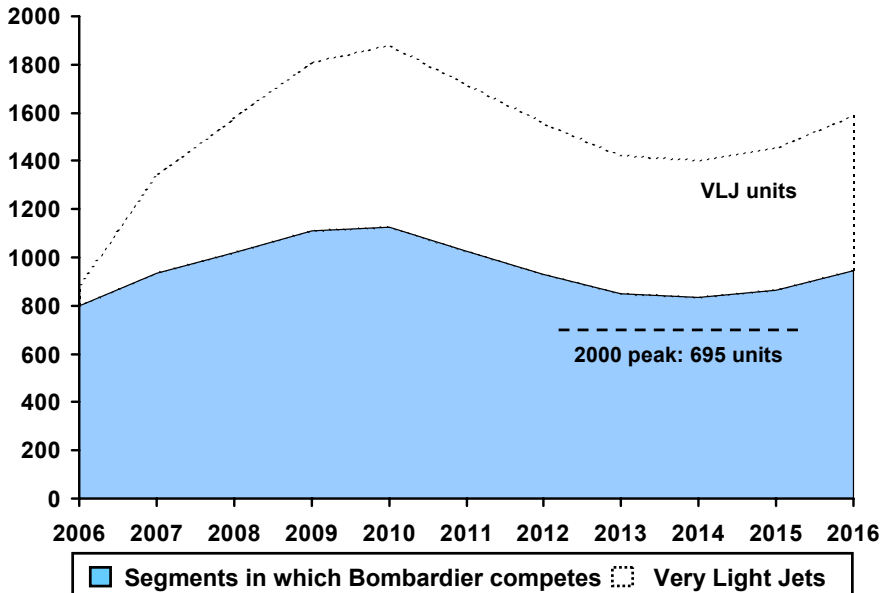
Units, Fiscal year 2000-2007



Bombardier forecast shows that market growth will continue through 2010

BUSINESS JET DELIVERY UNIT FORECAST

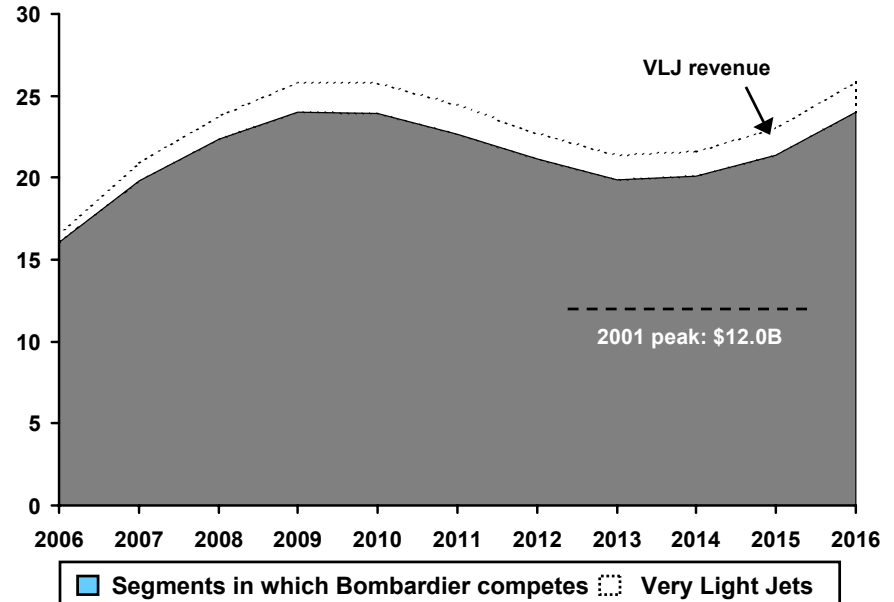
Historic Deliveries & Demand Model,
Calendar year 2006-2016



Average of 995 units/year⁽¹⁾

BUSINESS JET MARKET REVENUE FORECAST

Historic Revenues & Demand Model,
Constant 2007 US\$B; Calendar Year 2006-2016



Average of \$23B revenues/year⁽¹⁾

Future “trough” will still be significantly higher than previous “peak”

(1) Excluding Very Light Jets (VLJs)

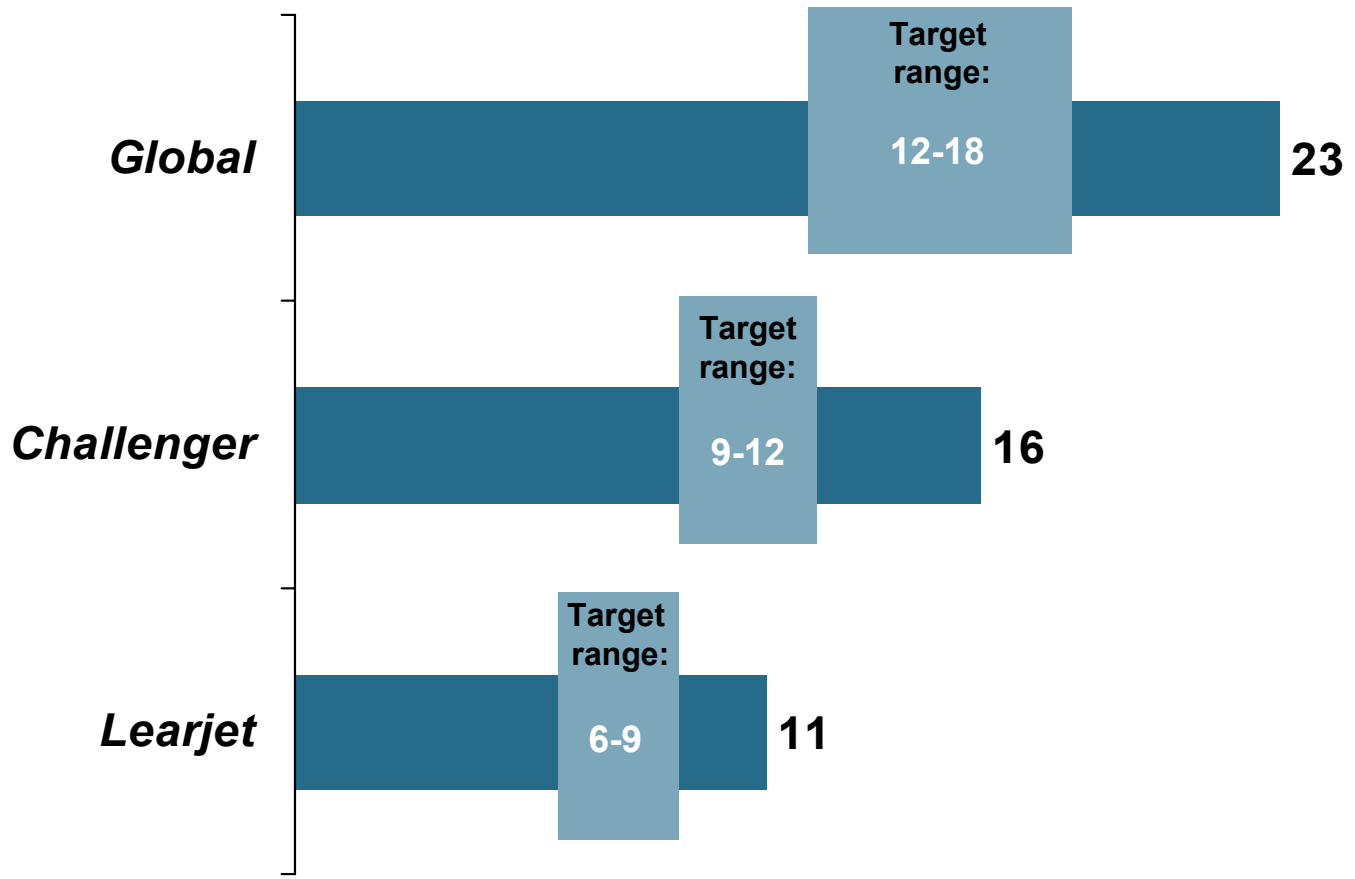
Sources: Actual deliveries from GAMA. Very Light Jets include, CJ1+, CJ2+, Mustang, Premier I and Eclipse 500.

Revenues estimated from GAMA and B&CA list prices

Strong order intake has increased backlogs

BOMBARDIER BUSINESS AIRCRAFT FINANCIAL BACKLOG

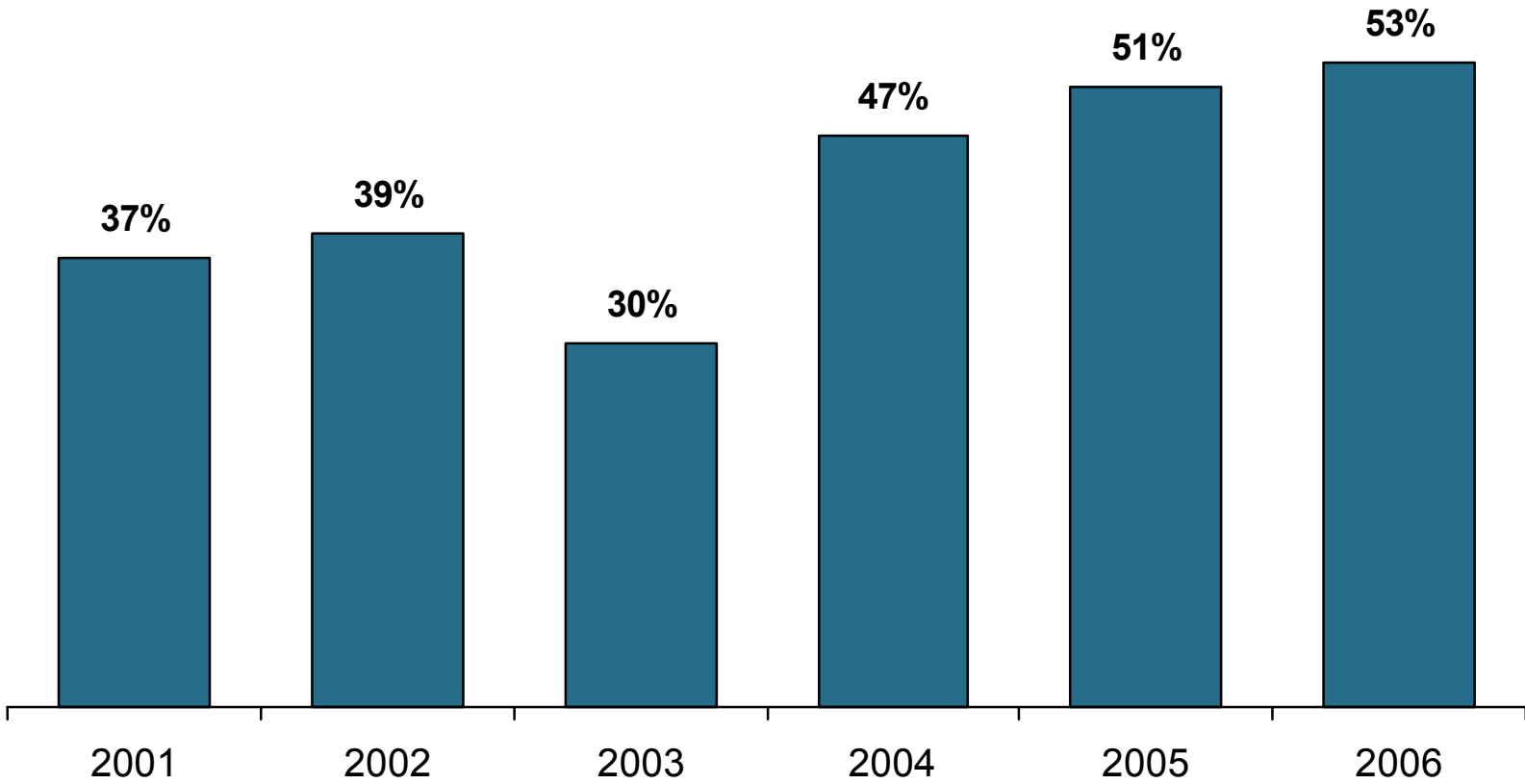
of months backlog by product family (as of end of May 2007)



Bombardier's diverse customer base will decrease its sensitivity to the US economy

BOMBARDIER NON-US DELIVERIES AS % OF TOTAL Traditional Demand (Calendar Year 2001-2006)

59% of orders in 2006 were from international markets (vs. 51% in 2005)



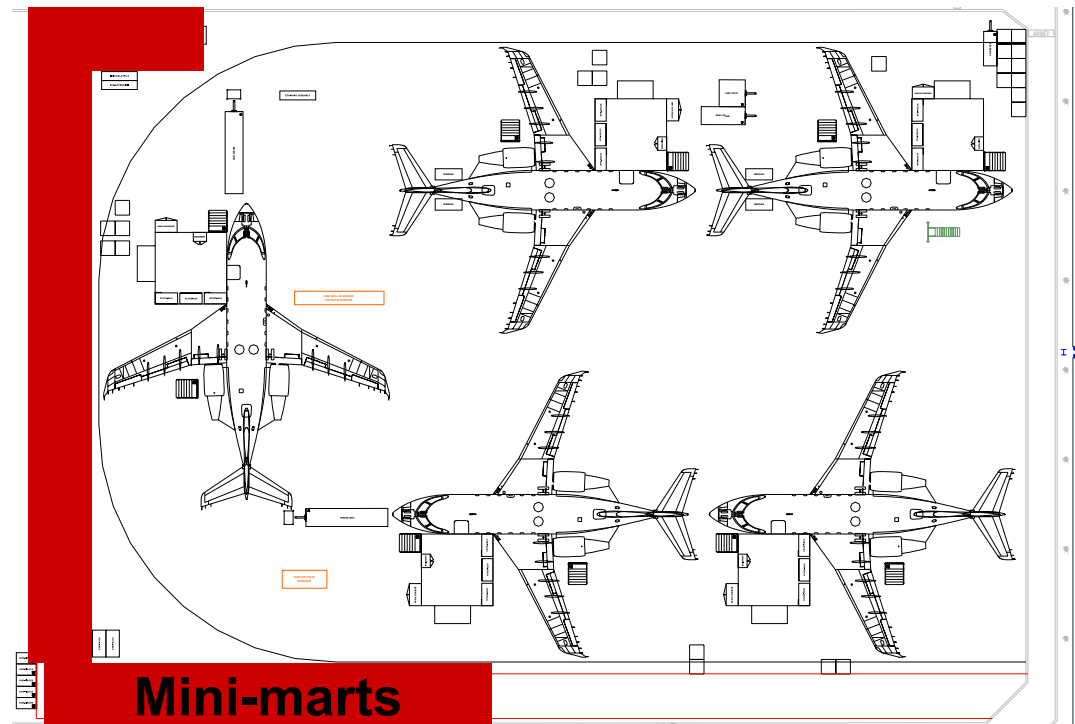
Bombardier is working to improve operational efficiency while market conditions remain strong

- **Cost-cutting manufacturing initiatives**
 - Low-cost country operations
 - Lean manufacturing

- **Improved operational execution**
 - Reduced cycle time in widebody aircraft completions
 - Set up “U Lean line” for CL605
 - Expectation is for 30% less production manhours

CL605 U Lean line concept is improving the efficiency of our operations

- Pulsed line
 - Aircraft move every 10 days
- Layout built-for-change
- JIT internal strategic part provisioning
- U shape for synergy, teamwork & control
- Special aircraft should be built outside this line



Challenger 605 U Lean line is an example of what Bombardier can achieve



Multifunctional Platform



Visual Management System



Minimarts



Kitting Process

Bombardier continues to build innovative support services to improve Customer Satisfaction

- **Aircraft-on-Ground (AOG) support**
 - Established, integrated state-of-the art Customer Response Centers (CRC)
- **Parts Express**
 - Only manufacturer with the capability to dispatch multiple aircraft to deliver parts in AOG situations in North America
- **Promoting Safe Operations**
 - Industry recognized “Safety Standdown” seminar established by Bombardier to improve safety by combining skill-based and knowledge-based training

We have implemented a Parts Express delivery service using Flexjet



Our new Customer Response Centre makes Aircraft-on-Ground events a #1 priority



**Customer Response Centre
opened
February 2007 in Montreal
and April 2007 in Wichita**

Moving forward, Bombardier Aerospace will continue to focus on a small set of high-impact priorities

Aerospace

- Sustain profit margin improvement
- Overcome “headwinds”

Aircraft Services

- Continue developing the market and improving profitability

CSeries

- Prepare for launch decision in 2008

Regional Aircraft

- Deliver successfully to rebounding market

Business Aircraft

- Meet challenge of execution in a strong market and ensure competitiveness of product line

Flexjet

- Continue to grow business through operational efficiencies and competitive take-aways

Summary

- **Bombardier Aerospace is turning a corner**
 - Improving market conditions
 - Improving execution and operational efficiency
- **We are starting to see the success of our strategy in our financial results**
- **We are confident that our plan will continue to drive progress toward our 8% EBIT target within 3 years**

Caution regarding non-GAAP earnings measures

This presentation is based on reported earnings in accordance with Canadian generally accepted accounting principles (GAAP). It is also based on EBITDA as well as on Free Cash Flow. These non-GAAP measures are directly derived from the Consolidated Financial Statements, but do not have a standardized meaning prescribed by GAAP; therefore, others using these terms may calculate them differently. Management believes that a significant number of the users of its MD&A analyze the Corporation's results based on these performance measures and that this presentation is consistent with industry practice.

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