



FINANCIAL RESULTS

FOURTH QUARTER AND FULL YEAR 2020

FEBRUARY 11, 2021

BOMBARDIER

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This presentation includes forward-looking statements, which may involve, but are not limited to: statements with respect to our objectives, anticipations and outlook or guidance in respect of various financial and global metrics and sources of contribution thereto, targets, goals, priorities, market and strategies, financial position, financial performance, market position, capabilities, competitive strengths, credit ratings, beliefs, prospects, plans, expectations, anticipations, estimates and intentions; general economic and business outlook, prospects and trends of an industry; customer value; expected demand for products and services; growth strategy; 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 execution of orders in general; competitive position; expectations regarding revenue and backlog mix; the expected impact of the legislative and regulatory environment and legal proceedings; strength of capital profile and balance sheet, creditworthiness, available liquidities and capital resources, expected financial requirements, and ongoing review of strategic and financial alternatives; the introduction of, productivity enhancements, operational efficiencies, cost reduction and restructuring initiatives, and anticipated costs, intended benefits and timing thereof; the anticipated business transition to growth cycle and cash generation; expectations, objectives and strategies regarding debt repayment, refinancing of maturities and interest cost reduction; expectations regarding availability of government assistance programs, compliance with restrictive debt covenants; expectations regarding the declaration and payment of dividends on our preferred shares; intentions and objectives for our programs, assets and operations; and the impact of the COVID-19 pandemic on the foregoing and the effectiveness of plans and measures we have implemented in response thereto; and expectations regarding gradual market and economic recovery in the aftermath of the COVID-19 pandemic. As it relates to the sale of the Transportation business to Alstom, this presentation also contains forward-looking statements with respect to the benefits of such transaction, the use of the proceeds derived from the transaction and its impact on our outlook, guidance and targets, operations, infrastructure, opportunities, financial condition, business plan and overall strategy.

Forward-looking statements can generally be identified by the use of forward-looking terminology such as “may”, “will”, “shall”, “can”, “expect”, “estimate”, “intend”, “anticipate”, “plan”, “foresee”, “believe”, “continue”, “maintain” or “align”, the negative of these terms, variations of them or similar terminology. Forward-looking statements are presented for the purpose of assisting investors and others in understanding certain key elements of our current objectives, strategic priorities, expectations, outlook and plans, and in obtaining a better understanding of our business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

By their nature, forward-looking statements require management 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 forecast results set forth in forward-looking statements. While management considers these assumptions to be reasonable and appropriate based on information currently available, there is risk that they may not be accurate. The assumptions underlying the forward-looking statements made in this presentation in relation to the sale of the Transportation business to Alstom discussed herein include the following material assumptions: the realization of the intended benefits from this transaction and the deployment of proceeds towards debt pay down. For additional information, including with respect to other assumptions underlying the forward-looking statements made in this presentation, refer to the Guidance and Forward-looking Statements section in the MD&A of our financial report for the fiscal year ended December 31, 2020. Given the impact of the changing circumstances surrounding the COVID-19 pandemic and the related response from the Corporation, governments (federal, provincial and municipal), regulatory authorities, businesses, suppliers, customers, counterparties and third-party service providers, there is inherently more uncertainty associated with the Corporation’s assumptions as compared to prior years.

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 our business environment (such as risks associated with the financial condition of business aircraft customers; trade policy; increased competition; political instability and force majeure events or global climate change), operational risks (such as risks related to developing new products and services; development of new business ; order backlog; the transition to a pure-play business aviation company; the certification of products and services; the execution of orders; pressures on cash flows and capital expenditures based on seasonality and cyclicity; execution of our strategy, productivity enhancements, operational efficiencies, restructuring and cost reduction initiatives; doing business with partners; product performance warranty and casualty claim losses; regulatory and legal proceedings; environmental, health and safety risks; dependence on certain customers, contracts and suppliers; supply chain risks; human resources; reliance on information systems; reliance on and protection of intellectual property rights; reputation risks; risk management; tax matters; and adequacy of insurance coverage), financing risks (such as risks related to liquidity and access to capital markets; retirement benefit plan risk; exposure to credit risk; substantial debt and interest payment requirements; restrictive debt covenants; reliance on debt management and interest cost reduction strategies; and reliance on government support), market risks (such as foreign currency fluctuations; changing interest rates; increases in commodity prices; and inflation rate fluctuations). For more details, see the Risks and uncertainties section in Other in the MD&A of our financial report for the fiscal year ended December 31, 2020. Any one or more of the foregoing factors may be exacerbated by the ongoing COVID-19 outbreak and may have a significantly more severe impact on the Corporation’s business, results of operations and financial condition than in the absence of such outbreak. As a result of the current COVID-19 pandemic, additional factors that could cause actual results to differ materially from those anticipated in the forward-looking statements include, but are not limited to: risks related to the impact and effects of the COVID-19 pandemic on economic conditions and financial markets and the resulting impact on our business, operations, capital resources, liquidity, financial condition, margins, prospects and results; uncertainty regarding the magnitude and length of economic disruption as a result of the COVID-19 outbreak and the resulting effects on the demand environment for our products and services; uncertainty regarding market and economic recovery in the aftermath of the COVID-19 pandemic; emergency measures and restrictions imposed by public health authorities or governments, fiscal and monetary policy responses by governments and financial institutions; disruptions to global supply chain, customers, workforce, counterparties and third-party service providers; further disruptions to operations, orders and deliveries; technology, privacy, cyber security and reputational risks; and other unforeseen adverse events.

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. Other risks and uncertainties not presently known to us or that we presently believe are not material could also cause actual results or events to differ materially from those expressed or implied in our forward-looking statements. The forward-looking statements set forth herein reflect management’s expectations as at the date of this report and are subject to change after such date. Unless otherwise required by applicable securities laws, we expressly disclaim any intention, and assume 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, rounded to the nearest decimal, unless otherwise indicated. This presentation should be read in conjunction with the Corporation’s 2020 Financial Report. This presentation contains both IFRS and non-GAAP measures. Non-GAAP measures are defined at the end of this presentation and reconciled to the most comparable IFRS measures in the Corporation’s 2020 Financial Report. See Caution regarding non-GAAP measures at the end of this presentation.



UNMATCHED PRODUCT
PORTFOLIO

WORLD CLASS CUSTOMER
SERVICE NETWORK

\$10.7B MULTI-YEAR
BACKLOG

DRIVING PROFITABILITY AND PRODUCTIVITY

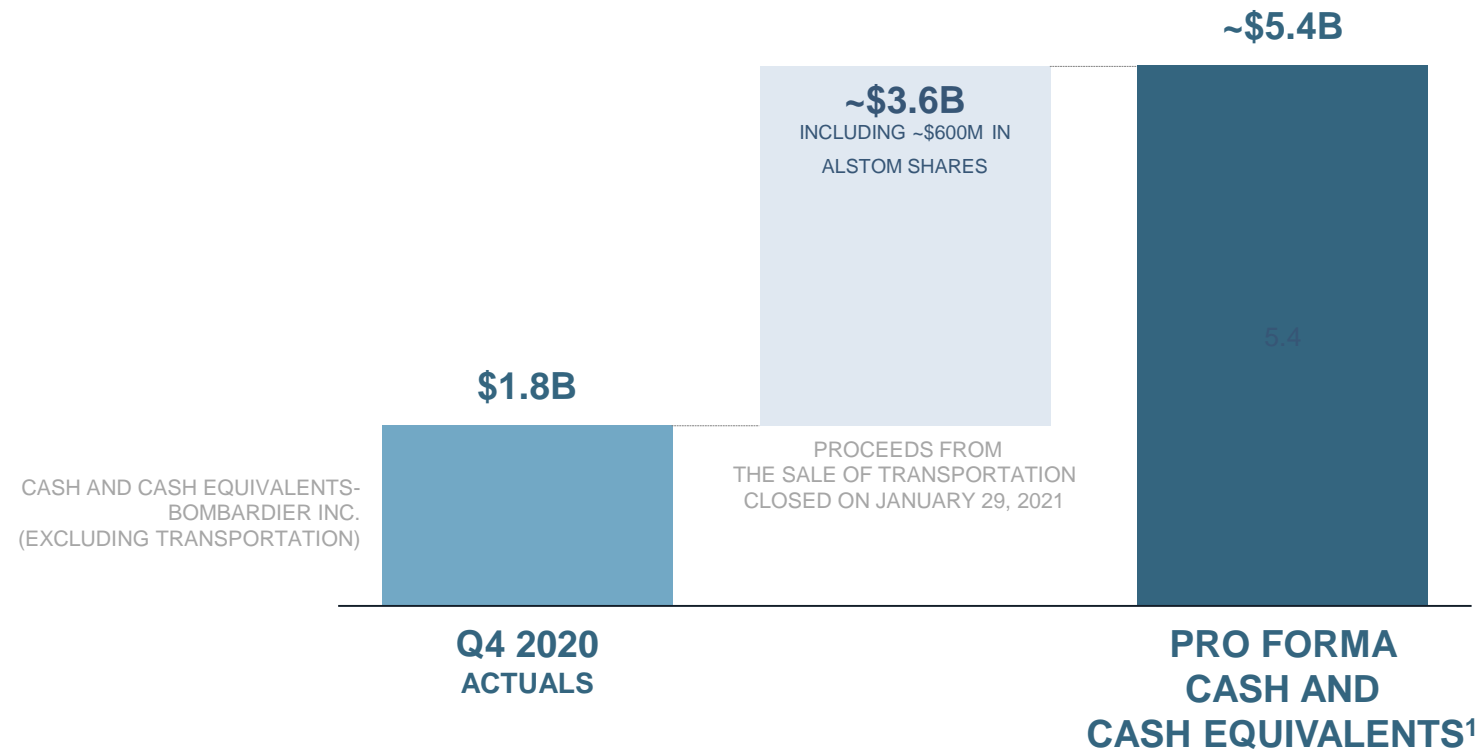
Company-wide initiatives - Aiming to generate \$400M annually in recurring cash savings by 2023

- Consolidation of Bombardier's Global aircraft completion work in Montréal
- Reviewing options for underutilized hangar and industrial space at our Québec facilities
- Workforce reduction of ~1,600 positions, bringing the corporation's global workforce to 13,000 by year-end
- Ending Learjet production in Q4 2021 – Launching Learjet RACER remanufacturing program
- Wichita to become Centre of Excellence for special mission aircraft

PRO FORMA CASH AND CASH EQUIVALENTS

Sale of Transportation strengthens liquidity and will allow the Company to begin debt paydown

CASH AND CASH EQUIVALENTS



Note: Chart data may not be to scale. Refer to our disclosure on forward-looking statements at the beginning of this presentation.

1. Non-GAAP financial measure. Pro-forma cash and cash equivalents includes cash and cash equivalents at Bombardier Inc. (excluding Transportation) of \$1.8 billion as of December 31, 2020 and net proceeds of approximately \$3.6 billion from the sale of Bombardier Transportation, which assumes the full monetization of Alstom shares worth ~\$600 million, the release of any cash not immediately available and is before the deployment of proceeds against any debt payment.

FINANCIAL RESULTS & OUTLOOK

For the fourth quarters & fiscal years ended December 31 and 2021 Guidance

	Fourth Quarters ended December 31		Fiscal Years ended December 31		2021 GUIDANCE
	2020	2019 ¹	2020	2019 ¹	
Business Aircraft Revenues	\$2,248	\$1,950	\$5,592	\$5,404	>\$5.6B
Business Aircraft Deliveries (in units)	44	52	114	142	110 – 120
Revenues from Divested Businesses ²	\$89	\$462	\$895	\$2,084	
Adjusted EBITDA ³	\$(1)	\$259	\$200	\$684	>\$500M
	0.0%	10.7%	3.1%	9.1%	
EBIT	\$433	\$(1,460)	\$912	\$(520)	
	18.5%	(60.5)%	14.1%	(6.9)%	
Adjusted EBIT ³	\$(165)	\$168	\$(211)	\$400	>\$100M
	(7.1)%	7.0%	(3.3)%	5.3%	
Cash flow from Operations from Continuing Operations	\$316	\$487	\$(1,672)	\$(253)	
Free Cash Flow ³ before Interest & Taxes from Continuing Operations	\$523	\$663	\$(1,155)	\$75	
Free Cash Flow ³ from Continuing Operations	\$265	\$411	\$(1,893)	\$(619)	Usage expected to be better than \$500M

Note: Amounts in tables are in millions except deliveries, unless otherwise indicated. Refer to our disclosure on forward-looking statements at the beginning of this presentation

1. Transportation was classified as discontinued operations as of December 31, 2020. As a result, the results of operations have been restated for comparative periods. Refer to Note 31 - Discontinued operations of the Corporation's 2020 Financial Report for more details.

2. Reflects revenues generated from the realized divestitures of the CRJ program and the Aerostructures businesses.

3. Non-GAAP financial measures. For further information on non-GAAP financial measures used on this slide refer to our disclosure regarding non-GAAP financial measures at the end of this presentation.

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FINANCIAL RESULTS

For the fiscal years ended December 31	2020	2019 <i>restated</i> ⁽¹⁾	Variance
Revenues ⁽³⁾	\$ 6,487	\$ 7,488	(13) %
Adjusted EBITDA ⁽²⁾⁽³⁾	\$ 200	\$ 684	(71) %
Adjusted EBITDA margin ⁽²⁾⁽³⁾	3.1 %	9.1 %	(600) bps
Adjusted EBIT ⁽²⁾⁽³⁾	\$ (211)	\$ 400	nfm
Adjusted EBIT margin ⁽²⁾⁽³⁾	(3.3) %	5.3 %	(860) bps
EBIT ⁽³⁾	\$ 912	\$ (520)	nfm
EBIT margin ⁽³⁾	14.1 %	(6.9) %	2100 bps
Net loss from continuing operations	\$ (170)	\$ (1,541)	89 %
Net loss from discontinued operations	\$ (398)	\$ (66)	(503) %
Net loss	\$ (568)	\$ (1,607)	65 %
Diluted EPS from continuing operations (in dollars)	\$ (0.08)	\$ (0.65)	\$ 0.57
Diluted EPS from discontinued operations (in dollars)	\$ (0.29)	\$ (0.11)	\$ (0.18)
	\$ (0.37)	\$ (0.76)	\$ 0.39
Adjusted net loss ⁽²⁾⁽³⁾	\$ (1,115)	\$ (406)	(175) %
Adjusted EPS (in dollars) ⁽²⁾⁽³⁾	\$ (0.47)	\$ (0.18)	\$ (0.29)
Cash flows from operating activities			
Continuing operations	\$ (1,672)	\$ (253)	(561) %
Discontinued operations	\$ (1,149)	\$ (427)	(169) %
	\$ (2,821)	\$ (680)	(315) %
Net additions to PP&E and intangible assets			
Continuing operations	\$ 221	\$ 366	(40) %
Discontinued operations	\$ 133	\$ 157	(15) %
	\$ 354	\$ 523	(32) %
Free cash flow usage⁽²⁾			
Continuing operations	\$ (1,893)	\$ (619)	(206) %
Discontinued operations	\$ (1,282)	\$ (584)	(120) %
	\$ (3,175)	\$ (1,203)	(164) %
As at December 31			
Cash and cash equivalents excluding Transportation ⁽⁴⁾	\$ 1,779	\$ 2,089	(15) %
Cash and cash equivalents from Transportation	\$ 671	\$ 540	24 %
	\$ 2,450	\$ 2,629	(7) %
Available short-term capital resources ⁽⁵⁾	\$ 3,203	\$ 3,925	(18) %
Aviation order backlog (in billions of dollars)			
Business aircraft	\$ 10.7	\$ 14.4	(26) %
Other aviation ⁽⁶⁾	\$ —	\$ 1.9	(100) %

1. Transportation was classified as discontinued operations as of December 31, 2020. As a result, the results of operations have been restated for comparative periods. Refer to Note 31 - Discontinued operations of the Corporation Consolidated financial statements for more details.
2. Non-GAAP financial measures. For further information on non-GAAP financial measures used on this slide refer to our disclosure regarding non-GAAP financial measures at the end of this presentation.
3. Includes continuing operations only.
4. Includes cash and cash equivalents of \$51 million from the aerostructures businesses presented under Assets held for sale as of December 31, 2019. Refer to Reshaping the portfolio section in Aviation section and Sale of Transportation business section of this MD&A, Note 30 - Disposal of businesses and Note 31 - Discontinued operations to our Consolidated financial statements for more details on the transaction and the accounting treatments.
5. Defined as cash and cash equivalents including cash and cash equivalents from Transportation plus the undrawn amounts under Transportation's revolving credit facility and our senior secured term loan.
6. Included the firm orders amounting to \$1.1 billion from the aerostructures businesses presented under Assets held for sale as of December 31, 2019. Also included 20 firm orders for CRJ900 as of December 31, 2019.

AVIATION FINANCIAL RESULTS

For the fiscal years ended December 31	2020	2019	Variance
Revenues			
Business aircraft	5,593	5,417	3 %
Other aviation	895	2,084	(57)%
Total Revenues	6,488	7,501	(14)%
Aircraft deliveries (in units)			
Business aircraft	114	142	(28)
Commercial aircraft ⁽¹⁾	5	33	(28)
Adjusted EBITDA ⁽²⁾	\$ 286	\$ 812	(65)%
Adjusted EBITDA margin ⁽²⁾	4.4 %	10.8 %	(640) bps
Adjusted EBIT ⁽²⁾	\$ (125)	\$ 531	(124)%
Adjusted EBIT margin ⁽²⁾	(1.9) %	7.1 %	(900) bps
EBIT	\$ 937	\$ 1,194	(22)%
EBIT margin	14.4 %	15.9 %	(150) bps
Net additions to PP&E and intangible assets	\$ 221	\$ 373	(41)%
As at December 31			
Order backlog (in billions of dollars)			
Business aircraft	\$ 10.7	\$ 14.4	(26)%
Other aviation ⁽³⁾	\$ —	\$ 1.9	(100)%

1. On May 31, 2019, the Corporation completed the sale of the Q Series aircraft program assets, including aftermarket operations and assets, to De Havilland Aircraft of Canada Limited (formerly Longview Aircraft Company of Canada Limited). On June 1, 2020, the Corporation completed the sale of the regional jet program to Mitsubishi Heavy Industries, Ltd (MHI).
2. Non-GAAP financial measures. Refer to the Non-GAAP financial measures section in Overview for definitions of these metrics and the Analysis of results section hereafter for reconciliations to the most comparable IFRS measures.
3. Included the firm orders amounting to \$1.1 billion from the aerostructures businesses presented under Assets held for sale as of December 31, 2019. Also included 20 firm orders for CRJ900 as of December 31, 2019. The backlog for the CRJ Series aircraft program amounting to \$0.4 billion was removed as a result of the closing of the sale of the CRJ Series aircraft program to MHI on June 1, 2020.

CAUTION REGARDING NON-GAAP FINANCIAL MEASURES

This presentation is based on reported earnings in accordance with IFRS and on the following non-GAAP financial measures:

Non-GAAP financial measures	
Adjusted EBIT	EBIT excluding special items. Special items comprise items which do not reflect the Corporation's core performance or where their separate presentation will assist users of the consolidated financial statements in understanding the Corporation's results for the period. Such items include, among others, the impact of restructuring charges, impact of business disposals and significant impairment charges and reversals.
Adjusted EBITDA	Adjusted EBIT plus amortization and impairment charges on PP&E and intangible assets.
Adjusted net income (loss)	Net income (loss) excluding special items, accretion on net retirement benefit obligations, certain net gains and losses arising from changes in measurement of provisions and of financial instruments carried at FVTP&L and the related tax impacts of these items.
Adjusted EPS	EPS calculated based on adjusted net income attributable to equity holders of Bombardier Inc., using the treasury stock method, giving effect to the exercise of all dilutive elements.
Free cash flow (usage)	Cash flows from operating activities less net additions to PP&E and intangible assets.

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. Other entities in our industry may define the above measures differently than we do. In those cases, it may be difficult to compare the performance of those entities to ours based on these similarly-named non-GAAP measures.

Adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS

Management uses adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS for purposes of evaluating underlying business performance. Management believes these non-GAAP earnings measures in addition to IFRS measures provide users of our Financial Report with enhanced understanding of our results and related trends and increases the transparency and clarity of the core results of our business. Adjusted EBIT, adjusted EBITDA, adjusted net income (loss) and adjusted EPS exclude items that do not reflect our core performance or where their exclusion will assist users in understanding our results for the period. For these reasons, a significant number of users of the MD&A analyze our results based on these financial measures. Management believes these measures help users of MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

Free cash flow (usage)

Free cash flow is defined as cash flows from operating activities less net additions to PP&E and intangible assets. Management believes that this non-GAAP cash flow measure provides investors with an important perspective on the Corporation's generation of cash available for shareholders, debt repayment, and acquisitions after making the capital investments required to support ongoing business operations and long-term value creation. This non-GAAP cash flow measure does not represent the residual cash flow available for discretionary expenditures as it excludes certain mandatory expenditures such as repayment of maturing debt. Management uses free cash flow as a measure to assess both business performance and overall liquidity generation.

RECONCILIATION OF SEGMENT TO CONSOLIDATED RESULTS

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2020	2019 ⁽¹⁾	2020	2019 ⁽¹⁾
Revenues				
Aviation	\$ 2,337	\$ 2,413	\$ 6,488	\$ 7,501
Transportation ⁽¹⁾	2,076	1,793	7,844	8,269
Corporate and Others	—	(1)	(1)	(13)
	4,413	4,205	14,331	15,757
Reclassification ⁽¹⁾	(2,076)	(1,793)	(7,844)	(8,269)
	\$ 2,337	\$ 2,412	\$ 6,487	\$ 7,488
Adjusted EBIT⁽²⁾				
Aviation	\$ (149)	\$ 143	\$ (125)	\$ 531
Transportation ⁽¹⁾	(340)	(234)	(610)	70
Corporate and Others ⁽³⁾	(16)	25	(86)	(131)
	(505)	(66)	(821)	470
Reclassification ⁽¹⁾	340	234	610	(70)
	\$ (165)	\$ 168	\$ (211)	\$ 400
Special Items				
Aviation	\$ (628)	\$ 49	\$ (1,062)	\$ (663)
Transportation ⁽¹⁾	(4)	2	8	48
Corporate and Others	30	1,579	(61)	1,583
	(602)	1,630	(1,115)	968
Reclassification ⁽¹⁾	4	(2)	(8)	(48)
	\$ (598)	\$ 1,628	\$ (1,123)	\$ 920
EBIT				
Aviation	\$ 479	\$ 94	\$ 937	\$ 1,194
Transportation ⁽¹⁾	(336)	(236)	(618)	22
Corporate and Others ⁽³⁾	(46)	(1,554)	(25)	(1,714)
	97	(1,696)	294	(498)
Reclassification ⁽¹⁾	336	236	618	(22)
	\$ 433	\$ (1,460)	\$ 912	\$ (520)

1. Transportation was classified as discontinued operations as of December 31, 2020. As a result, the results of operations have been restated for comparative periods. Refer to Note 31 - Discontinued operations of the Corporation Consolidated financial statements for more details.
2. Non-GAAP financial measures. Refer to the Non-GAAP financial measures section in Overview for definitions of these metrics and the Analysis of results section hereafter for reconciliations to the most comparable IFRS measures.
3. Includes share of income from ACLP of \$3 million for fiscal year ended December 31, 2020. (\$57 million and \$37 million for the fourth quarter and fiscal year ended December 31, 2019, 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.) On February 12, 2020, Bombardier transferred its remaining interest in ACLP to Airbus and the Government of Québec.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Reconciliation of adjusted EBITDA to EBIT⁽¹⁾

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2020	2019	2020	2019
EBIT	\$ 433	\$ (1,460)	\$ 912	\$ (520)
Amortization	164	91	411	283
Impairment charges on PP&E and intangible assets ⁽²⁾	17	—	42	1
Special items excluding impairment charges on PP&E and intangible assets ⁽²⁾	(615)	1,628	(1,165)	920
Adjusted EBITDA	\$ (1)	\$ 259	\$ 200	\$ 684

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

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2020	2019	2020	2019
Cash flows from operating activities	\$ 323	\$ 1,073	\$ (2,821)	\$ (680)
Net additions to PP&E and intangible assets	(114)	(121)	(354)	(523)
Free cash flow (usage)	\$ 209	\$ 952	\$ (3,175)	\$ (1,203)

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Reconciliation of adjusted net loss to net loss and computation of adjusted EPS⁽¹⁾

	Fiscal years ended December 31			
		2020	2019	
		(per share)	(per share)	
Net loss from continuing operations	\$ (170)		\$ (1,541)	
Adjustments to EBIT related to special items ⁽²⁾	(1,123)	\$ (0.47)	920	\$ 0.39
Adjustments to net financing expense related to:				
Loss on repurchase of long-term debt ⁽²⁾	—	—	84	0.03
Accretion on net retirement benefit obligations	52	0.02	56	0.02
Net change in provisions arising from changes in interest rates and net loss (gain) on certain financial instruments	159	0.07	(140)	(0.06)
Tax impact of special ⁽²⁾ and other adjusting items	(33)	(0.01)	215	0.09
Adjusted net loss	(1,115)		(406)	
Preferred share dividends, including taxes	(18)		(21)	
Adjusted net loss attributable to equity holders of Bombardier Inc.	\$ (1,133)		\$ (427)	
Weighted-average adjusted diluted number of common shares (in thousands)		2,408,209		2,383,987
Adjusted EPS		\$ (0.47)		\$ (0.18)

Reconciliation of adjusted EPS to diluted EPS (in dollars)⁽¹⁾

	Fiscal years ended December 31	
	2020	2019
Diluted EPS from continuing operations	\$ (0.08)	\$ (0.65)
Impact of special ⁽²⁾ and other adjusting items	(0.39)	0.47
Adjusted EPS	\$ (0.47)	\$ (0.18)