

Bombardier Announces Financial Results for the Fourth Quarter and the Year Ended December 31, 2015

- **Air Canada signs for up to 75 CS300 aircraft**
- **C Series certified and on track for entry-into-service with SWISS**
- **Transformation plan focused on expanding margins and cash flow**
- **Renewed leadership team executing turnaround**
- **Strong pro forma liquidity at \$6.5 billion⁽¹⁾**
- **2016 a year of transition**

(All amounts in this press release are in U.S. dollars unless otherwise indicated. This press release contains both IFRS and non-GAAP measures. Non-GAAP measures are defined and reconciled to the most comparable IFRS measures in the Corporation's MD&A. See Caution regarding non-GAAP measures at the end of this press release.)

- **Revenues of \$18.2 billion; backlog of \$59.2 billion**
- **EBIT before special items⁽²⁾ of \$554 million**
- **Special items of \$5.6 billion, mainly related to the completion of in-depth reviews and de-risking of aircraft programs**
- **Global workforce optimization resulting in a reduction of ~7,000 positions partially offset by hiring in growth areas**
- **Share consolidation to be proposed at upcoming shareholder meeting**
- **Management provides 2016 full year consolidated and segment guidance**

⁽¹⁾ Pro forma liquidity comprises the Corporation's available short-term capital resources as at December 31, 2015, gross proceeds of the investment from the CDPQ in Transportation received February 11, 2016 and expected gross proceeds of the investment from the Government of Québec in the *C Series* aircraft program.

⁽²⁾ See Caution regarding non-GAAP measures at the end of this press release.

Montréal, February 17, 2016 – Bombardier (TSX: BBD.B) today reported its financial results for the fourth quarter and the year ended December 31, 2015.

Selected results

SELECTED RESULTS		
For the fiscal years ended December 31	2015	2014
Revenues	\$ 18,172	\$ 20,111
EBIT margin	(26.6)%	(2.8)%
EBIT margin before special items ⁽¹⁾	3.0 %	4.6 %
EBITDA margin before special items ⁽¹⁾	5.5 %	6.7 %
Diluted EPS (in dollars)	\$ (2.58)	\$ (0.74)
Adjusted EPS (in dollars) ⁽¹⁾	\$ 0.14	\$ 0.35
Free cash flow usage ⁽¹⁾	\$ (1,842)	\$ (1,117)
As at December 31	2015	2014
Available short-term capital resources ⁽²⁾	\$ 4,014	\$ 3,846

SELECTED RESULTS		
For the fourth quarters ended December 31	2015	2014
Revenues	\$ 5,017	\$ 5,960
EBIT margin	(13.1)%	(20.2)%
EBIT margin before special items ⁽¹⁾	0.3 %	2.6 %
EBITDA margin before special items ⁽¹⁾	2.8 %	4.6 %
Diluted EPS (in dollars)	\$ (0.31)	\$ (0.92)
Adjusted EPS (in dollars) ⁽¹⁾	\$ —	\$ 0.04
Free cash flow ⁽¹⁾	\$ 527	\$ 590

⁽¹⁾ See Caution regarding non-GAAP measures at the end of this press release.

⁽²⁾ Defined as cash and cash equivalents plus the amount available under revolving credit facilities.

“We are turning Bombardier around to make this great company stronger and more competitive,” said Alain Bellemare, President and Chief Executive Officer. “Over the past year, we renewed our leadership team and developed a clear plan to significantly improve our performance. We de-risked major development programs and stabilized the company, securing our liquidity position and taking a series of actions to rebuild margins.”

“With the certification of the *CS100* aircraft, we also reached the last key milestone before the entry-into-service of the *C Series*, while ramping up to full production. And today, with the signing of Air Canada for the leading-edge *CS300* aircraft, we add a major international airline customer based in North America to complement our orders in both Europe and Asia. Air Canada’s commitment is a strong endorsement of this outstanding aircraft. It will create significant value for Air Canada and its customers and will become a catalyst for future orders in North America and around the world,” added Mr. Bellemare.

For 2016, the company expects to generate between \$16.5 billion and \$17.5 billion in revenues, with EBIT margin improvements across Transportation, Business Aircraft and Aerostructures, while Commercial Aircraft ramps up the *C Series* program. EBIT is expected to be within a range of \$200 million to \$400 million, while free cash flow usage materially improves, at \$1.0 billion to \$1.3 billion for the year.

Guidance for 2016 ⁽¹⁾		
Business Aircraft	Growth and deliveries	Revenues greater than \$5.0 billion. Approximately 150 deliveries.
	Profitability⁽²⁾	EBIT margin of approximately 6%.
Commercial Aircraft	Growth and deliveries	Revenues of approximately \$3.0 billion. Approximately 95 deliveries.
	Profitability⁽²⁾	Negative EBIT of approximately \$550 million, mainly due to the dilutive impact of the initial years of production of the <i>C Series</i> aircraft program. ⁽³⁾
Aerostructures and Engineering Services	Growth	Revenues are expected to remain at approximately \$1.8 billion, mainly from intersegment contracts with Business Aircraft and Commercial Aircraft.
	Profitability⁽²⁾	EBIT margin of approximately 7.5%.
Transportation	Growth	Revenues of approximately \$8.5 billion, based on the assumption that foreign exchange rates will remain stable in 2016 compared to 2015.
	Profitability⁽²⁾	EBIT margin above 6%.
Consolidated	Growth	Revenues in the range of \$16.5 billion to \$17.5 billion.
	Profitability⁽²⁾	EBIT in the range of \$200 million to \$400 million.
	Liquidity	Free cash flow usage ⁽⁴⁾ in the range of \$1.0 billion to \$1.3 billion.

⁽¹⁾ See each reportable segment's Guidance and forward-looking statements section and forward-looking statements disclaimer hereafter for details regarding the assumptions on which the guidance is based.

⁽²⁾ Profitability guidance is based on EBIT before special items. Refer to the Non-GAAP financial measures section for a definition of this metric.

⁽³⁾ 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.

⁽⁴⁾ Refer to the Non-GAAP financial measures section for a definition of this metric.

Air Canada signs for up to 75 C Series aircraft

Bombardier and Air Canada announced today that the parties have signed a Letter of Intent (LOI) for the sale and purchase of 45 *CS300* aircraft with options for an additional 30 *CS300* aircraft, including conversion rights to the *CS100* aircraft. Upon execution of a firm purchase agreement, Air Canada will become the first mainline, international network carrier based in North America for the *C Series* family of aircraft. The all-new aircraft will start delivering in 2019.

Based on the list price of the *CS300* aircraft, a firm order would be valued at approximately \$3.8 billion. With this significant agreement, Bombardier has now received orders and commitments for a total of 678 *C Series* aircraft.

Global workforce optimization

Bombardier announced today that it will take steps to optimize its workforce with a combination of a manpower reduction and strategic hiring throughout 2016 and 2017. As the company evolves over the next two years, its global workforce will be reduced by a targeted 7,000 production and non-production employees, including 2,000 contractors. This reduction will be partially offset by hiring in certain growth areas, notably to support the ramp-up of strategic programs and projects worldwide, such as the *C Series*. These adjustments will enable Bombardier to resize its organization in line with current business needs and to increase its competitiveness.

The decision to optimize the organization is based on an in-depth review of the company carried out over the past year:

- As previously communicated, production rates have been modified for some aircraft models due to macroeconomic conditions. As a result, Bombardier is adapting its workforce to meet market demand.
- Major aerospace development programs and projects at Transportation, which mobilized numerous employees, are ramping down as expected. Bombardier is resizing its manpower to match future workloads.
- Finally, the company's transformation plan is taking hold, driving productivity across the entire organization.

In parallel, Bombardier intends to hire in certain growth areas:

- The *C Series* aircraft program continues to ramp up its production rate and to win orders, generating new jobs at the Bombardier facility in Mirabel, Québec. The number of employees directly assigned to the *C Series* program has increased in the past few months, reaching a total of 3,450 employees worldwide, and is expected to keep growing over the next few years.
- In addition, Bombardier Transportation's impressive \$30.4-billion backlog includes certain large orders which will mobilize additional manpower in regions where it has a limited presence.

"Throughout 2016 and 2017, we will adapt our global manpower to current market conditions, while hiring to support growing segments, such as the *C Series*," said Mr. Bellemare. "These adjustments are always difficult. They are important to ensure that, with our 64,000 employees worldwide, we continue to create superior value for our customers, be more competitive, and deliver improved financial performance," he added.

Impacted positions are mostly based in Canada and Europe, where the company's aerospace and rail transportation activities are concentrated. Bombardier will support affected employees and will provide them with resources to help them manage through their transition.

The reductions will begin in the coming weeks and will be implemented over a period of two years. Throughout 2016, on a full year basis, Bombardier expects to record \$250 million to \$300 million in restructuring charges that will be reported as special items when accrued.

The table below presents an overview of targeted workforce reductions by business segment.

Business segment	Targeted workforce reduction
Aerostructures and Engineering Services	2,500
Business Aircraft	500
Commercial Aircraft	0
Product Development Engineering, Aerospace	800
Transportation	3,200
Total	7,000

“Bombardier is in a better place today and we are on the path to greater profitability. We are engaged in a rigorous process that will increase our earnings power and cash flow generation over the next five years. And with today’s landmark commitment from Air Canada for up to 75 CS300 aircraft, we are building positive momentum to successfully compete. The *C Series* is the best aircraft in the 100- to 150-seat class segment. Its innovative all-new design makes it the lowest operating costs, greatest cabin comfort and the most environmentally-friendly aircraft in the industry. We now have a clear plan in place and are applying disciplined execution to make Bombardier stronger,” concluded Mr. Bellemare.

Share consolidation

Bombardier also announced today that it plans to present a proposal to its shareholders for a consolidation (also known as a “reverse stock split”) of its issued and unissued Class A shares (multiple voting) (the “Class A shares”), and Class B shares (subordinate voting) (the “Class B subordinate voting shares”), at its annual and special meeting planned for spring 2016 (the “Share Consolidation”). The consolidation ratio will be selected by Bombardier’s Board of Directors from within a range of ratios, subject to shareholder approval, which would be expected, at that time, to result in an initial post-consolidation share price in the range of \$10 Cdn to \$20 Cdn per Class A share or Class B subordinate voting share. Assuming receipt of shareholder and Toronto Stock Exchange approvals, the Share Consolidation, if any, would be completed at such time as the Board of Directors shall deem appropriate.

Bombardier believes that a higher share price resulting from the proposed consolidation would heighten the interest of the financial community as it would broaden the pool of investors that may consider or may be able to invest in Bombardier.

Implementation of the Share Consolidation is subject to a number of conditions, including but not limited to, Toronto Stock Exchange and shareholder approval, and subject to the Board of Directors’ authority, notwithstanding approval of the Share Consolidation by shareholders, to determine in its discretion not to proceed with the Share Consolidation, without further approval or action by, or prior notice to, shareholders. There can be no assurance that the Share Consolidation will be implemented as proposed or at all, or as to the

timing thereof, or that the Share Consolidation will result in the contemplated initial post-consolidation share price of Class A shares or Class B subordinate voting shares.

SEGMENTED RESULTS AND HIGHLIGHTS

Business Aircraft

RESULTS		
For the fiscal years ended December 31	2015	2014
Revenues	\$ 6,996	\$ 7,200
Aircraft deliveries (in units)	199	204
Net orders (in units) ⁽¹⁾	(24)	129
Book-to-bill ratio ⁽²⁾	nmf	0.6
EBIT	\$ (1,252)	\$ (903)
EBIT margin	(17.9)%	(12.5)%
EBIT before special items ⁽³⁾	\$ 308	\$ 499
EBIT margin before special items ⁽³⁾	4.4 %	6.9 %
EBITDA before special items ⁽³⁾	\$ 492	\$ 648
EBITDA margin before special items ⁽³⁾	7.0 %	9.0 %
Net additions to PP&E and intangible assets	\$ 722	\$ 1,019
As at December 31	2015	2014
Order backlog (in billions of dollars)	\$ 17.2	\$ 24.0

nmf: information not meaningful

⁽¹⁾ The net orders for 2015 and 2014 include 143 cancellations and 52 cancellations, respectively.

⁽²⁾ Ratio of net orders received over aircraft deliveries, in units.

⁽³⁾ See Caution regarding non-GAAP measures at the end of this press release.

- Effective June 15, 2015, David M. Coleal became President, Bombardier Business Aircraft.
- Following an in-depth review to validate all aspects of the *Global 7000* and *Global 8000* aircraft program, the entry-into-service of the *Global 7000* aircraft is now expected to occur in the second half of 2018.
- On October 28, 2015, due to the lack of sales following the prolonged market weakness, Bombardier cancelled the *Learjet 85* program. As a result, the company recorded a charge of \$1.2 billion in special items in the third quarter of 2015, mainly related to the impairment of the remaining *Learjet 85* aircraft program development. The company remains committed to the *Learjet* family of aircraft.
- On November 2015, the *Challenger 650* aircraft entered into service.
- Bombardier continues to restructure and enhance Business Aircraft's business model to improve long-term profitability. Subsequent to the end of the fiscal year, on January 13, 2016, the company announced that it has completed initiatives to increase the number of direct-to-market channels, including termination of select sales representative and distribution agreements, and to restructure customer commercial agreements, resulting in the cancellation of 24 firm orders, valued at approximately \$1.75 billion based on 2015 list prices, with an additional cancellation of 30 optional orders. Mainly as a result of these completed initiatives, in the fourth quarter of 2015, Bombardier recorded \$327 million in special items.

Commercial Aircraft

RESULTS		
For the fiscal years ended December 31	2015	2014
Revenues	\$ 2,395	\$ 2,740
Aircraft deliveries (in units)	76	86
Net orders (in units)	51	153
Book-to-bill ratio ⁽¹⁾	0.7	1.8
EBIT	\$ (3,970)	\$ (123)
EBIT margin	nmf	(4.5)%
EBIT before special items ⁽²⁾	\$ (170)	\$ (107)
EBIT margin before special items ⁽²⁾	(7.1)%	(3.9)%
EBITDA before special items ⁽²⁾	\$ (66)	\$ (5)
EBITDA margin before special items ⁽²⁾	(2.8)%	(0.2)%
Net additions to PP&E and intangible assets	\$ 963	\$ 801
As at December 31	2015	2014
Order backlog (in billions of dollars)	\$ 11.5	\$ 12.5

nmf: information not meaningful

⁽¹⁾ Ratio of net orders received over aircraft deliveries, in units.

⁽²⁾ See Caution regarding non-GAAP measures at the end of this press release.

- Effective April 9, 2015, Fred Cromer became President, Bombardier Commercial Aircraft.
- In October 2015, Bombardier Inc. entered into a memorandum of understanding with the Government of Québec, who will invest \$1.0 billion in the *C Series* aircraft program in return for a 49.5% equity stake in a newly created limited partnership to which Bombardier would transfer the assets, liabilities and obligation of the *C Series* aircraft program. This newly created limited partnership will carry on the operations related to the *C Series* aircraft program and will be consolidated in the Company's financial results. The execution of the definitive agreements and the disbursement of the investment are expected to take place in the second quarter of 2016, subject to the closing conditions. The Government of Québec's interest in the partnership will be redeemable at Bombardier's option, in certain circumstances.
- Following the completion of an in-depth review of the *C Series* aircraft program as well as discussions with the Government of Québec, which resulted in the memorandum of understanding, the Company recorded a charge of \$3.2 billion in special items in the third quarter of 2015, mainly related to the impairment of aerospace program tooling. The Company continues to believe that the *C Series* aircraft program meets specific market requirements and that it has long-term market potential.
- On December 17, 2015, the *CS100* aircraft was awarded type certification from Transport Canada, paving the way for the delivery and entry-into-service of the aircraft with first operator Swiss International Air Lines (SWISS) expected in the second quarter of 2016.

Aerostructures and Engineering Services

RESULTS		
For the fiscal years ended December 31	2015	2014
Revenues	\$ 1,797	\$ 1,919
External order intake	474	556
External book-to-bill ratio ⁽¹⁾	0.9	1.0
EBIT	\$ 105	\$ 83
EBIT margin	5.8%	4.3%
EBIT before special items ⁽²⁾	\$ 104	\$ 97
EBIT margin before special items ⁽²⁾	5.8%	5.1%
EBITDA before special items ⁽²⁾	\$ 154	\$ 146
EBITDA margin before special items ⁽²⁾	8.6%	7.6%
Net additions to PP&E and intangible assets	\$ 26	\$ 38
As at December 31	2015	2014
External order backlog	\$ 80	\$ 113

⁽¹⁾ Ratio of new external orders over external revenues.

⁽²⁾ See Caution regarding non-GAAP measures at the end of this press release.

Bombardier Transportation

RESULTS		
For the fiscal years ended December 31	2015	2014
Revenues	\$ 8,281	\$ 9,619
Order intake (in billions of dollars)	\$ 8.8	\$ 12.6
Book-to-bill ratio ⁽¹⁾	1.1	1.3
EBIT	\$ 465	\$ 469
EBIT margin	5.6%	4.9%
EBIT before special items ⁽²⁾	\$ 465	\$ 526
EBIT margin before special items ⁽²⁾	5.6%	5.5%
EBITDA before special items ⁽²⁾	\$ 564	\$ 641
EBITDA margin before special items ⁽²⁾	6.8%	6.7%
Net additions to PP&E and intangible assets	\$ 155	\$ 107
As at December 31	2015	2014
Order backlog (in billions of dollars)	\$ 30.4	\$ 32.5

⁽¹⁾ Ratio of new orders over revenues.

⁽²⁾ See Caution regarding non-GAAP measures at the end of this press release.

- On April 14, 2015, the V300ZEFIRO Italy very high-speed train received homologation and successfully completed its maiden trip from Milan to Rome before entering commercial service in June 2015.
- In November 2015, Bombardier Inc. entered into a definitive agreement with the Caisse de dépôt et placement du Québec (CDPQ) for a \$1.5-billion convertible share investment in Bombardier Transportation's newly-created holding company, Bombardier Transportation (Investment) UK Ltd (BT Holdco). The shares will be convertible into a 30% common share equity stake of BT Holdco, subject to annual adjustments related to performance. BT Holdco will continue to be controlled by Bombardier Inc. and consolidated in its financial results. The investment was completed on February 11, 2016.
- Bombardier Transportation recorded a strong order intake of \$8.8 billion across all product segments and geographic regions, leading to a book-to-bill ratio of 1.1 for the fiscal year and bringing the backlog to \$30.4 billion at year end.
- During the year, Bombardier Transportation strengthened its position in the Chinese market:

- It signed an agreement with the New United Group (NUG) to establish a joint venture for signalling and rail control in China.
- Bombardier-Sifang Transportation, a Chinese entity in which Bombardier holds a 50 percent interest, was awarded contracts with China Railway Corp. (CRC) to supply 15 CRH380D very high-speed trains valued at approximately \$381 million and 80 CRH1E-250 high-speed new generation sleeper train cars valued at approximately \$165 million, and has delivered the first very high speed train to its customer, Shanghai Railway Bureau.
- Bombardier Transportation's Chinese joint venture, CSR Puzhen Bombardier Transportation Systems Ltd., won its first contract for an *INNOVIA* APM 300 automated people mover (APM) to be delivered to its customer Shanghai Shentong Metro Co. Ltd.
- On December 9, 2015, Laurent Troger became President, Bombardier Transportation.

Reconciliation of segment to consolidated results

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2015	2014 ⁽¹⁾	2015	2014 ⁽¹⁾
Revenues				
Business Aircraft	\$ 2,086	\$ 2,462	\$ 6,996	\$ 7,200
Commercial Aircraft	644	720	2,395	2,740
Aerostructures and Engineering Services	443	522	1,797	1,919
Transportation	2,164	2,636	8,281	9,619
Corporate and Elimination	(320)	(380)	(1,297)	(1,367)
Consolidated	\$ 5,017	\$ 5,960	\$ 18,172	\$ 20,111
EBIT before special items ⁽²⁾				
Business Aircraft	\$ 28	\$ 174	\$ 308	\$ 499
Commercial Aircraft	(87)	(140)	(170)	(107)
Aerostructures and Engineering Services	(9)	22	104	97
Transportation	123	111	465	526
Corporate and Elimination	(39)	(11)	(153)	(92)
	\$ 16	\$ 156	\$ 554	\$ 923
Special Items				
Business Aircraft	\$ 380	\$ 1,357	\$ 1,560	\$ 1,402
Commercial Aircraft	240	—	3,800	16
Aerostructures and Engineering Services	—	—	(1)	14
Transportation	—	—	—	57
Corporate and Elimination	53	—	33	—
	\$ 673	\$ 1,357	\$ 5,392	\$ 1,489
EBIT				
Business Aircraft	\$ (352)	\$ (1,183)	\$ (1,252)	\$ (903)
Commercial Aircraft	(327)	(140)	(3,970)	(123)
Aerostructures and Engineering Services	(9)	22	105	83
Transportation	123	111	465	469
Corporate and Elimination	(92)	(11)	(186)	(92)
	\$ (657)	\$ (1,201)	\$ (4,838)	\$ (566)
Supplemental information ⁽²⁾				
Adjusted net income	\$ 9	\$ 83	\$ 326	\$ 648
Adjusted EPS	\$ —	\$ 0.04	\$ 0.14	\$ 0.35
Free cash flow usage	\$ 527	\$ 590	\$ (1,842)	\$ (1,117)

⁽¹⁾ Financial results for the fourth quarter and fiscal year ended December 31, 2014 have been reclassified to conform with current year presentation. See the MD&A for the fiscal year ended December 31, 2015 for further information.

⁽²⁾ See Caution regarding non-GAAP measures at the end of this press release.

Bombardier Inc. uses its website as a channel of distribution for material company information. Financial and other material information regarding Bombardier Inc. is routinely posted on its website and accessible at bombardier.com. Investors are hereby notified information about regular dividends declared and paid by Bombardier is only made available through its website, unless otherwise required by applicable securities laws.

About Bombardier

Bombardier is the world's largest manufacturer of both planes and trains. Looking far ahead while delivering today, Bombardier is evolving mobility worldwide by answering the call for more efficient, sustainable and enjoyable transportation everywhere. Our vehicles, services and, most of all, our employees are what make us a global leader in transportation.

Bombardier is headquartered in Montréal, Canada. Our shares are traded on the Toronto Stock Exchange (BBD) and we are listed on the Dow Jones Sustainability North America Index. In the fiscal year ended December 31, 2015, we posted revenues of \$18.2 billion. News and information are available at bombardier.com or follow us on Twitter @Bombardier.

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Readers are strongly advised to view a more detailed discussion of our results by segment in our Management's Discussion and Analysis and consolidated financial statements which are posted on our website at ir.bombardier.com.

FORWARD-LOOKING STATEMENTS

This press release includes forward-looking statements, which may involve, but are not limited to: statements with respect to the Corporation's objectives, guidance, targets, goals, priorities, 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; competitive position; the expected impact of the legislative and regulatory environment and legal proceedings on the Corporation's business and operations; available liquidities and ongoing review of strategic and financial alternatives; the completion of the investment by the Government of Québec in the C Series aircraft program (the C Series Investment) and the use of proceeds therefrom; the use of proceeds from the private placement of a minority stake in Transportation to the CDPQ (the CDPQ Investment and, with the C Series Investment, the Investments); the effects of the Investments on the range of options available to us, including regarding our participation in future industry consolidation; the capital and governance structure of the Transportation segment following the CDPQ Investment, and of the Commercial Aircraft segment following the C Series Investment; the impact and expected benefits of the Investments on our operations, infrastructure, opportunities, financial condition, access to capital and overall strategy; and the impact of the sale of equity on our balance sheet and liquidity position. The implementation of the Share Consolidation is subject to a number of conditions, including but not limited to, Toronto Stock Exchange approval and shareholder approval, and subject to the Board of Directors' authority, notwithstanding approval of the Share Consolidation by shareholders, to determine in its discretion not to proceed with the Share Consolidation, without further approval or action by, or prior notice to, shareholders. There can be no assurance that the Share Consolidation will be implemented as proposed or at all, or as to the timing thereof, or that the Share Consolidation will result in the contemplated initial post-consolidation share price of Class A Shares or Class B Subordinate Voting Shares.

Forward-looking statements can generally 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 management to make assumptions and are subject to important known and unknown risks and uncertainties, which may cause actual results in future periods to differ materially from forecast results. While management considers their assumptions to be reasonable and appropriate based on information currently available, there is risk that they may not be accurate.

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 the airline industry, of business aircraft customers, and of the rail industry; trade policy; increased competition; political instability and force majeure), operational risks (such as risks related to developing new products and services; development of new business; the certification and homologation of products and services; fixed-price commitments and production and project execution; pressures on cash flows based on project-cycle fluctuations and seasonality; our ability to successfully implement our strategy and transformation plan; 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;

reliance on information systems; reliance on and protection of intellectual property rights; 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, certain restrictive debt covenants, financing support provided for the benefit of certain customers and reliance on government support), market risks (such as risks related to foreign currency fluctuations, changing interest rates, decreases in residual values, increases in commodity prices and inflation rate fluctuations). For more details, see the Risks and uncertainties section in Other in the Management's Discussion and Analysis (MD&A) of the Corporation's financial report for the fiscal year ended December 31, 2015. Certain important assumptions by management in making forward-looking statements include, but are not limited to: that ongoing due diligence investigations by the Government of Québec will not identify any materially adverse facts or circumstances; the satisfaction of all conditions to the completion of the C Series Investment, including the receipt of any required third party, regulatory and other approvals. For additional information with respect to the assumptions underlying the forward-looking statements made in this press release, refer to the Guidance and forward-looking statements sections in the Corporation's financial report for the fiscal year ended December 31, 2015. There can be no assurance that the C Series Investment will be undertaken or completed in whole or in part, or of the timing, size and proceeds of any such transaction, which will depend on a number of factors.

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 management's expectations as at the date of this press release 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 press release are expressly qualified by this cautionary statement.

CAUTION REGARDING NON-GAAP MEASURES

This press release 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 press release is also based on non-GAAP financial measures including EBITDA, EBIT before special items and EBITDA before special items, adjusted net income, adjusted earnings per share and free cash flow. These non-GAAP measures are mainly derived from the consolidated financial statements but do not have standardized meanings prescribed by IFRS; therefore, others using these terms may define them differently. Management believes that providing certain non-GAAP performance measures, in addition to IFRS measures, provides users of our consolidated financial statements with enhanced understanding of results and related trends and increases the transparency and clarity of the core results of our business. Refer to the Non-GAAP financial measures and Liquidity and capital resources sections in Overview and each reporting segments' Analysis of results sections in the Corporation's MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measures.