BOMBARDIER REPORTS THIRD QUARTER 2016 RESULTS

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Bombardier reported its third quarter 2016 results and highlighted solid performance executing its turnaround plan.

“We continue to gain momentum as we execute our turnaround plan and transform our company,” said Alain Bellemare, President and Chief Executive Officer, Bombardier Inc. “In the third quarter, we again delivered on our financial commitments, we achieved our program milestones and we continued to take the hard actions necessary to improve productivity, reduce costs and optimize our operations.”

With strong year-to-date performance, Bombardier reaffirmed its guidance and announced that it expects to finish the year at the high end of its EBIT guidance, with better operating margins(1) at each of its business units and with significantly improved year-over-year cash performance(2). For the third consecutive quarter, EBIT margins before special items(3) at Transportation, Business Aircraft, and Aerostructures and Engineering Services have exceeded 6%, showing early benefits of the Company’s turnaround plan. Further highlighting the Company’s progress is the recent first flight of the *Global 7000* ; Bombardier’s all new class-defining ultra-long range business jet that is on schedule to enter service in 2018.

“As we close out 2016, we are confident in our strategy, our turnaround plan and in our ability to achieve our 2020 goals,” Bellemare continued. “We remain focused on improving operational efficiency, flawlessly ramping-up our new programs and maintaining a disciplined and proactive

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approach to deliver value to customers and shareholders in any market environment.”

Bombardier also announced that it will hold an Investor Day meeting on Thursday, December 15, 2016. Hosted by Alain Bellemare, the meeting will include disclosure of guidance for 2017 and presentations by the Company's business segment leaders.

Bombardier reported consolidated revenues of $3.7 billion in the quarter and $12.0 billion in the nine-month period, following the planned reduction in business aircraft revenues and the deferral of revenue recognition following active project and cash management in Transportation.

EBIT before special items was $87 million and $323 million respectively for the quarter and year-to-date period, as margin improvements at Business Aircraft, Transportation and Aerostructures and Engineering Services were partially offset by the production ramp-up effect of the *C Series* aircraft program. Free cash flow usage improved by $496 million and $809 million respectively for the quarter and the nine-month period, reflecting continuous cash discipline and lower development spend following the certification of both the *CS100* and *CS300* aircraft. With the completion of the equity investment by the Government of Québec (through Investissement Québec), Bombardier boasted a strong liquidity position of $4.4 billion as at September 30, 2016.

These results give Bombardier strong confidence in exceeding its profitability targets(1) in all its business segments, leading to a consolidated EBIT before special items guidance between $350 million and $400 million for 2016. The Company is also refining its revenue guidance to approximately $16.5 billion and confirming its consolidated free cash flow usage guidance to the range of $1.15 billion to $1.45 billion, as previously announced, following a revised delivery forecast for the *C Series* aircraft program as a result of engine delivery delays(2).

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