

## Bombardier Confirms Outstanding Overperformance for 2022 and Guides for Continued Growth in 2023

- **2023 targets reflect third consecutive year of steady growth, with anticipated<sup>(1)</sup> >138 aircraft deliveries, >\$7.6 billion in revenues, >\$1,125 million in adjusted EBITDA<sup>(2)</sup>, >\$695 million in adjusted EBIT<sup>(2)</sup>, and generating >\$250 million in free cash flow<sup>(2)</sup>.**
- **2022 reported revenues for the year of \$6.9 billion, up 14% year-over-year, driven by higher deliveries, a favorable aircraft mix and aftermarket reaching a new full-year peak of \$1.5 billion in revenues, up 22% year-over-year.**
- **2022 adjusted EBITDA<sup>(2)</sup> rose 45% from last year to \$930 million, driven by increased *Global 7500* contribution, cost structure improvements, higher aftermarket contribution and a better aircraft mix. Full year reported EBIT is at \$538 million. Solid overall performance and fundamentals yield a positive adjusted EPS<sup>(3)(4)</sup> of \$0.74 and diluted EPS<sup>(3)</sup> from continuing operations of \$(1.67).**
- **Strong free cash flow<sup>(2)</sup> generation of \$735 million from continuing operations for 2022, representing an improvement of \$635 million year-over-year, driven by earnings growth and strong order intake. Cash flows from operating activities for the full year were \$1.1 billion and net additions to PP&E and intangible assets for the full year were \$337 million. Adjusted available liquidity<sup>(2)</sup> stands strong at \$1.9 billion; cash and cash equivalents were \$1.3 billion as of December 31, 2022.**
- **Backlog<sup>(5)</sup> reached \$14.8 billion at year end, representing a \$2.6 billion increase year-over-year and a reflection of continued strong order intake and a steady demand profile. Full year unit book-to-bill<sup>(6)</sup> reached 1.4.**
- **The company will provide a strategic progress update during its virtual Investor Day on March 23, 2023.**

*All amounts in this press release are in U.S. dollars, unless otherwise indicated.  
Amounts in tables are in millions except per share amounts, unless otherwise indicated.*

**Montréal, February 9, 2023** – Bombardier (TSX: BBD.B) unveiled today its fourth quarter and full-year 2022 financial results, confirming an outstanding financial performance that exceeded guidance. The company also presented its 2023 guidance and announced that it will provide a further update on the execution toward its 2025 strategic objectives at a virtual Investor Day on March 23, 2023.

“The 2022 results we are presenting today are a resoundingly positive culmination of a strong year, and a testament to the team’s effort to execute in the fourth quarter. We exceeded commitments across the board, be it on deliveries, our growing aftermarket business and profitability,” said **Éric Martel**, Bombardier’s President and Chief Executive Officer. “We are also proud of the fantastic job our team did on deleveraging, with \$1.1 billion dollars of debt retired in 2022 thanks to cash from our balance sheet and operations. This puts us ahead of our plan and gives us the flexibility to be even more proactive and opportunistic going forward.”

## 2022 Results Beat Guidance on Key Metrics

Bombardier exceeded its year-end targets on all guided metrics, beating the numbers presented in August 2022 when the company updated its 2022 guidance. The company reported \$6.9 billion in revenues, an increase of 14% year-over-year. The increase comes on the back of higher deliveries and a favourable aircraft mix, but also a significant contribution from aftermarket services, which grew 22% year-over-year to reach \$1.5 billion in 2022.

In terms of profitability, the company reported an adjusted EBITDA<sup>(2)</sup> of \$930 million, a 45% increase year-over-year and well over the guidance of greater than \$825 million. The growing contribution of the *Global 7500*, cost structure improvements, higher aftermarket contribution and a better aircraft mix were among the key factors in this substantial increase. The company also beat guidance on the full-year reported EBIT, which was at \$538 million.

The earnings growth, along with the strong order intake, drew an impressive performance on free cash flow<sup>(2)</sup> generation of \$735 million from continuing operations for 2022, which exceeded the updated 2022 guidance and represents a significant improvement of \$635 million year-over-year.

The company made the most of the strong demand and competitive product portfolio, and avoided pitfalls related to the pressures on the supply chain to deliver 123 aircraft, 49 of which were delivered in the fourth quarter of 2022. The healthy backlog<sup>(5)</sup>, which increased \$2.6 billion year-over-year to reach \$14.8 billion, and a 1.4 full-year unit book-to-bill<sup>(6)</sup>, reflect continued favourable medium- and long-term industry fundamentals and confirm that Bombardier has the right product mix to continue being the leading force in its categories.

The strong performance allowed the company to overperform on another key strategic objective: debt reduction. Over the course of 2022, Bombardier repaid \$1.1 billion of debt with cash from balance sheet and operations. The drop in interest costs coming from debt reduction, along with rapid growth in profitability and the recognition of significant tax attributes on balance sheet also led to positive EPS.

## 2023 Outlook<sup>(1)</sup>

Bombardier also unveiled today its outlook on guided metrics for 2023. Revenues are expected to be greater than \$7.6 billion, driven mainly by increase in deliveries, which are expected to be greater than 138 units. The continued and steady growth of aftermarket services, which the company continued to ramp up in 2022 through a significant expansion of the service centre network and recruitment of skilled technicians, is also to be an important driver in 2023.

The company expects to continue outpacing revenue growth as it expands its margins. An increase in adjusted EBITDA<sup>(2)</sup> to greater than \$1,125 million is expected, representing a 21% increase versus 2022, driven by margin conversion of the incremental revenues, positive tailwinds from the

Global 7500 pricing and the near completion of the company's cost reduction plan. Adjusted EBIT<sup>(2)</sup> is expected to grow to greater than \$695 million, an increase of 36% year-over-year.

Bombardier also expects continued positive free cash flow<sup>(2)</sup> generation, which is expected to be greater than \$250 million in 2023, including one-time payments related to residual value guarantees estimated at approximately \$125 million, and net additions to PP&E and intangible assets around \$350 million.

### 2023 Guidance<sup>(1)</sup>

	2022 Full-Year Results	2023 Guidance
<b>Aircraft deliveries (in units)</b>	123	>138
<b>Revenues</b>	\$6.9B	> \$7.6B
<b>Adjusted EBITDA<sup>(2)</sup></b>	\$930M	> \$1,125M
<b>Adjusted EBIT<sup>(2)</sup></b>	\$512M	> \$695M
<b>Free cash flow<sup>(2)</sup></b>	\$735M	> \$250M

### 2023 Investor Day to Showcase Strategic Roadmap

On March 23, 2023, Éric Martel and Bart Demosky, Bombardier's Executive Vice President and Chief Financial Officer, will be joined by other Bombardier leaders to present, at Bombardier's 2023 Investor Day, positive progress toward 2025 objectives, but also provide a closer look into strategic pillars such as Bombardier Defense, aftermarket expansion, and give an update on its Environmental, Social and Governance (ESG) objectives.

"We are confidently beginning the new year guiding for growth for a third consecutive year, and look forward to providing a deep dive on our fundamentals and detailed strategic plans next month in our Investor Day, where my colleagues and I will have the opportunity to present our trajectory towards our 2025 objectives compared with our initial expectations when we first laid them out in 2021," said Martel.

(1) Forward-looking statement. See the forward-looking statements assumptions on which the guidance is based and the forward-looking statements disclaimer in the Management Discussion & Analysis of the Corporation's financial report for the fiscal year ended December 31, 2022 ("MD&A").

(2) Non-GAAP financial measure. A non-GAAP financial measure is not a standardized financial measure under the financial reporting framework used to prepare our financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the section entitled Caution regarding non-GAAP and other financial measures of this press release and to the Non-GAAP and other financial measures section of the MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measures.

(3) As of June 13, 2022, Bombardier proceeded with a Share Consolidation of the Corporation's Class A shares and Class B shares (subordinate voting) at a consolidation ratio of 25-for-1. As a result, the comparative periods have been retroactively restated to reflect the Share Consolidation.

(4) Non-GAAP financial ratio. A non-GAAP financial ratio is not a standardized financial measure under the financial reporting framework used to prepare our financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the section entitled Caution regarding non-GAAP and other financial measures of this press release and to the Non-GAAP and other financial measures section of the MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measures.

(5) Represents order backlog for both manufacturing and services.

(6) Defined as net new aircraft orders in units over aircraft deliveries in units.

## RESULTS

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2022	2021	2022	2021
Revenues				
Business aircraft				
Manufacturing and other <sup>(1)</sup>	\$ 2,226	\$ 1,385	\$ 5,345	\$ 4,759
Services <sup>(2)</sup>	416	363	1,508	1,237
Others <sup>(3)</sup>	13	23	60	89
<b>Total revenues</b>	<b>2,655</b>	<b>1,771</b>	<b>6,913</b>	<b>6,085</b>
Cost of sales	2,195	1,458	5,656	5,161
<b>Gross margin</b>	<b>460</b>	<b>313</b>	<b>1,257</b>	<b>924</b>
SG&A	122	102	395	355
R&D	127	94	360	338
Other expense (income)	—	4	(10)	8
<b>Adjusted EBIT<sup>(4)</sup></b>	<b>211</b>	<b>113</b>	<b>512</b>	<b>223</b>
Special items	4	(25)	(26)	(18)
<b>EBIT</b>	<b>207</b>	<b>138</b>	<b>538</b>	<b>241</b>
Financing expense	146	174	817	936
Financing income	(59)	(148)	(33)	(324)
<b>EBT</b>	<b>120</b>	<b>112</b>	<b>(246)</b>	<b>(371)</b>
Income taxes (recovery)	(121)	(127)	(118)	(122)
<b>Net income (loss) from continuing operations</b>	<b>\$ 241</b>	<b>\$ 239</b>	<b>\$ (128)</b>	<b>\$ (249)</b>
Net income (loss) from discontinued operations <sup>(5)</sup>	—	(1)	(20)	5,319
<b>Net income (loss)</b>	<b>\$ 241</b>	<b>\$ 238</b>	<b>\$ (148)</b>	<b>\$ 5,070</b>
Attributable to				
Equity holders of Bombardier Inc.	\$ 241	\$ 238	\$ (148)	\$ 5,041
NCI <sup>(5)</sup>	\$ —	\$ —	\$ —	\$ 29
<b>EPS (in dollars)<sup>(6)</sup></b>				
Basic	\$ 2.48	\$ 2.41	\$ (1.88)	\$ 52.05
Diluted	\$ 2.40	\$ 2.34	\$ (1.88)	\$ 50.54
<b>EPS from continuing operations (in dollars)<sup>(6)</sup></b>				
Basic	\$ 2.48	\$ 2.42	\$ (1.67)	\$ (2.87)
Diluted	\$ 2.40	\$ 2.35	\$ (1.67)	\$ (2.87)
As a percentage of total revenues				
Gross margin <sup>(7)</sup>	17.3%	17.7%	18.2%	15.2%
Adjusted EBIT margin <sup>(8)</sup>	7.9%	6.4%	7.4%	3.7%
EBIT margin <sup>(7)</sup>	7.8%	7.8%	7.8%	4.0%

<sup>(1)</sup> Includes revenues from sale of new aircraft, specialized aircraft solutions and pre-owned aircraft.

<sup>(2)</sup> Includes revenues from aftermarket services including parts, *Smart Services*, service centers, training and technical publications.

<sup>(3)</sup> Includes revenues from sale of components related to commercial aircraft programs.

<sup>(4)</sup> Non-GAAP financial measure. A non-GAAP measure is not a standardized financial measure under the financial reporting framework used to prepare our financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the section entitled Caution regarding non-GAAP and other financial measures of this press release and to the Non-GAAP and other financial measures section of the MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measures.

<sup>(5)</sup> Transportation business was classified as discontinued operations. On January 29, 2021, the Corporation closed the sale of the Transportation business to Alstom and recognized a gain related to the sale in the fiscal year 2021. The expenses recorded in discontinued operations for the fiscal year 2022 principally relate to change in estimates of a provision for professional fees.

<sup>(6)</sup> As of June 13, 2022, Bombardier proceeded with a Share Consolidation of the Corporation's Class A shares and Class B shares (subordinate voting) at a consolidation ratio of 25-for-1. As a result, the comparative periods have been retroactively restated to reflect the Share Consolidation.

<sup>(7)</sup> Supplementary measures. Refer to the section entitled Caution regarding non-GAAP and other financial measures of this press release and to the Non-GAAP and other financial measures section of the MD&A for definitions of these metrics.

<sup>(8)</sup> Non-GAAP ratio. A non-GAAP ratio is not a standardized financial measure under the financial reporting framework used to prepare our financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the section entitled Caution regarding non-GAAP and other financial measures of this press release and to the Non-GAAP and other financial measures section of the MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measures.

**Other non-GAAP financial measures<sup>(2)</sup>, non-GAAP financial ratios<sup>(3)</sup> and closest IFRS measures**

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2022	2021	2022	2021
EBIT <sup>(1)</sup>	\$ 207	\$ 138	\$ 538	\$ 241
Adjusted EBITDA <sup>(1)(2)</sup>	\$ 352	\$ 232	\$ 930	\$ 640
Adjusted EBITDA margin <sup>(1)(3)</sup>	13.3 %	13.1 %	13.5 %	10.5 %
Net income (loss) from continuing operations	\$ 241	\$ 239	\$ (128)	\$ (249)
Adjusted net income (loss) <sup>(1)(2)</sup>	\$ 211	\$ 80	\$ 101	\$ (326)
Diluted EPS from continuing operations <sup>(4)</sup>	\$ 2.40	\$ 2.35	\$ (1.67)	\$ (2.87)
Adjusted EPS <sup>(1)(3)(4)</sup>	\$ 2.09	\$ 0.74	\$ 0.74	\$ (3.66)

<sup>(1)</sup> Includes continuing operations only.

<sup>(2)</sup> Non-GAAP financial measure. A non-GAAP measure is not a standardized financial measure under the financial reporting framework used to prepare our financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the section entitled Caution regarding non-GAAP and other financial measures of this press release and to the Non-GAAP and other financial measures section of the MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measures.

<sup>(3)</sup> Non-GAAP financial ratio. A non-GAAP ratio is not a standardized financial measure under the financial reporting framework used to prepare our financial statements and might not be comparable to similar financial measures used by other issuers. Refer to the section entitled Caution regarding non-GAAP and other financial measures of this press release and to the Non-GAAP and other financial measures section of the MD&A for definitions of these metrics and reconciliations to the most comparable IFRS measures.

<sup>(4)</sup> As of June 13, 2022, Bombardier proceeded with a Share Consolidation of the Corporation's Class A shares and Class B shares (subordinate voting) at a consolidation ratio of 25-for-1. As a result, the comparative periods have been retroactively restated to reflect the Share Consolidation.

**About Bombardier**

Bombardier (BBD-B.TO) is a global leader in aviation, focused on designing, manufacturing, and servicing the world's most exceptional business jets. Bombardier's *Challenger* and *Global* aircraft families are renowned for their cutting-edge innovation, cabin design, performance, and reliability. Bombardier has a worldwide fleet of approximately 5,000 aircraft in service with a wide variety of multinational corporations, charter and fractional ownership providers, governments, and private individuals. Bombardier aircraft are also trusted around the world in government and military special-mission roles leveraging Bombardier Defense's proven expertise.

Headquartered in Greater Montréal, Québec, Bombardier operates aerostructure, assembly and completion facilities in Canada, the United States and Mexico. The company's robust customer support network services the *Learjet*, *Challenger* and *Global* families of aircraft, and includes facilities in strategic locations in the United States and Canada, as well as in the United Kingdom, Germany, France, Switzerland, Italy, Austria, the UAE, Singapore, China and Australia.

For corporate news and information, including Bombardier's Environmental, Social and Governance report, as well as the company's plans to cover all its flight operations with Sustainable Aviation Fuel (SAF) utilizing the Book and Claim system visit [bombardier.com](http://bombardier.com). Learn more about Bombardier's industry-leading products and customer service network at [businessaircraft.bombardier.com](http://businessaircraft.bombardier.com). Follow us on Twitter [@Bombardier](https://twitter.com/Bombardier).

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**For information**

Francis Richer de La Flèche  
Vice President, Financial Planning and Investor  
Relations Bombardier  
+1 514 240 9649

Mark Masluch  
Senior Director, Communications  
Bombardier  
+1 514 855 7167

The Management's Discussion and Analysis and the Interim Consolidated Financial Statements are available at [ir.bombardier.com](http://ir.bombardier.com).

## CAUTION REGARDING NON-GAAP AND OTHER FINANCIAL MEASURES

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

<b>Non-GAAP and other financial measures</b>	
<b>Non-GAAP Financial Measures</b>	
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) from continuing operations 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.
Free cash flow (usage)	Cash flows from operating activities - continued operations less net additions to PP&E and intangible assets.
Available liquidity	Cash and cash equivalents, plus undrawn amounts under credit facilities.
Adjusted liquidity	Cash and cash equivalents, plus certain restricted cash supporting various bank guarantees.
Adjusted available liquidity	Cash and cash equivalents, plus certain restricted cash supporting various bank guarantees and undrawn amounts under credit facilities.
<b>Non-GAAP Ratios</b>	
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.
Adjusted EBIT margin	Adjusted EBIT, as a percentage of total revenues.
Adjusted EBITDA margin	Adjusted EBITDA, as a percentage of total revenues.
<b>Supplementary Financial Measures</b>	
EBIT margin	EBIT, as a percentage of total revenues.
Gross margin percentage	Gross margin, as a percentage of total revenues.

Non-GAAP and other financial measures are measures mainly derived from the consolidated financial statements but are not standardized financial measures under the financial reporting framework used to prepare our financial statements. Therefore, these might not be comparable to similar non-GAAP and other financial measures used by other issuers. The exclusion of certain items from non-GAAP or other financial measures does not imply that these items are necessarily non-recurring.

### Adjusted EBIT

Adjusted EBIT is defined as the EBIT excluding special items<sup>(1)</sup> which comprise items that do not reflect our core performance or where their separate presentation will assist users in understanding our results for the period. Management uses adjusted EBIT for purposes of evaluating underlying business performance. Management believes presentation of this non-GAAP operating earnings measure in addition to IFRS measures provides 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. For these reasons, a significant number of users of the MD&A analyze our results based on this financial measure. Management believes this measure helps users of the MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

<sup>(1)</sup> Refer to the Consolidated results of operations section in the MD&A for details regarding special items.

### **Adjusted EBITDA**

Adjusted EBITDA is defined as the EBIT excluding special items<sup>(1)</sup>, amortization and impairment charges on PP&E and intangible assets. Management uses adjusted EBITDA for purposes of evaluating underlying business performance. Management believes this non-GAAP operating earnings measure in addition to IFRS measures provides 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, since it excludes the effects of items that are usually associated with investing or financing activities and 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 this financial measure. Management believes this measure helps users of the MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

### **Adjusted net income (loss)**

Adjusted net income (loss) is defined as the net income (loss) from continuing operations adjusted for certain specific items that are significant but are not, based on management's judgment, reflective of the Corporation's underlying operations. These include adjustments to EBIT related to special items<sup>(1)</sup>, net financing expense (income) and other adjusting items for the period. Management uses adjusted net income (loss) for purposes of evaluating underlying business performance. Management believes this non-GAAP earnings measure in addition to IFRS measures provides users of our Financial Report with enhanced understanding of our results and related trends and increase the transparency and clarity of the core results of our business. Adjusted net income (loss) excludes 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 this financial measure. Management believes this measure helps users of the MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

### **Adjusted EPS**

Adjusted EPS is defined as the adjusted net income (loss) attributable to equity shareholders of Bombardier Inc., divided by the weighted-average diluted number of common shares for the period. Management uses adjusted EPS for purposes of evaluating underlying business performance. Management believes this non-GAAP financial ratio in addition to IFRS measures provides 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 EPS excludes 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 this financial measure. Management believes this measure helps users of the MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

### **Adjusted EBIT margin**

Adjusted EBIT margin is defined as the adjusted EBIT expressed as a percentage of total revenues. Management uses adjusted EBIT margin for purposes of evaluating underlying business performance. Management believes this non-GAAP financial ratio in addition to IFRS measures provides users of our Financial Report with enhanced understanding of our results and related trends and increase the transparency and clarity of the core results of our business. Adjusted EBIT margin excludes 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 this financial measure. Management believes this measure helps users of the MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

### **Adjusted EBITDA margin**

Adjusted EBITDA margin is defined as the adjusted EBITDA expressed as a percentage of total revenues. Management uses adjusted EBITDA margin for purposes of evaluating underlying business performance. Management believes this non-GAAP financial ratio in addition to IFRS measures provides users of our Financial Report with enhanced understanding of our results and related trends and increase the transparency and clarity of the core results of our business. Adjusted EBITDA margin excludes 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 this financial measure. Management believes this measure helps users of the MD&A to better analyze results, enabling better comparability of our results from one period to another and with peers.

<sup>(1)</sup> Refer to the Consolidated results of operations section in the MD&A for details regarding special items.

### Free cash flow (usage)

Free cash flow is defined as cash flows from operating activities - continued operations 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.

### Available liquidity

This measure was previously referred to as available short-term capital resources from continuing operations. Available liquidity is defined as cash and cash equivalents plus undrawn amounts under credit facilities. Management believes that this non-GAAP financial measure provides investors with an important perspective on the Corporation's ability to meet expected liquidity requirements, including the support of product development initiatives and to ensure financial flexibility. This measure does not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies.

### Adjusted liquidity

Adjusted liquidity is defined as cash and cash equivalents, plus certain restricted cash supporting various bank guarantees. Management believes that this non-GAAP financial measure is a useful measure because it includes items in its results that management believes is a better reflection of the Corporation's liquidity. This measure does not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies.

### Adjusted available liquidity

Adjusted available liquidity is defined as cash and cash equivalents, plus certain restricted cash supporting various bank guarantees and undrawn amounts under credit facilities. Management believes that this non-GAAP financial measure is a useful measure because it includes items in its results that management believes is a better reflection of the Corporation's liquidity. This measure does not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies.

### Reconciliation of adjusted EBIT to EBIT and computation of adjusted EBIT margin<sup>(1)</sup>

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2022	2021	2022	2021
<b>EBIT</b>	<b>\$ 207</b>	<b>\$ 138</b>	<b>\$ 538</b>	<b>\$ 241</b>
Special items	4	(25)	(26)	(18)
<b>Adjusted EBIT</b>	<b>\$ 211</b>	<b>\$ 113</b>	<b>\$ 512</b>	<b>\$ 223</b>
Total revenues	\$ 2,655	\$ 1,771	\$ 6,913	\$ 6,085
<b>Adjusted EBIT margin</b>	<b>7.9 %</b>	<b>6.4 %</b>	<b>7.4 %</b>	<b>3.7 %</b>

### Reconciliation of adjusted EBITDA to EBIT and computation of adjusted EBITDA margin<sup>(1)</sup>

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2022	2021	2022	2021
<b>EBIT</b>	<b>\$ 207</b>	<b>\$ 138</b>	<b>\$ 538</b>	<b>\$ 241</b>
Amortization	140	119	415	417
Impairment charges on PP&E and intangible assets <sup>(2)</sup>	1	—	3	3
Special items excluding impairment charges on PP&E and intangible assets <sup>(2)</sup>	4	(25)	(26)	(21)
<b>Adjusted EBITDA</b>	<b>\$ 352</b>	<b>\$ 232</b>	<b>\$ 930</b>	<b>\$ 640</b>
Total Revenues	\$ 2,655	\$ 1,771	\$ 6,913	\$ 6,085
<b>Adjusted EBITDA margin</b>	<b>13.3 %</b>	<b>13.1 %</b>	<b>13.5 %</b>	<b>10.5 %</b>

<sup>(1)</sup> Includes continuing operations only.

<sup>(2)</sup> Refer to the Consolidated results of operations in the MD&A for details regarding special items.



**Reconciliation of adjusted net income to net income and computation of adjusted EPS<sup>(1)</sup>**

	Fourth quarters ended December 31			
	2022		2021	
	(per share)		(per share)	
<b>Net income from continuing operations</b>	\$	241	\$	239
Adjustments to EBIT related to special items <sup>(2)</sup>		4	\$	0.04
Adjustments to net financing expense related to:				
Net gain on certain financial instruments		(44)		(143)
Accretion on net retirement benefit obligations		8		10
Losses on repayment of long-term debt <sup>(2)</sup>		3		—
Tax impact of special <sup>(2)</sup> and other adjusting items		(1)		(0.01)
<b>Adjusted net income</b>		211		80
Preferred share dividends, including taxes		(7)		(7)
<b>Adjusted net income attributable to equity holders of Bombardier Inc.</b>	\$	204	\$	73
<b>Weighted-average adjusted diluted number of common shares (in thousands)<sup>(3)</sup></b>		97,423		98,534
<b>Adjusted EPS (in dollars)<sup>(3)</sup></b>	\$	2.09	\$	0.74

**Reconciliation of adjusted EPS to diluted EPS (in dollars)<sup>(1)</sup>**

	Fourth quarters ended December 31	
	2022	2021
<b>Diluted EPS from continuing operations<sup>(3)</sup></b>	\$	2.40
Impact of special <sup>(2)</sup> and other adjusting items		(0.31)
<b>Adjusted EPS<sup>(3)</sup></b>	\$	2.09

**Reconciliation of adjusted net income (loss) to net loss and computation of adjusted EPS<sup>(1)</sup>**

	Fiscal years ended December 31			
	2022		2021	
	(per share)		(per share)	
<b>Net loss from continuing operations</b>	\$	(128)	\$	(249)
Adjustments to EBIT related to special items <sup>(2)</sup>		(26)	\$	(0.27)
Adjustments to net financing expense related to:				
Net loss (gain) on certain financial instruments		228		2.34
Accretion on net retirement benefit obligations		31		0.32
Changes in discount rates of provisions		(2)		(0.02)
Losses (gains) on repayment of long-term debt <sup>(2)</sup>		(1)		(0.01)
Tax impact of special <sup>(2)</sup> and other adjusting items		(1)		(0.01)
<b>Adjusted net income (loss)</b>		101		(326)
Preferred share dividends, including taxes		(29)		(27)
<b>Adjusted net income (loss) attributable to equity holders of Bombardier Inc.</b>	\$	72	\$	(353)
<b>Weighted-average adjusted diluted number of common shares (in thousands)<sup>(3)</sup></b>		97,642		96,334
<b>Adjusted EPS (in dollars)<sup>(3)</sup></b>	\$	0.74	\$	(3.66)

**Reconciliation of adjusted EPS to diluted EPS (in dollars)<sup>(1)</sup>**

	Fiscal years ended December 31	
	2022	2021
<b>Diluted EPS from continuing operations<sup>(3)</sup></b>	\$	(1.67)
Impact of special <sup>(2)</sup> and other adjusting items		2.41
<b>Adjusted EPS<sup>(3)</sup></b>	\$	0.74

<sup>(1)</sup> Includes continuing operations only.

<sup>(2)</sup> Refer to the Consolidated results of operations section in the MD&A for details regarding special items.

<sup>(3)</sup> As of June 13, 2022, Bombardier proceeded with a Share Consolidation of the Corporation's Class A shares and Class B shares (subordinate voting) at a consolidation ratio of 25-for-1. As a result, the comparative periods have been retroactively restated to reflect the Share Consolidation.

**Reconciliation of free cash flow to cash flow from operating activities<sup>(1)</sup>**

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2022	2021	2022	2021
<b>Cash flows from operating activities – continuing operations</b>	\$ 311	\$ 393	\$ 1,072	\$ 332
Net additions to PP&E and intangible assets	(142)	(79)	(337)	(232)
<b>Free cash flow from continuing operations</b>	<b>\$ 169</b>	<b>\$ 314</b>	<b>\$ 735</b>	<b>\$ 100</b>

**Reconciliation of available liquidity to cash and cash equivalents**

	Fiscal years ended December 31	
	2022	2021
<b>Cash and cash equivalents</b>	\$ 1,291	\$ 1,675
Undrawn amounts under available revolver credit facility <sup>(2)</sup>	208	—
<b>Available liquidity</b>	<b>\$ 1,499</b>	<b>\$ 1,675</b>

**Reconciliation of adjusted liquidity to cash and cash equivalents**

	Fiscal years ended December 31	
	2022	2021
<b>Cash and cash equivalents</b>	\$ 1,291	\$ 1,675
Certain restricted cash supporting various bank guarantees	391	429
<b>Adjusted liquidity</b>	<b>\$ 1,682</b>	<b>\$ 2,104</b>

**Reconciliation of adjusted available liquidity to cash and cash equivalents**

	Fiscal years ended December 31	
	2022	2021
<b>Cash and cash equivalents</b>	\$ 1,291	\$ 1,675
Undrawn amounts under available revolving credit facility <sup>(2)</sup>	208	—
Certain restricted cash supporting various bank guarantees	391	429
<b>Adjusted available liquidity</b>	<b>\$ 1,890</b>	<b>\$ 2,104</b>

<sup>(1)</sup> Includes continuing operations only.

<sup>(2)</sup> A committed secured revolving credit facility of \$300 million which matures in 2027 and is available for cash drawings for the ongoing working capital needs of the Corporation and for issuance of performance letters of credit. This facility was undrawn as at December 31, 2022 and the availability as at such date was \$208 million based on the collateral available, which may vary from time to time.

## FORWARD-LOOKING STATEMENTS

This press release 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 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 ability to continue business transition to growth cycle and cash generation; expectations, objectives and strategies regarding debt repayment, refinancing of maturities and interest cost reduction; 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; expectations regarding the availability of government assistance programs; both the repercussions of the COVID-19 pandemic and the impact of the ongoing military conflict between Ukraine and Russia on the foregoing and the effectiveness of plans and measures we have implemented in response thereto; and expectations regarding the strength of the market, inflationary and supply chain pressures, and ongoing economic recovery in the aftermath of the COVID-19 pandemic.

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, guidance, 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 press release include the following material assumptions: growth of the business aviation market and the Corporation’s share of such market; proper identification of recurring cost savings and executing on our cost reduction plan; optimization of our real estate portfolio, including through the sale or other transactions in respect of real estate assets on favorable terms; and access to working capital facilities on market terms. For additional information, including with respect to other assumptions underlying the forward-looking statements made in this press release, refer to the Forward-looking statements - Assumptions section of the MD&A of the Corporation’s financial report for the fiscal year ended December 31, 2022. Given the impact of the changing circumstances surrounding both the repercussions of the COVID-19 pandemic and the ongoing military conflict between Ukraine and Russia, including because of the emergence of COVID-19 variants and the imposition of financial and economic sanctions and export control limitations, and the related response from the Corporation, governments (federal, provincial and municipal, both domestic, foreign and multinational inter-governmental organizations), 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; operational risks (such as risks related to development of new business; order backlog; deployment and execution of our strategy, including cost reductions and working capital improvements and manufacturing and productivity enhancement initiatives; developing new products and services; the certification of products and services; pressures on cash flows and capital expenditures, including due to seasonality and cyclicity; doing business with partners; product performance warranty and casualty claim losses; environmental, health and safety concerns and regulations; dependence on limited number of contracts, customers and suppliers, including supply chain risks; human resources including the global availability of a skilled workforce; reliance on information systems (including technology vulnerabilities, cybersecurity threats and privacy breaches); reliance on and protection of intellectual property rights; reputation risks; adequacy of insurance coverage; risk management; and tax matters); financing risks (such as risks related to liquidity and access to capital markets; substantial debt and interest payment requirements, including execution of debt management and interest cost reduction strategies; restrictive and financial debt covenants; retirement benefit plan risk; exposure to credit risk; and reliance on government support); risks related to regulatory and legal proceedings; business environment risks (such as risks associated with the financial condition of business aircraft customers; trade policy; increased competition; political instability; financial and economic sanctions and export control limitations; global climate change; and force majeure events); market risks (such as foreign currency fluctuations; changing interest rates; increases in commodity prices; and inflation rate fluctuations); and other unforeseen adverse events. For more details, see the Risks and uncertainties section in Other in the MD&A of the Corporation’s financial report for the fiscal year ended December 31, 2022. Any one or more of the foregoing factors may be exacerbated by the repercussions of the COVID-19 pandemic and the ongoing military conflict between Ukraine and Russia, 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 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 press release are expressly qualified by this cautionary statement.