

## 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:

Non-GAAP and other financial measures	
<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>	<b>\$ 311</b>	<b>\$ 393</b>	<b>\$ 1,072</b>	<b>\$ 332</b>
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>	<b>\$ 1,291</b>	<b>\$ 1,675</b>
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>	<b>\$ 1,291</b>	<b>\$ 1,675</b>
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>	<b>\$ 1,291</b>	<b>\$ 1,675</b>
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.