

Reconciliations to most comparable IFRS measures

Reconciliation of adjusted EBIT to EBIT and computation of adjusted EBIT margin⁽¹⁾

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2023	2022	2023	2022
EBIT	\$ 211	\$ 207	\$ 793	\$ 538
Restructuring charges ⁽²⁾⁽³⁾	1	7	1	8
Loss (gain) related to disposal of business ⁽²⁾⁽⁴⁾	(19)	2	(81)	(22)
Impairment and program termination ⁽²⁾⁽⁵⁾	82	(4)	83	(9)
Pension related items ⁽²⁾⁽⁶⁾	3	—	3	—
Adjusted EBIT	\$ 278	\$ 212	\$ 799	\$ 515
Total revenues	\$ 3,062	\$ 2,655	\$ 8,046	\$ 6,913
Adjusted EBIT margin	9.1%	8.0%	9.9%	7.4%

Reconciliation of adjusted EBITDA to EBIT and computation of adjusted EBITDA margin⁽¹⁾

	Fourth quarters ended December 31		Fiscal years ended December 31	
	2023	2022	2023	2022
EBIT	\$ 211	\$ 207	\$ 793	\$ 538
Amortization	180	140	431	415
Restructuring charges ⁽²⁾⁽³⁾	1	7	1	8
Loss (gain) related to disposal of business ⁽²⁾⁽⁴⁾	(19)	2	(81)	(22)
Impairment and program termination ⁽²⁾⁽⁵⁾	82	(4)	83	(9)
Pension related items ⁽²⁾⁽⁶⁾	3	—	3	—
Adjusted EBITDA	\$ 458	\$ 352	\$ 1,230	\$ 930
Total revenues	\$ 3,062	\$ 2,655	\$ 8,046	\$ 6,913
Adjusted EBITDA margin	15.0%	13.3%	15.3%	13.5%

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

	Fourth quarters ended December 31			
	2023 (per share)		2022 (per share)	
Net income from continuing operations	\$ 215		\$ 241	
Adjustments to EBIT related to:				
Restructuring charges ⁽²⁾⁽³⁾	1	0.01	7	0.07
Loss (gain) related to disposal of business ⁽²⁾⁽⁴⁾	(19)	(0.19)	2	0.02
Impairment and program termination ⁽²⁾⁽⁵⁾	82	0.83	(4)	(0.04)
Pension related items ⁽²⁾⁽⁶⁾	3	0.03	—	—
Adjustments to net financing expense related to:				
Net gain on certain financial instruments	(162)	(1.65)	(44)	(0.45)
Accretion on net retirement benefit obligations	6	0.06	8	0.08
Losses on repayment of long-term debt	16	0.16	3	0.03
Changes in discount rates of provisions	1	0.01	—	—
Tax impact of adjusting items	—	—	(1)	(0.01)
Adjusted net income	143		212	
Preferred share dividends, including taxes	(8)		(7)	
Adjusted net income attributable to equity holders of Bombardier Inc.	\$ 135		\$ 205	
Weighted-average adjusted diluted number of common shares (in thousands)	98,409		97,423	
Adjusted EPS (in dollars)	\$ 1.37		\$ 2.10	

⁽¹⁾ Only from continuing operations.

⁽²⁾ Special items and certain items of other expense (income) were mainly reclassified to gain related to disposal of business, impairment and program termination, and restructuring charges, including comparative figures. See Note 37 - Reclassification of the Consolidated financial statements for more information.

⁽³⁾ Includes severance charges or related reversal as well as curtailment losses (gains), if any.

⁽⁴⁾ Includes changes in provisions related to past divestitures.

⁽⁵⁾ Includes impairment or reversal of impairment of PP&E and intangible assets, as well as provisions related to program termination or their related reversal, if any. For fiscal year 2023, includes impairment of \$85 million related to an aircraft product upgrade, started in 2018 and paused in 2020.

⁽⁶⁾ Includes the loss related to the purchase of pension annuities. See Note 21 - Retirement benefits of the Consolidated financial statements for more information.

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

	Fourth quarters ended December 31	
	2023	2022
Diluted EPS from continuing operations	\$ 2.11	\$ 2.40
Impact of adjustment to EBIT related to:		
Restructuring charges ⁽²⁾⁽³⁾	0.01	0.07
Loss (gain) related to disposal of business ⁽²⁾⁽⁴⁾	(0.19)	0.02
Impairment and program termination ⁽²⁾⁽⁵⁾	0.83	(0.04)
Pension related items ⁽²⁾⁽⁶⁾	0.03	—
Adjustments to net financing expense related to:		
Net gain on certain financial instruments	(1.65)	(0.45)
Accretion on net retirement benefit obligations	0.06	0.08
Losses on repayment of long-term debt	0.16	0.03
Changes in discount rates of provisions	0.01	—
Tax impact of adjusting items	—	(0.01)
Adjusted EPS	\$ 1.37	\$ 2.10

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

	Fiscal years ended December 31			
	2023	2022		2022
		(per share)		(per share)
Net income (loss) from continuing operations	\$ 490	\$	(128)	
Adjustments to EBIT related to:				
Restructuring charges ⁽²⁾⁽³⁾	1	0.01	8	0.08
Gain related to disposal of business ⁽²⁾⁽⁴⁾	(81)	(0.83)	(22)	(0.23)
Impairment and program termination ⁽²⁾⁽⁵⁾	83	0.85	(9)	(0.09)
Pension related items ⁽²⁾⁽⁶⁾	3	0.03	—	—
Adjustments to net financing expense related to:				
Net loss (gain) on certain financial instruments	(160)	(1.64)	228	2.34
Accretion on net retirement benefit obligations	25	0.26	31	0.32
Losses (gains) on repayment of long-term debt	54	0.55	(1)	(0.01)
Changes in discount rates of provisions	1	0.01	(2)	(0.02)
Effect of dilution	—	—	—	0.06
Tax impact of adjusting items	—	—	(1)	(0.01)
Adjusted net income	416		104	
Preferred share dividends, including taxes	(31)		(29)	
Adjusted net income attributable to equity holders of Bombardier Inc.	\$ 385	\$	75	
Weighted-average adjusted diluted number of common shares (in thousands)	97,721		97,642	
Adjusted EPS (in dollars)	\$ 3.94	\$	0.77	

⁽¹⁾ Only from continuing operations.

⁽²⁾ Special items and certain items of other expense (income) were mainly reclassified to gain related to disposal of business, impairment and program termination, and restructuring charges, including comparative figures. See Note 37 - Reclassification of the Consolidated financial statements for more information.

⁽³⁾ Includes severance charges or related reversal as well as curtailment losses (gains), if any.

⁽⁴⁾ Includes changes in provisions related to past divestitures.

⁽⁵⁾ Includes impairment or reversal of impairment of PP&E and intangible assets, as well as provisions related to program termination or their related reversal, if any. For fiscal year 2023, includes impairment of \$85 million related to an aircraft product upgrade, started in 2018 and paused in 2020.

⁽⁶⁾ Includes the loss related to the purchase of pension annuities. See Note 21 - Retirement benefits of the Consolidated financial statements for more information.

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

	Fiscal years ended December 31	
	2023	2022
Diluted EPS from continuing operations	\$ 4.70	\$ (1.67)
Impact of adjustment to EBIT related to:		
Restructuring charges ⁽²⁾⁽³⁾	0.01	0.08
Gain related to disposal of business ⁽²⁾⁽⁴⁾	(0.83)	(0.23)
Impairment and program termination ⁽²⁾⁽⁵⁾	0.85	(0.09)
Pension related items ⁽²⁾⁽⁶⁾	0.03	—
Adjustments to net financing expense related to:		
Net loss (gain) on certain financial instruments	(1.64)	2.34
Accretion on net retirement benefit obligations	0.26	0.32
Losses (gains) on repayment of long-term debt	0.55	(0.01)
Changes in discount rates of provisions	0.01	(0.02)
Effect of dilution	—	0.06
Tax impact of adjusting items	—	(0.01)
Adjusted EPS	\$ 3.94	\$ 0.77

Reconciliation of free cash flow to cash flows from operating activities⁽¹⁾

	Fourth quarters ended		Fiscal years ended	
	December 31		December 31	
	2023	2022	2023	2022
Cash flows from operating activities - continuing operations	\$ 740	\$ 311	\$ 623	\$ 1,072
Net additions to PP&E and intangible assets	(94)	(142)	(366)	(337)
Free cash flow from continuing operations	\$ 646	\$ 169	\$ 257	\$ 735

Reconciliation of available liquidity to cash and cash equivalents

As at	December 31, 2023		December 31, 2022	
Cash and cash equivalents	\$	1,594	\$	1,291
Undrawn amounts under available revolving credit facility ⁽⁷⁾		251		208
Available liquidity	\$	1,845	\$	1,499

Reconciliation of adjusted net debt to long-term debt and computation of adjusted net debt to adjusted EBITDA ratio

	Fiscal years ended December 31	
	2023	2022
Long-term debt	\$ 5,607	\$ 5,980
Less: Cash and cash equivalents	1,594	1,291
Certain restricted cash supporting various bank guarantees	—	391
Adjusted net debt	\$ 4,013	\$ 4,298
Adjusted EBITDA	\$ 1,230	\$ 930
Adjusted net debt to adjusted EBITDA ratio	3.3	4.6

⁽¹⁾ Only from continuing operations.

⁽²⁾ Special items and certain items of other expense (income) were mainly reclassified to gain related to disposal of business, impairment and program termination, and restructuring charges, including comparative figures. See Note 37 - Reclassification of the Consolidated financial statements for more information.

⁽³⁾ Includes severance charges or related reversal as well as curtailment losses (gains), if any.

⁽⁴⁾ Includes changes in provisions related to past divestitures.

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⁽⁶⁾ Includes the loss related to the purchase of pension annuities. See Note 21 - Retirement benefits of the Consolidated financial statements for more information.

⁽⁷⁾ 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, 2023 and the availability as at such date was \$251 million based on the collateral, which may vary from time to time.