

## Viking Air Limited Acquires Worldwide CL-415 Water Bomber Program from Bombardier

Continues Canadian Heritage of an iconic Canadian-designed aircraft

World's leading firefighting aircraft to be supported and serviced from Calgary



*Photo credit: Bombardier Aerospace*

**Victoria, British Columbia, June 20th, 2016:** Viking Air Limited ("Viking"), a global leader of utility aircraft, support and services and manufacturer of the world-renowned Twin Otter, today announced the acquisition of the worldwide amphibious aircraft program from Bombardier (TSX: BBD.A) (TSX: BBD.B) (OTCQX: BDRBF). The amphibious aircraft program includes the Bombardier CL-415 water bomber and its variants, as well as the earlier CL-215 and CL-215T versions. The Bombardier 415 is



the aviation industry's benchmark amphibious aircraft and the backbone of firefighting missions around the globe. Designed and built in Canada with a heritage that dates back almost 50 years, it is the only western aircraft purpose-built for firefighting.

The transaction will see Viking acquire the Type Certificates (manufacturing rights) for all variants of Bombardier's amphibious aircraft, and assume responsibility for product support, parts and service for the fleet of some 170 water bombers in service with 21 operations in 11 countries around the world. This follows Viking's successful model of acquiring, supporting and sustaining utility aircraft programs, including manufacturing the world-renowned Twin Otter Series 400 aircraft. Viking will support the worldwide amphibious aircraft program from a newly acquired and specially repurposed 50,000 square foot facility in Calgary. Terms of the transaction were not disclosed.

"This acquisition expands Viking's capabilities in product support and parts into another vital niche aviation segment, and ensures that a unique and important Canadian innovation stays in Canada," said David Curtis, President and Chief Executive Officer of Viking. "We are proud to add another iconic Canadian aircraft program to Viking's stable - our aim is to take the 415 to its highest potential and keep these aircraft in service for decades to come. This transaction builds on our presence in British Columbia and Alberta and expands on the existing strengths of the western Canadian aerospace industry. At the same time, we will continue to rely on an extensive supply chain in Quebec and Ontario to support both the amphibious aircraft and Twin Otter programs."

Today, Viking employs approximately 88 people in Calgary and more than 330 at its headquarters and facilities in Victoria. With this new program Viking expects to add up to 40 people to its workforce in Victoria and Calgary.

Viking's new facility located near Calgary International Airport (CYYC) is in addition to the company's existing 70,000 square foot facility at CYYC. Viking's existing facilities in Calgary will be repurposed to accommodate existing Twin Otter activities, as well as the addition of the amphibious aircraft program.

Western Canada is today home to a number of Canadian aerospace companies and Viking is proud to support and participate in the growth of the industry in the



region. Viking sells its products and services internationally, making an important contribution to Canadian exports and contributing Canadian innovation to the world.

### **The Bombardier 415 Amphibious Water Bomber**

The world-renowned Bombardier 415 water bomber is a key part of Canada's rich aerospace heritage. The amphibious water bomber was originally developed by Canadair in the 1960s, and has its origins in flying boats used in World War II. The original version, the CL-215, had its maiden flight in 1967 and went into production in 1969. The aircraft was later advanced by Bombardier into the 415 which was introduced in 1994.

Recognized as the best aerial firefighting aircraft in the world, the Bombardier 415 - also known as the SuperScooper - needs only 12 seconds to scoop its 6,137-litre load while skimming at high speed over water. The aircraft is a key strategic asset for government and community firefighting efforts in Canada and around the world. While primarily a firefighting aircraft, these have multi-mission capabilities, including for uses like maritime patrol, and search and rescue.

The Bombardier 415 is a dependable aircraft, capable of remaining in service for decades with proper maintenance and support. As with Viking's successful business supporting, servicing, and manufacturing the Twin Otter and other utility aircraft, there is a long-term opportunity to manufacture parts and provide ongoing support to the in-service fleet.

Viking is part of the portfolio of a prominent Canadian family office investment firm which maintains a long-term investment horizon and is one of the leading investors in the Canadian aviation industry.

### **Additional Background**

Viking's acquisition of the amphibious aircraft program from Bombardier builds on a long history between the two companies. Viking's collaborative relationship with Bombardier began with spare parts manufacturing for the Beaver and Otter aircraft, growing until Viking became a key supplier of structural sheet metal parts and assemblies for the Twin Otter as well. Bombardier's Customer Service Centre for out-of-production de

Havilland aircraft was transferred to Viking in 2005, allowing Viking to work directly with operators for supply of new parts and technical support, and in 2006 Viking acquired the Type Certificates (manufacturing rights) from Bombardier for the Twin Otter and all out-of-production de Havilland aircraft. In 2007, Viking brought the Twin Otter Series 400 into production. Viking has booked sales of more than 150 new aircraft, and its 100th aircraft is scheduled for delivery in July 2016.

The acquisition of the amphibious aircraft program is subject to customary regulatory approval by Transport Canada and the Competition Bureau.

Viking's legal advisor is Davies Ward Phillips & Vineberg LLP. Viking was also advised by KPMG, which provided transaction and financial advice.





## **About Viking:**

Headquartered in Victoria, BC, Viking is the global leader of utility aircraft, support and services, and manufacturer of the world-renowned Twin Otter. Incorporated in 1970, Viking initially focused on flying boats before developing a repair and modification business in 1983 when de Havilland Inc. selected Viking as its exclusive spare part manufacturer and distributor for the de Havilland DHC-2 Mk I Beaver, Mk III Turbo Beaver, and DHC-3 Single Otter aircraft. This transformation culminated in 2006, when Viking acquired the Original Type Certificates (manufacturing rights) for all out-of-production de Havilland aircraft from the DHC-1 Chipmunk through the DASH-7 50 passenger STOL regional airliner.

In 2007 Viking launched the Twin Otter Series 400 production program, and to date over 150 new aircraft have been sold to 29 countries worldwide. With a current production rate averaging one new aircraft delivered every 15 business days, the Twin Otter Series 400 is the best-selling next generation 19-passenger aircraft available today.

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## **Information:**

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