

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of Earliest Event Reported): April 29, 2021 (April 29, 2021)

**WESTINGHOUSE AIR BRAKE TECHNOLOGIES
CORPORATION**

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other Jurisdiction
of Incorporation)

033-90866
(Commission
File No.)

25-1615902
(I.R.S. Employer
Identification No.)

30 Isabella Street
Pittsburgh, Pennsylvania
(Address of Principal Executive Offices)

15212
(Zip Code)

(412) 825-1000
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Class	Trading Symbol(s)	Name of Exchange on which registered
Common Stock, par value \$0.01 per share	WAB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On April 29, 2021, Westinghouse Air Brake Technologies Corporation (the “Company”) issued a press release reporting, among other things, the Company’s 2021 first quarter results. A copy of this press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated into this Item 2.02 by reference. The Company is also furnishing an investor presentation relating to its first quarter of 2021 (the “Presentation”), which will be used by the management team for presentations to investors and others. A copy of the Presentation is attached hereto as Exhibit 99.2 and incorporated into this Item 2.02 by reference. The Presentation is also available on the Company’s website at www.wabteccorp.com.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 2.02 in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 7.01. Regulation FD Disclosure.

On April 29, 2021, the Company issued a press release which, among other things, updated earnings guidance for fiscal year 2021. A copy of the press release is attached to this report as Exhibit 99.1 and the paragraph under the heading “2021 Financial Guidance” which discusses 2021 guidance is incorporated into this Item 7.01 by reference. The Company also furnished a Presentation relating to its fourth quarter of 2020, which is incorporated into this Item 7.01 by reference. A copy of the Presentation is attached to this report as Exhibit 99.2.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 7.01 in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are furnished with this report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated April 29, 2021
99.2	Wabtec 1st Quarter 2021, Financial Results & Company Highlights
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Caution Concerning Forward-Looking Statements

This communication contains “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the acquisition by Wabtec of GE Transportation (the “GE Transportation merger”), statements regarding Wabtec’s expectations about future sales and earnings and statements about the impact of evolving global conditions on Wabtec’s business. All statements, other than historical facts, including statements synergies from the GE Transportation merger; statements regarding Wabtec’s plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec’s expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) Wabtec’s ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets; and (14) other risk factors as detailed from time to time in Wabtec’s reports filed with the SEC, including Wabtec’s annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WESTINGHOUSE AIR BRAKE
TECHNOLOGIES CORPORATION

By: /s/ Patrick D. Dugan

Patrick D. Dugan
Executive Vice President and Chief Financial Officer

Date: April 29, 2021



**Wabtec Reports First Quarter 2021 Results;
Updates 2021 Guidance**

- **Delivered Strong Cash Flow from Operations of \$292 Million**
- **First Quarter Reported GAAP Earnings Per Share of \$0.59; Adjusted EPS of \$0.89**
- **Converted Key Long-term Orders, Strengthening Book-to-Bill**
- **Expanded Into Global Maintenance of Way Market with Strategic Acquisition of Nordco**
- **On-track to Deliver \$250 Million Run-Rate of Synergies From GE Transportation Merger in 2021**

PITTSBURGH, April 29, 2021 – Wabtec Corporation (NYSE: WAB) today reported first quarter 2021 earnings per diluted share of \$0.59 and adjusted earnings per diluted share of \$0.89, versus earnings per diluted share of \$0.58 and adjusted earnings per diluted share of \$0.97 a year ago. Total sales were \$1.8 billion and cash from operations was strong at \$292 million.

“Wabtec had a strong operational quarter,” said Rafael Santana, Wabtec’s president and chief executive officer. “Our team continued to deliver for our customers, while driving significant cash generation and aggressively reducing costs. This solid execution, balanced with investments in high-return opportunities, like our recent strategic acquisition of Nordco, will continue to create value and drive strong returns for shareholders.

“We are seeing continued signs of recovery happening across the global Freight and Transit rail markets. Freight volumes and equipment utilization are gradually improving, demand for freight aftermarket services is increasing, and sustainable investment in global transit remains strong. These directional trends, along with our backlog, strong cash flow and order pipeline position Wabtec to deliver profitable long-term growth.”

First Quarter 2021 Financial Summary

In the first quarter of 2021, Wabtec had cash from operations of \$292 million, sales of \$1.8 billion and GAAP earnings per diluted share of \$0.59. Adjusted earnings per diluted share was \$0.89 and excluded after-tax expenses of \$0.06 for restructuring and transaction costs and \$0.27 for non-cash amortization expense, offset by \$0.03 for foreign currency gains (see reconciliation table).

Backlog improved sequentially driven by orders for modernizations, service agreements and Transit products. At March 31, 2021, Wabtec’s total multi-year backlog was \$21.7 billion, which was higher than at December 31, 2020 as OEM and after-market orders increased in Freight. At March 31, 2021 the 12-month backlog was \$5.7 billion which was \$185 million higher than December 31, 2020.

2021 Financial Guidance

- Wabtec updated its 2021 sales guidance to a range of \$7.7 billion to \$7.9 billion, GAAP earnings per diluted share guidance to between \$2.80 to \$3.05 and adjusted earnings per diluted share to between \$4.05 to \$4.30. The adjusted guidance excludes estimated expenses for restructuring and amortization expenses.
- With cost actions and synergies stemming from the Wabtec and GE Transportation merger on-track, we expect to achieve a run rate savings of \$250 million in 2021 as well as margin expansion through continued cost actions. For full year 2021, Wabtec expects strong cash flow generation with operating cash flow conversion greater than 90%.

2021 First Quarter Consolidated Results

- Sales were \$1.8 billion versus \$1.9 billion in the same period a year ago. The decrease compared to the year-ago quarter was primarily driven by lower sales in Freight Equipment, but partially offset by growth in Freight Services.
- Income from operations was \$192 million (10.5 percent of sales) and adjusted income from operations was \$277 million (15.1 percent of sales), which was unfavorably impacted by lower sales in Freight primarily due to lower deliveries of locomotives in North America offset somewhat by realization of synergies and cost actions. Adjusted income from operations excluded pre-tax expenses of \$85 million, of which \$70 million is for non-cash amortization expense and \$16 million is for restructuring and transaction costs (see reconciliation table).
- Net interest expense was \$48 million and the reported and adjusted effective tax rate for the quarter was 27.5 percent including certain discrete tax expenses of about \$3 million during the quarter.
- EBITDA, which Wabtec defines as earnings before interest, taxes, depreciation and amortization was \$324 million and adjusted EBITDA was \$340 million. Adjusted EBITDA excluded pre-tax expenses of \$16 million for transaction and restructuring costs (see reconciliation table).

2021 First Quarter Freight Segment Results

- Freight segment sales of \$1.2 billion decreased by 9 percent from the year-ago quarter. The decrease was due to lower organic sales of \$115 million. Freight segment sales benefited from growth in Freight Services as result of higher modernizations, lower locomotive parking and higher utilization, as well as higher mining sales. This growth was offset by on-going disruption due to the COVID-19 pandemic and lower deliveries of locomotives in North America.
- Freight segment income from operations was \$142 million (12.0 percent of segment sales) and adjusted income from operations of \$214 million (18.1 percent of segment sales). Freight segment adjusted income from operations decreased 11 percent from the year-ago quarter primarily driven by mix of sales, lower absorption of fixed costs due to decreased locomotive deliveries offset somewhat by synergies and lower operating costs.

2021 First Quarter Transit Segment Results

- Transit segment sales of \$647 million increased by 3 percent from the year-ago quarter. Organic sales decreased by \$31 million but were offset by favorable foreign currency exchange rates of \$49 million. Organic transit segment sales were primarily impacted by the on-going disruption caused by the COVID-19 pandemic.
- Transit segment income from operations was \$70 million (10.8 percent of segment sales) and adjusted income from operations was \$79 million (12.2 percent of segment sales). Transit segment adjusted income from operations increased from the year-ago quarter by 6 percent as a result of continued improvement in operational performance, improved risk management and cost actions.

Cash Flow and Liquidity Summary

- The company generated cash from operations of \$292 million for the first quarter compared to cash used for operations of \$82 million a year ago. The strong cash performance during the quarter was driven by good operational performance and focused working capital management, along with a benefit of \$93 million from accounts receivable securitization.
- At the end of the quarter, the company had cash and cash equivalents of \$484 million and debt of \$4.3 billion. At March 31, 2021 the company's total available liquidity, which includes \$484 million in cash and cash equivalents plus \$1.2 billion available under current credit facilities, was \$1.7 billion.
- As previously announced on March 23, 2021, Wabtec completed its acquisition of Nordco for approximately \$400 million in cash. Nordco joined Wabtec as a part of its Freight Services group.

Conference Call Information

Wabtec will host a call with analysts and investors at 8:30 a.m., ET, today. To listen via webcast, go to Wabtec's new website at www.WabtecCorp.com and click on "Events & Presentations" in the "Investor Relations" section. Also, an audio replay of the call will be available by calling 1-877-344-7529 or 1-412-317-0088 (access code: 10152678).

About Wabtec Corporation

Wabtec Corporation is a leading global provider of equipment, systems, digital solutions and value-added services for freight and transit rail. Drawing on nearly four centuries of collective experience across Wabtec, GE Transportation and Faiveley Transport, the company has unmatched digital expertise, technological innovation, and world-class manufacturing and services, enabling the digital-rail-and-transit ecosystems. Wabtec is focused on performance that drives progress, creating transportation solutions that move and improve the world. The freight portfolio features a comprehensive line of locomotives, software applications and a broad selection of mission-critical controls systems, including Positive Train Control (PTC). The transit portfolio provides highly engineered systems and services to virtually every major rail transit system around the world, supplying an integrated series of components for buses and all train-related market segments that deliver safety, efficiency and passenger comfort. Along with its industry-leading portfolio of products and solutions for the rail and transit industries, Wabtec is a leader in mining, marine, and industrial solutions. Based in Pittsburgh, PA, Visit: www.WabtecCorp.com

Information about non-GAAP Financial Information and Forward-Looking Statements

Wabtec's earnings release and 2021 financial guidance mentions certain non-GAAP financial performance measures, including adjusted gross profit, adjusted operating expenses, adjusted operating margin, EBITDA, adjusted EBITDA, adjusted effective tax rate, adjusted income tax expense, adjusted income from operations, adjusted interest and other expense, adjusted earnings per diluted share and book-to-bill ratio. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines book-to-bill ratio, for which there is no comparable GAAP financial measure, as orders divided by sales. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this release have inherent material limitations as performance measures because they add back certain expenses incurred by the company to GAAP financial measures, resulting in those expenses not being taken into account in the applicable non-GAAP financial measure. Because not all companies use identical calculations, Wabtec's presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Included in this release are reconciliation tables that provide details about how adjusted results relate to GAAP results.

This communication contains "forward-looking" statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the acquisition by Wabtec of GE Transportation (the "GE Transportation merger"), statements regarding Wabtec's expectations about future sales and earnings, and statements about the impact of evolving global conditions on Wabtec's business. All statements, other than historical facts, including statements regarding synergies from the GE Transportation merger; statements regarding Wabtec's plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including the GE Transportation merger, including as a result of integrating acquired targets into Wabtec; (4) Wabtec's ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal,

regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, and (14) other risk factors as detailed from time to time in Wabtec's reports filed with the SEC, including Wabtec's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

Wabtec Investor Contact

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WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended March 31,	
	2021	2020
Net sales	\$ 1,830.2	\$ 1,929.9
Cost of sales	(1,296.0)	(1,351.2)
Gross profit	534.2	578.7
<i>Gross profit as a % of Net Sales</i>	29.2%	30.0%
Selling, general and administrative expenses	(235.4)	(243.4)
Engineering expenses	(37.7)	(49.0)
Amortization expense	(69.5)	(69.0)
Total operating expenses	(342.6)	(361.4)
<i>Operating expenses as a % of Net Sales</i>	18.7%	18.7%
Income from operations	191.6	217.3
<i>Income from operations as a % of Net Sales</i>	10.5%	11.3%
Interest expense, net	(47.6)	(53.3)
Other income (expense), net	14.2	(14.8)
Income before income taxes	158.2	149.2
Income tax expense	(43.5)	(38.0)
<i>Effective tax rate</i>	27.5%	25.5%
Net income	114.7	111.2
Less: Net (income) loss attributable to noncontrolling interest	(2.3)	0.4
Net income attributable to Wabtec shareholders	\$ 112.4	\$ 111.6
Earnings Per Common Share		
Basic		
Net income attributable to Wabtec shareholders	\$ 0.59	\$ 0.58
Diluted		
Net income attributable to Wabtec shareholders	\$ 0.59	\$ 0.58
Basic	188.5	190.8
Diluted	188.9	191.4
Segment Information		
Freight Net Sales	\$ 1,183.3	\$ 1,301.0
Freight Income from Operations	\$ 141.8	\$ 161.7
Freight Operating Margin	12.0%	12.4%
Transit Net Sales	\$ 646.9	\$ 628.9
Transit Income from Operations	\$ 70.1	\$ 68.6
Transit Operating Margin	10.8%	10.9%
Backlog Information (Note: 12-month is a sub-set of total)		
	March 31, 2021	December 31, 2020
Freight Total	\$ 18,005.5	\$ 17,887.1
Transit Total	3,666.0	3,704.2
Wabtec Total	\$ 21,671.5	\$ 21,591.3
Freight 12-Month	\$ 3,910.2	\$ 3,586.3
Transit 12-Month	1,796.0	1,934.4
Wabtec 12-Month	\$ 5,706.2	\$ 5,520.7

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

<u>In millions</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>
Cash and cash equivalents	\$ 483.5	\$ 598.7
Receivables, net	1,403.0	1,412.5
Inventories	1,671.5	1,642.1
Other current assets	221.0	226.5
Total current assets	3,779.0	3,879.8
Property, plant and equipment, net	1,575.5	1,601.6
Goodwill	8,625.7	8,485.2
Other intangible assets, net	3,927.2	3,869.2
Other noncurrent assets	635.8	618.7
Total assets	\$ 18,543.2	\$ 18,454.5
Current liabilities	\$ 3,168.9	\$ 3,226.3
Long-term debt	3,923.3	3,792.2
Long-term liabilities - other	1,273.9	1,283.3
Total liabilities	8,366.1	8,301.8
Shareholders' equity	10,144.1	10,122.3
Noncontrolling interest	33.0	30.4
Total shareholders' equity	10,177.1	10,152.7
Total Liabilities and Shareholders' Equity	\$ 18,543.2	\$ 18,454.5

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<u>In millions</u>	<u>Three Months Ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Operating activities		
Net income	\$ 114.7	\$ 111.2
Non-cash expense	115.6	85.5
Receivables	9.3	(22.6)
Inventories	(11.2)	(23.5)
Accounts Payable	47.0	(60.2)
Other assets and liabilities	16.8	(172.3)
Net cash provided by (used for) operating activities	292.2	(81.9)
Net cash used for investing activities	(422.0)	(62.6)
Net cash provided by financing activities	7.7	183.5
Effect of changes in currency exchange rates	6.9	(27.3)
(Decrease) increase in cash	(115.2)	11.7
Cash and cash equivalents, beginning of period	598.7	604.2
Cash and cash equivalents, end of period	<u>\$ 483.5</u>	<u>\$ 615.9</u>

Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation
2021 Q1 EBITDA Reconciliation
(in millions)

	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring & Transaction Costs	=	Adjusted EBITDA
Consolidated Results	\$ 191.6		\$ 14.2		\$ 118.3		\$ 324.1		\$ 15.5		\$ 339.6

Wabtec Corporation
2020 Q1 EBITDA Reconciliation
(in millions)

	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring & Transaction Costs	=	Adjusted EBITDA
Consolidated Results	\$ 217.3		(\$ 14.8)		\$ 114.4		\$ 316.9		\$ 16.9		\$ 333.8

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
SALES BY PRODUCT LINE
(UNAUDITED)

<u>In millions</u>	<u>Three Months Ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Freight Segment		
Equipment	\$ 261.8	\$ 408.0
Components	202.5	220.4
Digital Electronics	156.5	173.6
Services	562.5	499.0
Total Freight Segment	<u>1,183.3</u>	<u>1,301.0</u>
Transit Segment		
Original Equipment Manufacturer	\$ 286.8	\$ 287.0
Aftermarket	360.1	341.9
Total Transit Segment	<u>646.9</u>	<u>628.9</u>

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
RECONCILIATION OF REPORTED RESULTS TO ADJUSTED RESULTS—BY SEGMENT
(UNAUDITED)

<u>In millions</u>	Three Months Ended March 31,	
	2021	2020
Freight Segment Reported Income from Operations	\$ 141.8	\$ 161.7
Freight Segment Reported Margin	12.0%	12.4%
Restructuring & Transaction costs	7.8	14.8
Non-cash Amortization expense	64.5	64.1
Freight Segment Adjusted Income from Operations	\$ 214.1	\$ 240.6
Freight Segment Adjusted Margin	18.1%	18.5%
Transit Segment Reported Income from Operations	\$ 70.1	\$ 68.6
Transit Segment Reported Margin	10.8%	10.9%
Restructuring & Transaction costs	3.8	1.1
Non-cash Amortization expense	5.0	4.9
Transit Segment Adjusted Income from Operations	\$ 78.9	\$ 74.6
Transit Segment Adjusted Margin	12.2%	11.9%

Wabtec 1st Quarter 2021

Financial Results & Company Highlights

April 29, 2021



Forward looking statements & non-GAAP financial information

This communication contains "forward-looking" statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the acquisition by Wabtec of GE Transportation (the "GE Transportation merger"), statements regarding Wabtec's expectations about future sales and earnings and statements about the impact of evolving global conditions on Wabtec's business. All statements, other than historical facts, including statements synergies from the GE Transportation merger; statements regarding Wabtec's plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) Wabtec's ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets; and (14) other risk factors as detailed from time to time in Wabtec's reports filed with the SEC, including Wabtec's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

This presentation as well as Wabtec's earnings release and 2021 financial guidance mention certain non-GAAP financial performance measures, including adjusted gross profit, adjusted operating expenses, adjusted income from operations, adjusted interest and other expense, adjusted operating margin, adjusted income tax expense, adjusted effective tax rate, adjusted earnings per diluted share, EBITDA and adjusted EBITDA, net debt, cash conversion rate and book-to-bill ratio. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines book-to-bill ratio as new orders divided by sales. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this presentation have inherent material limitations as performance measures because they add back certain expenses incurred by the company to GAAP financial measures, resulting in those expenses not being taken into account in the applicable non-GAAP financial measure. Because not all companies use identical calculations, Wabtec's presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Included in this presentation are reconciliation tables that provide details about how adjusted results relate to GAAP results.

1Q 2021 highlights

- **Global Freight and Transit continuing to recover** ... strong order pipeline of international locos; continued investment in global transit infrastructure
- **Expanded into maintenance of way market** with strategic acquisition of Nordco ... immediately accretive; significant international growth opportunities
- **Key technology wins** ... completed FLXdrive test in revenue service; Class I modernization order & service agreements; Transit brakes/ doors orders
- **Delivering on integration and cost actions** ... synergies from GET merger on-track to deliver \$250M run-rate in '21
- **Strong cash generation** ... driven by focused cash management & improved working capital
- **Multi-year backlog** ... still working through North American trough

1Q 2021

\$1.8B
Sales

10.5% **15.1%**
GAAP Adj.
Operating Margin

\$292M⁽¹⁾
Cash from Operations

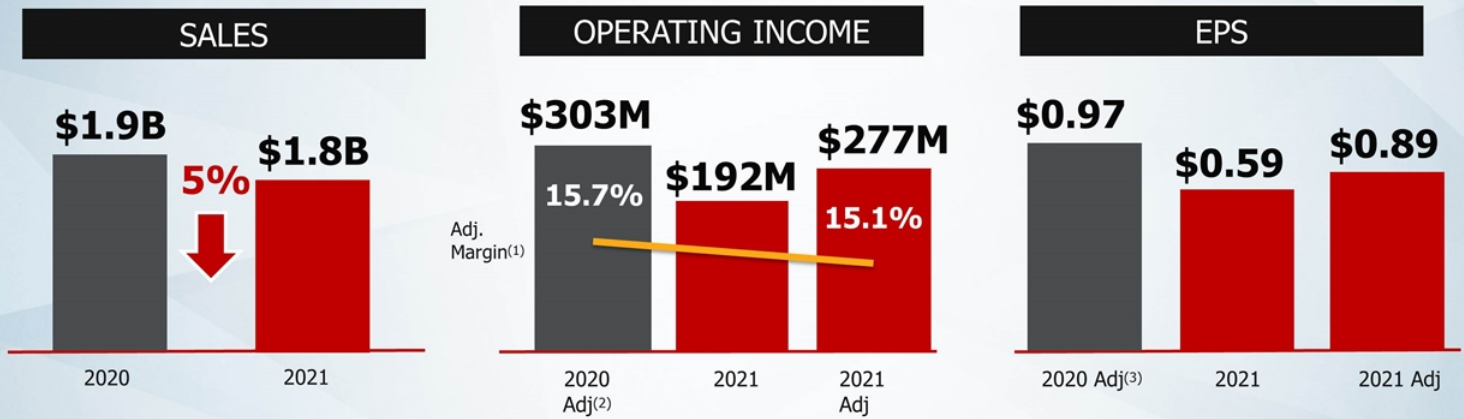
\$0.59 **\$0.89**
GAAP Adj.
EPS

\$21.7B
Backlog

Continued focus on execution ... well positioned for recovery

(1) 1st quarter cash flow from operations benefited from securitization of accounts receivable of \$93M.

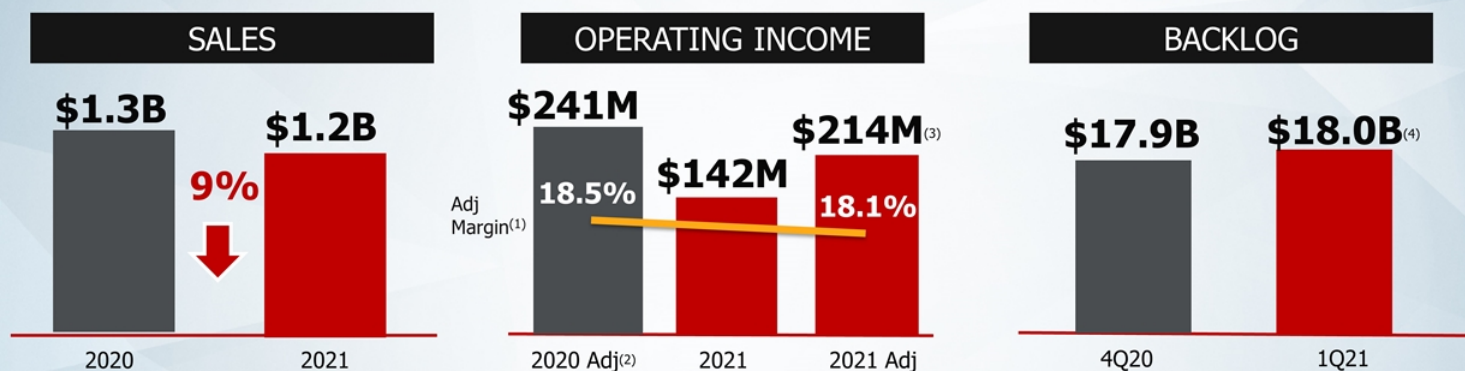
1Q 2021 financial summary



Solid first quarter ... delivering on our strategic plan

- (1) 1Q 2020 GAAP margin was 11.3% and 1Q 2021 GAAP operating margin was 10.5%.
(2) 1Q 2020 GAAP operating income was \$217.3 million.
(3) 1Q 2020 GAAP EPS was \$0.58

1Q 2021 Freight segment performance



PRODUCT LINE	YoY	
Equipment	(36%)	Lower loco deliveries (-48% YoY) driven by NA; Mining in recovery (units up >10% YoY)
Components	(8%)	Improving aftermarket offset by 45% decline in NA OE railcar build
Services	13%	Improving YoY freight trends & weather drove unparking of locos ... strong MODs demand
Digital Electronics	(10%)	Order momentum book-to-bill >1 ... continued international expansion of PTC; constrained NA capex spend

(1) 1Q 2020 Freight segment margin was 12.4% and 1Q 2021 Freight segment margin was 12.0%.

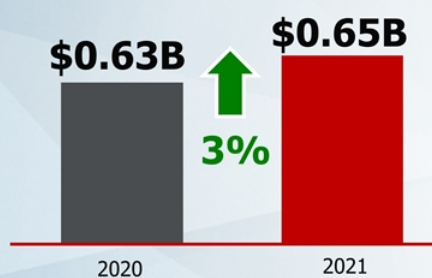
(2) 1Q 2020 Freight segment operating income was \$161.7 million.

(3) Freight segment income from operations was positively impacted by below market intangible amortization of \$13 million. Freight segment income was adjusted by the following expenses: \$8 million for restructuring and transaction and \$65 million for amortization expenses.

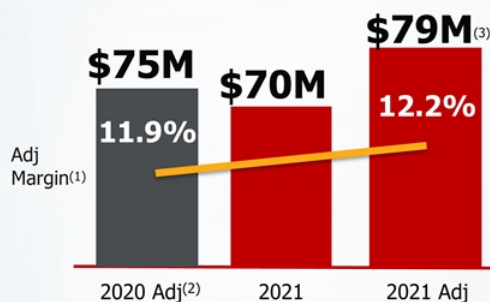
(4) Foreign exchange rates had negative \$85 million impact on the segment backlog.

1Q 2021 Transit segment performance

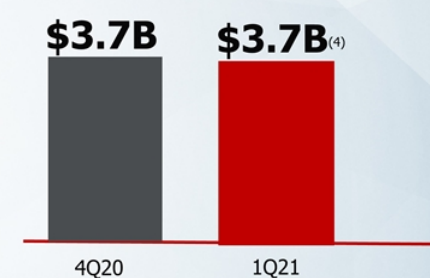
SALES



OPERATING INCOME



BACKLOG



PRODUCT LINE

YoY

OE

-

Recovery in global transit spend on new projects

Aftermarket

5%

Aftermarket resilient despite COVID resurgence

(1) 1Q 2020 Transit segment margin was 10.9% and 1Q 2021 Transit segment margin was 10.8%.

(2) 1Q 2020 Transit segment operating income was \$68.6 million.

(3) Transit Segment income from operations was adjusted by \$4 million for restructuring expenses and \$5 million for amortization expenses.

(4) Foreign exchange rates had a negative \$85 million impact on segment backlog.

Resilient business allows for execution on financial priorities

FOCUSED ON CASH CONVERSION

Cash from Ops



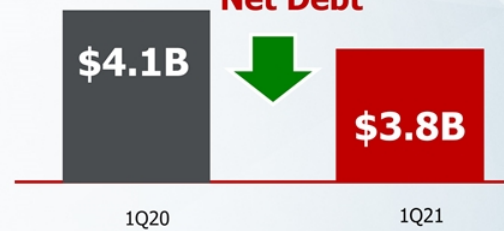
Strong cash generation ... solid cash conversion of net income

Focused working capital management ... benefit from A/R securitization

Executing on synergy goals ... on track to deliver \$250M run-rate in '21

STRONG FINANCIAL POSITION

Net Debt



Durable and consistent cash flows ... strong balance sheet

Adj. leverage at ~2.7x ... Committed to maintain investment grade ratings

Deploying capital to execute on strategic priorities

Robust cash generation ... investing in high-return opportunities to grow shareholder value

Market update

FREIGHT

- + Locos & railcars gradually coming out of storage ... continued recovery in aftermarket
- + Multi-year international locomotive pipeline; mining improving
- Expected NA OE railcar build of <30K; NA loco deliveries at zero; constrained Class I capex; timing of international orders
- +/- Digital Electronics book-to-bill >1 ... order convertibility is multi-year

TRANSIT

- + Continued infrastructure spending support for green initiatives
- + Diverse end-market exposure
- Some order timing delayed due to pandemic
- COVID-19 impacts on ridership; strained operating budgets across sector

2021 GUIDANCE

\$7.7B to \$7.9B

REVENUES

\$2.80 to \$3.05

GAAP EPS

\$4.05 to \$4.30

ADJUSTED EPS

>90%

CASH CONVERSION⁽¹⁾

(1) Cash from Operations conversion % is defined as GAAP Cash from Operations divided by GAAP Net Income plus Depreciation & Amortization

Solid foundation for growth and increased shareholder value

Investing in **high return opportunities** ... leveraging installed base ... profitable growth via **new products & innovative technologies**

Driving continuous **operational improvement** and **margin expansion** ... delivering on synergies ... advancing lean culture

Generating **strong cash flow** with **disciplined capital allocation** ... improving ROIC and shareholder returns

Strategy execution accelerating with purpose-driven culture
on sustainability and accountability



Appendix

Income statement

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

Appendix A (1 of 2)

	Three Months Ended March 31,	
	2021	2020
Net sales	\$ 1,830.2	\$ 1,929.9
Cost of sales	(1,296.0)	(1,351.2)
Gross profit	534.2	578.7
Gross profit as a % of Net Sales	29.2%	30.0%
Selling, general and administrative expenses	(235.4)	(243.4)
Engineering expenses	(37.7)	(49.0)
Amortization expense	(69.5)	(69.0)
Total operating expenses	(342.6)	(361.4)
Operating expenses as a % of Net Sales	18.7%	18.7%
Income from operations	191.6	217.3
Income from operations as a % of Net Sales	10.5%	11.3%
Interest expense, net	(47.6)	(53.3)
Other income (expense), net	14.2	(14.8)
Income before income taxes	158.2	149.2
Income tax expense	(43.5)	(38.0)
Effective tax rate	27.5%	25.5%
Net income	114.7	111.2
Less: Net (income) loss attributable to noncontrolling interest	(2.3)	0.4
Net income attributable to Wabtec shareholders	\$ 112.4	\$ 111.6
Earnings Per Common Share		
Basic		
Net income attributable to Wabtec shareholders	\$ 0.59	\$ 0.58
Diluted		
Net income attributable to Wabtec shareholders	\$ 0.59	\$ 0.58
Basic	188.5	190.8
Diluted	188.9	191.4

Income statement (cont.)

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended	
	March 31,	
	2021	2020
Segment Information		
Freight Net Sales	\$ 1,183.3	\$ 1,301.0
Freight Income from Operations	\$ 141.8	\$ 161.7
Freight Operating Margin	12.0%	12.4%
Transit Net Sales	\$ 646.9	\$ 628.9
Transit Income from Operations	\$ 70.1	\$ 68.6
Transit Operating Margin	10.8%	10.9%
Backlog Information (Note: 12-month is a sub-set of total)		
	March 31, 2021	December 31, 2020
Freight Total	\$ 18,005.5	\$ 17,887.1
Transit Total	3,666.0	3,704.2
Wabtec Total	\$ 21,671.5	\$ 21,591.3
Freight 12-Month	\$ 3,910.2	\$ 3,586.3
Transit 12-Month	1,796.0	1,934.4
Wabtec 12-Month	\$ 5,706.2	\$ 5,520.7



Balance sheet

Appendix B

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	March 31, 2021	December 31, 2020
<i>In millions</i>		
Cash and cash equivalents	\$ 483.5	\$ 598.7
Receivables, net	1,403.0	1,412.5
Inventories	1,671.5	1,642.1
Other current assets	221.0	226.5
Total current assets	3,779.0	3,879.8
Property, plant and equipment, net	1,575.5	1,601.6
Goodwill	8,625.7	8,485.2
Other intangible assets, net	3,927.2	3,869.2
Other noncurrent assets	635.8	618.7
Total assets	\$ 18,543.2	\$ 18,454.5
Current liabilities	\$ 3,168.9	\$ 3,226.3
Long-term debt	3,923.3	3,792.2
Long-term liabilities - other	1,273.9	1,283.3
Total liabilities	8,366.1	8,301.8
Shareholders' equity	10,144.1	10,122.3
Noncontrolling interest	33.0	30.4
Total shareholders' equity	10,177.1	10,152.7
Total Liabilities and Shareholders' Equity	\$ 18,543.2	\$ 18,454.5



Cash flow

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Three Months Ended March 31,	
	<u>2021</u>	<u>2020</u>
<i>In millions</i>		
<i>Operating activities</i>		
Net income	\$ 114.7	\$ 111.2
Non-cash expense	115.6	85.5
Receivables	9.3	(22.6)
Inventories	(11.2)	(23.5)
Accounts Payable	47.0	(60.2)
Other assets and liabilities	16.8	(172.3)
Net cash provided by (used for) operating activities	292.2	(81.9)
Net cash used for investing activities	(422.0)	(62.6)
Net cash provided by financing activities	7.7	183.5
Effect of changes in currency exchange rates	6.9	(27.3)
(Decrease) increase in cash	(115.2)	11.7
Cash and cash equivalents, beginning of period	598.7	604.2
Cash and cash equivalents, end of period	<u>\$ 483.5</u>	<u>\$ 615.9</u>



EPS

and non-GAAP

Reconciliation

Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
	First Quarter 2021 Actual Results									
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
Reported Results	\$ 1,830.2	\$ 534.2	\$ (342.6)	\$ 191.6	\$ (33.4)	\$ (43.5)	\$ 114.7	\$ (2.3)	\$ 112.4	\$ 0.59
Restructuring & Transaction costs	-	4.1	11.4	15.5	-	(4.3)	11.2	-	11.2	\$ 0.06
Non-cash Amortization expense	-	-	69.5	69.5	-	(19.1)	50.4	-	50.4	\$ 0.27
Foreign Exchange Gain	-	-	-	-	(8.6)	2.4	(6.2)	-	(6.2)	\$ (0.03)
Adjusted Results	\$ 1,830.2	\$ 538.3	\$ (261.7)	\$ 276.6	\$ (42.0)	\$ (64.5)	\$ 170.1	\$ (2.3)	\$ 167.8	\$ 0.89
Fully Diluted Shares Outstanding										188.9

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
	First Quarter 2020 Actual Results									
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
Reported Results	\$ 1,929.9	\$ 578.7	\$ (361.4)	\$ 217.3	\$ (68.1)	\$ (38.0)	\$ 111.2	\$ 0.4	\$ 111.6	\$ 0.58
Restructuring, Transaction, & Litigation costs	-	1.4	15.5	16.9	-	(4.3)	12.6	-	12.6	\$ 0.07
Non-cash Amortization expense	-	-	69.0	69.0	-	(17.6)	51.4	-	51.4	\$ 0.27
Foreign Exchange Loss	-	-	-	-	13.8	(3.5)	10.3	-	10.3	\$ 0.05
Adjusted Results	\$ 1,929.9	\$ 580.1	\$ (276.9)	\$ 303.2	\$ (54.3)	\$ (63.4)	\$ 185.5	\$ 0.4	\$ 185.9	\$ 0.97
Fully Diluted Shares Outstanding										191.4



EBITDA reconciliation

Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation 2021 Q1 EBITDA Reconciliation (in millions)									
	<u>Reported Income from Operations</u>	<u>+</u>	<u>Other Income (Expense)</u>	<u>+</u>	<u>Depreciation & Amortization</u>	<u>= EBITDA</u>	<u>+</u>	<u>Restructuring & Transaction Costs</u>	<u>= Adjusted EBITDA</u>
Consolidated Results	\$191.6		\$14.2		\$118.3	\$324.1		\$15.5	\$339.6

Wabtec Corporation 2020 Q1 EBITDA Reconciliation (in millions)									
	<u>Reported Income from Operations</u>	<u>+</u>	<u>Other Income (Expense)</u>	<u>+</u>	<u>Depreciation & Amortization</u>	<u>= EBITDA</u>	<u>+</u>	<u>Restructuring & Transaction Costs</u>	<u>= Adjusted EBITDA</u>
Consolidated Results	\$217.3		(\$14.8)		\$114.4	\$316.9		\$16.9	\$333.8



Sales by product line

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION SALES BY PRODUCT LINE (UNAUDITED)

<i>In millions</i>	Three Months Ended March 31,	
	2021	2020
Freight Segment		
Equipment	\$ 261.8	\$ 408.0
Components	202.5	220.4
Digital Electronics	156.5	173.6
Services	562.5	499.0
Total Freight Segment	<u>1,183.3</u>	<u>1,301.0</u>
Transit Segment		
Original Equipment Manufacturer	\$ 286.8	\$ 287.0
Aftermarket	360.1	341.9
Total Transit Segment	<u>646.9</u>	<u>628.9</u>



Segment reconciliation

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
RECONCILIATION OF REPORTED RESULTS TO ADJUSTED RESULTS - BY SEGMENT
(UNAUDITED)

<i>In millions</i>	Three Months Ended March 31,	
	2021	2020
Freight Segment Reported Income from Operations	\$ 141.8	\$ 161.7
<i>Freight Segment Reported Margin</i>	<i>12.0%</i>	<i>12.4%</i>
Restructuring & Transaction costs	7.8	14.8
Non-cash Amortization expense	64.5	64.1
Freight Segment Adjusted Income from Operations	\$ 214.1	\$ 240.6
<i>Freight Segment Adjusted Margin</i>	<i>18.1%</i>	<i>18.5%</i>
Transit Segment Reported Income from Operations	\$ 70.1	\$ 68.6
<i>Transit Segment Reported Margin</i>	<i>10.8%</i>	<i>10.9%</i>
Restructuring & Transaction costs	3.8	1.1
Non-cash Amortization expense	5.0	4.9
Transit Segment Adjusted Income from Operations	\$ 78.9	\$ 74.6
<i>Transit Segment Adjusted Margin</i>	<i>12.2%</i>	<i>11.9%</i>

