



INSERTING and REPLACING Wabtec Reports Second Quarter 2020 Results; Provides Guidance for 2020

July 28, 2020

- **Delivered Strong GAAP Cash Flow from Operations of \$311 Million**
- **Second Quarter Reported GAAP Earnings Per Share of \$0.46; Adjusted EPS of \$0.87**
- **Second Quarter Reported GAAP Income from Operations of \$159 Million (9.2% Margin); Adjusted Income from Operations of \$262 Million (15.1% Margin)**
- **Over \$70 Million in Net Synergies Realized Year-To-Date; On-track to deliver \$150 Million Net Synergies in 2020**

PITTSBURGH--(BUSINESS WIRE)--Jul. 28, 2020-- Insert after Appendix D, **Q2 Year-to-Date 2020 Actual Results**, the tables titled: **Second Quarter 2019 Actual Results** and **Q2 Year-to-Date 2019 Actual Results**.

The corrected release reads:

WABTEC REPORTS SECOND QUARTER 2020 RESULTS; PROVIDES GUIDANCE FOR 2020

- **Delivered Strong GAAP Cash Flow from Operations of \$311 Million**
- **Second Quarter Reported GAAP Earnings Per Share of \$0.46; Adjusted EPS of \$0.87**
- **Second Quarter Reported GAAP Income from Operations of \$159 Million (9.2% Margin); Adjusted Income from Operations of \$262 Million (15.1% Margin)**
- **Over \$70 Million in Net Synergies Realized Year-To-Date; On-track to deliver \$150 Million Net Synergies in 2020**

Wabtec Corporation (NYSE: WAB) today reported second quarter 2020 earnings per diluted share of \$0.46 and adjusted earnings per diluted share of \$0.87, versus earnings per diluted share of \$0.54 and adjusted earnings per diluted share of \$1.33 a year ago. Wabtec also provided full-year guidance for sales in a range of \$7.3 billion to \$7.6 billion, adjusted earnings per diluted share to between \$3.50 and \$3.80 and strong cash conversion of greater than 90 percent.

Rafael Santana, Wabtec's president and chief executive officer, said: "Wabtec delivered a strong operational quarter despite a difficult and dynamic environment as a result of the COVID-19 pandemic. Against a backdrop of uncertainty and unprecedented challenges, our teams drove strong cash flow from operations, allowing us to further strengthen our financial position. We also continue to make significant progress on our cost and synergy plans, giving us confidence that we will deliver on our synergy targets for 2020, as well as exceed our \$250 million synergy run rate ahead of schedule.

"Wabtec will continue to take prudent action to navigate the evolving environment and we remain confident in the long-term fundamentals and strategy for the company. Our strong backlog, recurring service revenues, aftermarket reach, significant installed base, technology differentiation, international footprint and globally diverse business model position the company to deliver long-term sustainable value for our customers, shareholders and employees."

2020 Financial Guidance

- Although significant uncertainty remains surrounding the impact of the COVID-19 pandemic, based upon the Company's operational experience during the first six months of 2020, we have determined to provide certain annual guidance at this time. 2020 financial guidance assumes that there are not material escalations in the severity or duration of the COVID-19 pandemic nor the restrictive measures implemented in response to the pandemic.
- Wabtec provided 2020 sales guidance to a range of \$7.3 billion to \$7.6 billion, GAAP earnings per diluted share guidance to between \$2.05 to \$2.35 and adjusted earnings per diluted share to between \$3.50 to \$3.80. The adjusted guidance excludes estimated expenses for restructuring, transaction and amortization expenses.
- With aggressive cost actions and synergies stemming from the Wabtec and GE Transportation merger on-track, we expect to see a net synergy benefit of over \$150 million in 2020. For full year 2020, Wabtec expects cash flow conversion to be greater than 90 percent including over \$130 million of cash outflows related to prior restructuring, transaction and litigation costs. Wabtec defines cash conversion as GAAP cash flow from operations divided by GAAP net income plus depreciation and amortization.

2020 Second Quarter Consolidated Results

- Sales were \$1.7 billion versus \$2.2 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, Services, Components and Transit sales, along with unfavorable changes in foreign currency exchange rates.
- Income from operations was \$159 million (9.2 percent of sales) and adjusted income from operations was \$262 million

(15.1 percent of sales), which was unfavorably impacted by lower sales in Freight and Transit primarily due to COVID-19 pandemic disruptions. Adjusted income from operations excluded pre-tax expenses of \$103 million, of which \$72 million is for non-cash amortization expense and \$31 million is for restructuring and transaction costs (see reconciliation table).

- Net interest expense was \$51 million and other income (expense) was \$6 million of income.
- The reported and adjusted effective tax rate for the quarter was 24.9 percent.
- Earnings per diluted share were \$0.46 and adjusted earnings per diluted share were \$0.87 (see reconciliation table). Adjusted earnings per diluted share excluded after-tax expenses of \$0.41 as follows: \$0.29 for non-cash amortization expense; and \$0.12 for transaction and restructuring (see reconciliation table).
- EBITDA, which Wabtec defines as earnings before interest, taxes, depreciation and amortization was \$282 million and adjusted EBITDA was \$313 million. Adjusted EBITDA excluded pre-tax expenses of \$31 million for transaction and restructuring costs (see reconciliation table).

2020 Second Quarter Segment Results

- Freight segment sales of \$1.2 billion decreased by 21 percent from the year-ago quarter or \$322 million. The decrease was due to lower organic sales of \$315 million and unfavorable changes in foreign currency exchange rates of \$26 million, offset somewhat by \$19 million of sales from acquisitions. Freight segment organic sales were primarily impacted by disruption due to the COVID-19 pandemic resulting in lower deliveries of locomotives and components for freight cars, offset somewhat by sales growth in Digital Electronics.
- Freight segment income from operations of \$142 million (or 11.7 percent of segment sales) decreased from the year-ago quarter by \$26 million primarily as a result of lower sales, offset somewhat by lower operating costs and SG&A expense. Excluding restructuring and transaction expenses of \$20 million and non-cash amortization expense of \$68 million, Freight segment adjusted income from operations as a percent of sales was 19.0 percent.
- Transit segment sales of \$533 million decreased by 25 percent from the year-ago quarter or \$177 million. The decrease was due to lower organic sales of \$160 million and unfavorable changes in foreign currency exchange rates of \$18 million. Transit segment sales were negatively impacted by lower original equipment and after-market sales primarily related to the disruption caused by the COVID-19 pandemic.
- Transit segment income from operations of \$40 million (or 7.5 percent of segment sales) decreased from the year-ago quarter by \$22 million as a result of lower volumes and disruption on operations due to the COVID-19 pandemic. Excluding restructuring and non-cash amortization expense of \$11 million, Transit segment adjusted income from operations as a percent of sales was 9.6 percent.

Cash Flow and Liquidity Summary

- The company generated cash from operations of \$311 million for the second quarter compared to cash provided by operations of \$413 million in the year-ago quarter, with the decrease primarily from changes in working capital.
- At quarter end, the company had cash and cash equivalents of \$588 million and debt of \$4.5 billion. At the quarter end, the company's total available liquidity, which includes \$588 million in cash and cash equivalents plus \$1.3 billion available under current credit facilities, was \$1.9 billion.

Backlog

At June 30, Wabtec's total, multi-year backlog was \$21.4 billion, down slightly from backlog at March 31, 2020 due in part to \$137 million of negative impacts from foreign currency exchange rates. The 12-month backlog was \$5.3 billion at June 30, 2020.

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: 10145576).

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 2020 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, other expense and adjusted earnings per diluted share and cash conversion rate. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. 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 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 the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of the GE Transportation merger, including as a result of integrating GE Transportation 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.

Appendix A

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2020 AND 2019
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months ended June 2020	Three Months ended June 2019	For the Six Months 2020	For the Six Months 2019
Net sales	\$ 1,737.4	\$ 2,236.3	\$ 3,667.3	\$ 3,829.9
Cost of sales	(1,250.7)	(1,621.6)	(2,601.9)	(2,826.2)
Gross profit	486.7	614.7	1,065.4	1,003.7
<i>Gross profit as a % of Net Sales</i>	28.0 %	27.5 %	29.1 %	26.2 %
Selling, general and administrative expenses	(216.8)	(290.9)	(460.2)	(550.7)
Engineering expenses	(38.2)	(57.2)	(87.2)	(91.7)

Amortization expense	(72.3)	(66.0)	(141.3)	(93.4)
Total operating expenses	(327.3)	(414.1)	(688.7)	(735.8)
<i>Operating expenses as a % of Net Sales</i>	18.8 %	18.5 %	18.8 %	19.2 %
Income from operations	159.4	200.6	376.7	267.9
<i>Income from operations as a % of Net Sales</i>	9.2 %	9.0 %	10.3 %	7.0 %
Interest expense, net	(51.4)	(58.5)	(104.7)	(103.0)
Other income (expense), net	6.3	2.1	(8.5)	(6.1)
Income from operations before income taxes	114.3	144.2	263.5	158.8
Income tax expense	(28.5)	(41.5)	(66.5)	(60.0)
<i>Effective tax rate</i>	24.9 %	28.7 %	25.2 %	37.7 %
Net income	85.8	102.7	197.0	98.8
Less: Net loss attributable to noncontrolling interest	1.0	1.4	1.4	0.9
Net income attributable to Wabtec shareholders	\$ 86.8	\$ 104.1	\$ 198.4	\$ 99.7
Earnings Per Common Share				
Basic				
Net income attributable to Wabtec shareholders	\$ 0.46	\$ 0.58	\$ 1.04	\$ 0.66
Diluted				
Net income attributable to Wabtec shareholders	\$ 0.46	\$ 0.54	\$ 1.04	\$ 0.61
Basic	189.8	177.3	190.3	149.6
Diluted	190.2	191.5	190.8	162.2
Segment Information				
Freight Net Sales	\$ 1,204.7	\$ 1,526.3	\$ 2,505.7	\$ 2,441.8
Freight Income from Operations	\$ 141.5	\$ 167.5	\$ 303.2	\$ 248.4
Freight Operating Margin	11.7 %	11.0 %	12.1 %	10.2 %

Transit Net Sales	\$ 532.7	\$ 710.0	\$ 1,161.6	\$ 1,388.1
Transit Income from Operations	\$ 40.2	\$ 62.6	\$ 108.8	\$ 122.5
Transit Operating Margin	7.5	% 8.8	% 9.4	% 8.8

Backlog Information (Note: 12-month is a sub-set of total) June 30, 2020 March 31, 2020

Freight Total	\$ 17,969.8	\$ 18,099.6
Transit Total	3,432.8	3,431.3
Wabtec Total	\$ 21,402.6	\$ 21,530.9
Freight 12-Month	\$ 3,681.8	\$ 3,819.0
Transit 12-Month	1,648.9	1,801.0
Wabtec 12-Month	\$ 5,330.7	\$ 5,620.0

Appendix B

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

	June 30, 2020	December 31, 2019
<i>In millions</i>		
Cash and cash equivalents	\$ 587.9	\$ 604.2
Receivables, net	1,410.3	1,663.9
Inventories	1,799.5	1,773.1
Current assets - other	172.0	150.9
Total current assets	3,969.7	4,192.1
Property, plant and equipment, net	1,612.4	1,655.8
Goodwill	8,309.9	8,360.6
Other intangibles, net	3,935.4	4,104.0
Other long term assets	638.0	631.7
Total assets	\$ 18,465.4	\$ 18,944.2
Current liabilities	\$ 3,483.2	\$ 3,258.0
Long-term debt	3,768.7	4,333.6

Long-term liabilities - other	1,332.9	1,359.0
Total liabilities	8,584.8	8,950.6
Shareholders' equity	9,845.6	9,956.5
Non-controlling interest	35.0	37.1
Total shareholders' equity	9,880.6	9,993.6
Total Liabilities and Shareholders' Equity	\$ 18,465.4	\$ 18,944.2

Appendix C

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

	Six Months Ended June 30,	
	2020	2019
<i>In millions</i>		
Net cash provided by operating activities	\$ 228.6	\$ 443.8
Net cash used for investing activities	(98.2)	(3,040.4)
Net cash (used for) provided by financing activities	(123.5)	726.1
Effect of changes in currency exchange rates	(23.2)	(10.6)
Decrease in cash	(16.3)	(1,881.1)
Cash, cash equivalents, and restricted cash, beginning of period	604.2	2,342.4
Cash and cash equivalents, end of period	\$ 587.9	\$ 461.3

Appendix D

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)	Second 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	\$ 1,737.4	\$ 486.7	\$ (327.3)	\$ 159.4	\$ (45.1)	\$(28.5)	\$ 85.8	\$ 1.0	\$ 86.8	\$ 0.46
Restructuring & Transaction costs	-	17.2	13.4	30.6	-	(7.7)	22.9	-	22.9	\$ 0.12

Non-cash Amortization expense	-	-	72.3	72.3	-	(18.0)	54.3	-	54.3	\$ 0.29
Foreign Exchange Loss	-	-	-	-	0.3	(0.1)	0.2	-	0.2	\$ -
Adjusted Results	\$ 1,737.4	\$ 503.9	\$ (241.6)	\$ 262.3	\$ (44.8)	\$ (54.3)	\$ 163.2	\$ 1.0	\$ 164.2	\$ 0.87
Fully Diluted Shares Outstanding										190.2

Wabtec Corporation

Reconciliation of Reported Results to Adjusted Results

(in millions)

	Q2 Year-to-Date 2020 Actual Results							Noncontrolling Interest	Wabtec Net Income	EPS
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income			
Reported Results	\$ 3,667.3	\$ 1,065.4	\$ (688.7)	\$ 376.7	\$ (113.2)	\$ (66.5)	\$ 197.0	\$ 1.4	\$ 198.4	\$ 1.04
Restructuring & Transaction costs	-	18.6	28.9	47.5	-	(12.0)	35.5	-	35.5	\$ 0.19
Non-cash Amortization expense	-	-	141.3	141.3	-	(35.6)	105.7	-	105.7	\$ 0.55
Foreign Exchange Loss	-	-	-	-	14.1	(3.6)	10.5	-	10.5	\$ 0.05
Adjusted Results	\$ 3,667.3	\$ 1,084.0	\$ (518.5)	\$ 565.5	\$ (99.1)	\$ (117.7)	\$ 348.7	\$ 1.4	\$ 350.1	\$ 1.83
Fully Diluted Shares Outstanding										190.8

Wabtec Corporation

Reconciliation of Reported Results to Adjusted Results

(in millions)

	Second Quarter 2019 Actual Results							Noncontrolling Interest	Wabtec Net Income	EPS
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income			
Reported Results	\$ 2,236.3	\$ 614.7	\$ (414.1)	\$ 200.6	\$ (56.4)	\$ (41.5)	\$ 102.7	\$ 1.4	\$ 104.1	\$ 0.54
Restructuring & Transaction costs	-	-	31.6	31.6	3.5	(8.5)	26.6	-	26.6	\$ 0.14
Non-cash Amortization expense	-	-	66.0	66.0	-	(16.0)	50.0	-	50.0	\$ 0.26

Appendix E

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

2020 Q2 EBITDA Reconciliation

(in millions)

	Reported Income from Operations	+ Other Income (Expense)	+ Depreciation & Amortization	= EBITDA	+ Restructuring & Transaction Costs	= Adjusted EBITDA
Consolidated Results	\$159.4	\$6.3	\$116.4	\$282.1	\$30.6	\$312.7

Wabtec Corporation

2020 Q2 Year-to-Date EBITDA Reconciliation

(in millions)

	Reported Income from Operations	+ Other Income (Expense)	+ Depreciation & Amortization	= EBITDA	+ Restructuring & Transaction Costs	= Adjusted EBITDA
Consolidated Results	\$376.7	(\$8.5)	\$230.8	\$599.0	\$47.5	\$646.5

Wabtec Corporation

2019 Q2 EBITDA Reconciliation

(in millions)

	Reported Income from Operations	+ Other Income (Expense)	+ Depreciation & Amortization	= EBITDA	+ Restructuring & Transaction Costs	= Adjusted EBITDA
Consolidated Results	\$200.6	\$2.1	\$107.9	\$310.6	\$120.6	\$431.2

Wabtec Corporation

2019 Q2 Year-to-Date EBITDA Reconciliation

(in millions)

	Reported Income from Operations	+ Other Income (Expense)	+ Depreciation & Amortization	= EBITDA	+ Restructuring & Transaction Costs	= Adjusted EBITDA
Consolidated Results	\$267.9	(\$6.1)	\$162.5	\$424.3	\$259.3	\$683.6

Appendix F

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION

**SALES BY PRODUCT LINE
(UNAUDITED)**

Three Months Ended June 30,

In millions

2020

2019

Freight Segment

Equipment	\$ 334.9	\$ 531.4
Components	195.5	279.5
Digital Electronics	165.5	159.0
Services	508.8	556.4
Total Freight Segment	1,204.7	1,526.3
Transit Segment		
Original Equipment Manufacturer	\$ 227.3	\$ 335.6
Aftermarket	305.4	374.4
Total Transit Segment	532.7	710.0

Six Months Ended June 30,

<i>In millions</i>	2020	2019
Freight Segment		
Equipment	\$ 742.9	\$ 798.5
Components	415.9	574.7
Digital Electronics	339.1	280.8
Services	1,007.8	787.8
Total Freight Segment	2,505.7	2,441.8
Transit Segment		
Original Equipment Manufacturer	\$ 514.3	\$ 662.9
Aftermarket	647.3	725.2
Total Transit Segment	1,161.6	1,388.1

Appendix G

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

<i>In millions</i>	Three Months Ended June 30, Six Months Ended June 30,			
	2020	2019	2020	2019
Freight Segment Reported Income from Operations	\$ 141.5	\$ 167.5	\$ 303.2	\$ 248.4

<i>Freight Segment Reported Margin</i>	11.7	%	11.0	%	12.1	%	10.2	%
One-time PPA	-		89.0		-		169.0	
Restructuring & Transaction costs	19.9		11.0		34.7		16.2	
Non-cash Amortization expense	67.5		61.0		131.6		83.6	
Freight Segment Adjusted Income from Operations	\$ 228.9		\$ 328.5		\$ 469.5		\$ 517.2	
<i>Freight Segment Adjusted Margin</i>	19.0	%	21.5	%	18.7	%	21.2	%
Transit Segment Reported Income from Operations	\$ 40.2		\$ 62.6		\$ 108.8		\$ 122.5	
<i>Transit Segment Reported Margin</i>	7.5	%	8.8	%	9.4	%	8.8	%
Restructuring & Transaction costs	6.3		2.0		7.4		3.0	
Non-cash Amortization expense	4.8		5.0		9.7		9.8	
Transit Segment Adjusted Income from Operations	\$ 51.3		\$ 69.6		\$ 125.9		\$ 135.3	
<i>Transit Segment Adjusted Margin</i>	9.6	%	9.8	%	10.8	%	9.7	%

Appendix G

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

2019

<i>In millions</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Freight Segment Reported Income from Operations	\$ 80.9	\$ 167.5	\$ 155.3	\$ 239.2	\$ 642.9
<i>Freight Segment Reported Margin</i>	8.8	% 11.0	% 11.7	% 14.3	% 11.8
One-time PPA	80.0	89.0	16.0	-	185.0
Restructuring & Transaction costs	5.2	11.0	35.5	14.9	66.6
Non-cash Amortization expense	22.6	61.0	74.7	60.0	218.3
Freight Segment Adjusted Income from Operations	\$ 188.7	\$ 328.5	\$ 281.5	\$ 314.1	\$ 1,112.8

<i>Freight Segment Adjusted Margin</i>	20.6	%	21.5	%	21.1	%	18.8	%	20.5	%
Transit Segment Reported Income from Operations	\$ 59.9		\$ 62.6		\$ 52.9		\$ 39.0		\$ 214.4	
<i>Transit Segment Reported Margin</i>	8.8	%	8.8	%	7.9	%	5.6	%	7.8	%
Restructuring & Transaction costs	1.0		2.0		4.3		10.7		18.0	
Non-cash Amortization expense	4.8		5.0		4.8		5.5		20.1	
Transit Segment Adjusted Income from Operations	\$ 65.7		\$ 69.6		\$ 62.0		\$ 55.2		\$ 252.5	
<i>Transit Segment Adjusted Margin</i>	9.7	%	9.8	%	9.3	%	7.9	%	9.2	%

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