

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 27, 2022 (April 27, 2022)

WESTINGHOUSE AIR BRAKE TECHNOLOGIES
CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

033-90866
(Commission
File No.)
30 Isabella Street
Pittsburgh, PA
(Address of principal executive offices)

25-1615902
(I.R.S. Employer
Identification No.)
15212
(Zip code)

412-825-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, 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:

Class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value 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 27, 2022, Westinghouse Air Brake Technologies Corporation (the "Company") issued a press release reporting, among other things, the Company's 2022 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 2022 (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 web site 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 27, 2022, the Company issued a press release which, among other things, provided earnings guidance for fiscal year 2022. A copy of the press release is attached to this report as Exhibit 99.1 and the paragraph under the heading "2022 Financial Guidance" which discusses 2022 guidance is incorporated into this Item 7.01 by reference. The Company also furnished a Presentation relating to its first quarter of 2022, 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 27, 2022
99.2	Wabtec Earnings Presentation, First Quarter 2022
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 impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the "GE Transportation merger") and Nordco, 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 and other benefits from acquisitions; 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, supply chain disruptions, 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; (14) the imposition of economic sanctions on Russia resulting from the invasion of Ukraine could lead to disruption, instability, and volatility in global markets and negatively impact our operations and financial performance; and (15) 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.

SIGNATURES

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

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION

By: _____ /s/ JOHN A. OLIN
John A. Olin
Executive Vice President and
Chief Financial Officer

(Duly Authorized Officer and Principal Financial Officer)

DATE: April 27, 2022

News Release

Wabtec Reports Strong 1st Quarter 2022 Results

- **First Quarter Reported GAAP Earnings Per Share of \$0.80; Adjusted Earnings Per Share of \$1.13, Up 27.0%**
- **Sales Growth of 5.3% to \$1.93 Billion; GAAP Operating Margin of 12.4%; Adjusted Operating Margin of 16.5%, Up 1.4 pts**
- **Repurchased 3.1 Million Shares During the First Quarter for \$296 Million; Raised Quarterly Dividend by 25%**
- **Multi-Year Backlog Up 5.0% Year-Over-Year to \$22.76 Billion, Provides Strong Forward Momentum**

PITTSBURGH, April 27, 2022 – Wabtec Corporation (NYSE: WAB) today reported first quarter 2022 GAAP earnings per diluted share of \$0.80, up 35.6% versus the first quarter of 2021. Adjusted earnings per diluted share were \$1.13, up 27.0% versus the same quarter a year ago. First quarter sales were \$1.93 billion and cash from operations was \$161 million.

“The Wabtec team made solid progress in the quarter against our long-term strategy by delivering profitable growth and continued margin expansion across our Freight and Transit segments” said Rafael Santana, Wabtec’s President and CEO. “The resiliency of the business and the focus of the team was evident in the strong first quarter financial results despite rising costs, continuing supply disruptions, and the impact on our business due to the conflict in Ukraine.

“Looking forward, Wabtec is well-positioned to drive long-term profitable growth. The growth opportunity and value proposition for the rail industry is improving as global energy prices surge and commodity flows are reoriented. The breadth and unique capability of the Wabtec product portfolio, combined with our multi-year backlog, provides us with a solid foundation for growth in 2022 and beyond. Our confidence in the Company’s future is further reflected in our first quarter purchase of \$296 million of Wabtec stock and a 25% increase in our first quarter dividend.”

2022 First Quarter Consolidated Results

Wabtec Corporation Consolidated Financial Results

\$ in millions except earnings per share and percentages; margin change in percentage points (pts)	First Quarter		
	2022	2021	Change
Net Sales	\$1,927	\$1,830	5.3 %
GAAP Gross Margin	30.9 %	29.2 %	1.7 pts
Adjusted Gross Margin	31.1 %	29.4 %	1.7 pts
GAAP Operating Margin	12.4 %	10.5 %	1.9 pts
Adjusted Operating Margin	16.5 %	15.1 %	1.4 pts
GAAP Diluted EPS	\$0.80	\$0.59	35.6 %
Adjusted Diluted EPS	\$1.13	\$0.89	27.0 %
Cash Flow from Operations	\$161	\$292	(44.9)%
Operating Cash Flow Conversion	59 %	124 %	

- Sales increased compared to the year-ago quarter driven by higher Freight segment sales, partially offset by lower Transit segment sales which were adversely impacted by foreign currency exchange.
- Both GAAP and adjusted operating margin increased from last year as a result of higher sales, increased pricing, improved mix and strong productivity, partially offset by \$45 to \$50 million in escalating costs associated with metals, transportation and labor.
- GAAP and adjusted EPS increased from the year-ago quarter primarily due to higher sales and increased operating margins. GAAP EPS further benefited from a favorable effective tax rate, along with lower restructuring and transaction costs.

2022 First Quarter Freight Segment Results

Wabtec Corporation Freight Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	First Quarter		
	2022	2021	Change
Net Sales	\$1,322	\$1,183	11.7 %
GAAP Gross Margin	32.1 %	30.1 %	2.0 pts
Adjusted Gross Margin	32.2 %	30.2 %	2.0 pts
GAAP Operating Margin	14.3 %	12.0 %	2.3 pts
Adjusted Operating Margin	19.6 %	18.1 %	1.5 pts

- Freight segment sales for the first quarter were driven by demand for Services, Components and Equipment, along with the acquisition of Nordco.
- Both GAAP and adjusted operating margin benefited from higher sales, favorable mix/price and operational efficiencies, partially offset by higher costs. GAAP operating margin also improved year-over-year as a result of lower restructuring and transaction costs.

2022 First Quarter Transit Segment Results

Wabtec Corporation Transit Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	First Quarter		
	2022	2021	Change
Net Sales	\$605	\$647	(6.5)%
GAAP Gross Margin	28.2 %	27.5 %	0.7 pts
Adjusted Gross Margin	28.7 %	27.9 %	0.8 pts
GAAP Operating Margin	10.7 %	10.8 %	(0.1 pts)
Adjusted Operating Margin	12.3 %	12.2 %	0.1 pts

- Transit segment sales for the first quarter were down versus last year due to unfavorable foreign currency exchange, supply chain issues and COVID-related disruptions.
- GAAP and adjusted operating margins were approximately flat versus last year with higher pricing being largely offset by higher input costs.

Backlog

Wabtec Corporation Consolidated Backlog Comparison

Backlog \$ in millions	March 31,		
	2022	2021	Change
12-Month Backlog	\$6,631	\$5,706	16.2 %
Total Backlog	\$22,759	\$21,672	5.0 %

At March 31, 2022 the multi-year backlog was \$1.09 billion higher than March 31, 2021 due primarily from increased orders for Equipment, Services and Digital Electronics.

Cash Flow and Liquidity Summary

- During the first quarter, the Company generated cash from operations of \$161 million versus \$292 million in the year ago period due primarily to proactive building of inventory ahead of higher volumes and supply chain disruptions.
- At the end of the quarter, the Company had cash and cash equivalents of \$488 million and total debt of \$4.24 billion. At March 31, 2022 the Company's total available liquidity was \$1.50 billion, which includes cash and cash equivalents plus \$1.01 billion available under current credit facilities.
- During the first quarter, the Company repurchased \$296 million of shares and raised the regular quarterly common dividend by 25%.

2022 Financial Guidance

- Wabtec's 2022 financial guidance continues to be with sales expected to be in a range of \$8.30 billion to \$8.60 billion and adjusted earnings per diluted share to be in a range of \$4.65 to \$5.05.
- For full year 2022, Wabtec expects strong cash flow generation with operating cash flow conversion of greater than 90 percent.
- The Company is not presenting a quantitative reconciliation of our forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share as we are unable to predict with reasonable certainty and without unreasonable effort the impact and timing of restructuring-related and other charges, including acquisition-related expenses and the outcome of certain regulatory, legal and tax matters. The financial impact of these items is uncertain and is dependent on various factors, including timing, and could be material to our Consolidated Statements of Earnings.

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: 8527520).

About Wabtec Corporation

Wabtec Corporation (NYSE: WAB) is focused on creating transportation solutions that move and improve the world. The Company is a leading global provider of equipment, systems, digital solutions and value-added services for the freight and transit rail industries, as well as the mining, marine and industrial markets. Wabtec has been a leader in the rail industry for over 150 years and has a vision to achieve a zero-emission rail system in the U.S. and worldwide. Visit Wabtec's website at: www.WabtecCorp.com

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

Wabtec's earnings release and 2022 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 operating cash flow conversion. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost 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 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 impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the “GE Transportation merger”) and Nordco, 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 and other expected benefits from acquisitions; 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, supply chain disruptions, 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, (14) the imposition of economic sanctions on Russia resulting from the invasion of Ukraine could lead to disruption, instability, and volatility in global markets and negatively impact our operations and financial performance; and (15) 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

Kristine Kubacki, CFA / Kristine.Kubacki@wabtec.com / 412-450-2033

Wabtec Media Contact

Deia Campanelli / Deia.Campanelli@wabtec.com / 773-297-0482

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended March 31,	
	2022	2021
Net sales	\$ 1,927	\$ 1,830
Cost of sales	(1,332)	(1,296)
Gross profit	595	534
<i>Gross profit as a % of Net Sales</i>	<i>30.9 %</i>	<i>29.2 %</i>
Selling, general and administrative expenses	(238)	(234)
Engineering expenses	(45)	(38)
Amortization expense	(73)	(70)
Total operating expenses	(356)	(342)
<i>Operating expenses as a % of Net Sales</i>	<i>18.4 %</i>	<i>18.7 %</i>
Income from operations	239	192
<i>Income from operations as a % of Net Sales</i>	<i>12.4 %</i>	<i>10.5 %</i>
Interest expense, net	(43)	(48)
Other income, net	4	14
Income before income taxes	200	158
Income tax expense	(50)	(43)
<i>Effective tax rate</i>	<i>25.1 %</i>	<i>27.5 %</i>
Net income	150	115
Less: Net loss attributable to noncontrolling interest	(1)	(3)
Net income attributable to Wabtec shareholders	\$ 149	\$ 112
Earnings Per Common Share		
Basic		
Net income attributable to Wabtec shareholders	\$ 0.80	\$ 0.59
Diluted		
Net income attributable to Wabtec shareholders	\$ 0.80	\$ 0.59
Weighted average shares outstanding		
Basic	184.5	188.5
Diluted	185.0	188.9

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

Segment Information	Three Months Ended March 31,		
	2022	2021	
Freight Net Sales	\$ 1,322	\$ 1,183	
Freight Income from Operations	\$ 189	\$ 142	
Freight Operating Margin	14.3 %	12.0 %	
Transit Net Sales	\$ 605	\$ 647	
Transit Income from Operations	\$ 65	\$ 70	
Transit Operating Margin	10.7 %	10.8 %	
Backlog Information (Note: 12-month is a sub-set of total)	March 31, 2022	December 31, 2021	March 31, 2021
Freight Total	\$ 19,024	\$ 18,502	\$ 18,502
Transit Total	3,735	3,667	3,667
Wabtec Total	\$ 22,759	\$ 22,169	\$ 22,169
Freight 12-Month	\$ 4,812	\$ 4,520	\$ 4,520
Transit 12-Month	1,819	1,748	1,748
Wabtec 12-Month	\$ 6,631	\$ 6,268	\$ 6,268

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

	March 31, 2022	December 31, 2021
<i>In millions</i>		
Cash and cash equivalents	\$ 488	\$ 473
Receivables, net	1,382	1,477
Inventories	1,828	1,689
Other current assets	213	193
Total current assets	3,911	3,832
Property, plant and equipment, net	1,468	1,497
Goodwill	8,567	8,587
Other intangible assets, net	3,632	3,705
Other noncurrent assets	860	833
Total assets	\$ 18,438	\$ 18,454
Current liabilities	\$ 2,880	\$ 2,910
Long-term debt	4,225	4,056
Long-term liabilities - other	1,245	1,249
Total liabilities	8,350	8,215
Shareholders' equity	10,049	10,201
Noncontrolling interest	39	38
Total shareholders' equity	10,088	10,239
Total Liabilities and Shareholders' Equity	\$ 18,438	\$ 18,454

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

<i>In millions</i>	Three Months Ended March 31,	
	2022	2021
<i>Operating activities</i>		
Net income	\$ 150	\$ 115
Non-cash expense	122	116
Receivables	93	9
Inventories	(137)	(11)
Accounts Payable	48	47
Other assets and liabilities	(115)	16
Net cash provided by operating activities	161	292
Net cash used for investing activities	(18)	(422)
Net cash (used for) provided by financing activities	(133)	8
Effect of changes in currency exchange rates	5	7
Increase (decrease) in cash	15	(115)
Cash and cash equivalents, beginning of period	473	599
Cash and cash equivalents, end of period	<u>\$ 488</u>	<u>\$ 484</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 Reconciliation of Reported Results to Adjusted Results (in millions)											
	First Quarter 2022 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	\$ 1,927	\$ 595	\$ (356)	\$ 239	\$ (39)	\$ (50)	\$ 150	\$ (1)	\$ 149	\$ 0.80	
Restructuring & Transaction costs	—	5	2	7	—	(2)	5	—	5	0.03	
Non-cash Amortization expense	—	—	73	73	—	(18)	55	—	55	0.30	
Adjusted Results	<u>\$ 1,927</u>	<u>\$ 600</u>	<u>\$ (281)</u>	<u>\$ 319</u>	<u>\$ (39)</u>	<u>\$ (70)</u>	<u>\$ 210</u>	<u>\$ (1)</u>	<u>\$ 209</u>	<u>\$ 1.13</u>	
Fully Diluted Shares Outstanding										<u>185.0</u>	

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	\$ 534	\$ (342)	\$ 192	\$ (34)	\$ (43)	\$ 115	\$ (3)	\$ 112	\$ 0.59	
Restructuring & Transaction costs	—	4	11	15	—	(4)	11	—	11	0.06	
Non-cash Amortization expense	—	—	70	70	—	(19)	51	—	51	0.27	
Foreign Exchange Gain	—	—	—	—	(9)	3	(6)	—	(6)	(0.03)	
Adjusted Results	<u>\$ 1,830</u>	<u>\$ 538</u>	<u>\$ (261)</u>	<u>\$ 277</u>	<u>\$ (43)</u>	<u>\$ (63)</u>	<u>\$ 171</u>	<u>\$ (3)</u>	<u>\$ 168</u>	<u>\$ 0.89</u>	
Fully Diluted Shares Outstanding										<u>188.9</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 2022 Q1 EBITDA Reconciliation (in millions)											
	<u>Reported Income from Operations</u>	+	<u>Other Income (Expense)</u>	+	<u>Depreciation & Amortization</u>	=	<u>EBITDA</u>	+	<u>Restructuring & Transaction Costs</u>	=	<u>Adjusted EBITDA</u>
Consolidated Results	\$ 239		\$ 4		\$ 121		\$ 364		\$ 7		\$ 371

Wabtec Corporation 2021 Q1 EBITDA Reconciliation (in millions)											
	<u>Reported Income from Operations</u>	+	<u>Other Income (Expense)</u>	+	<u>Depreciation & Amortization</u>	=	<u>EBITDA</u>	+	<u>Restructuring & Transaction Costs</u>	=	<u>Adjusted EBITDA</u>
Consolidated Results	\$ 192		\$ 14		\$ 119		\$ 325		\$ 15		\$ 340

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

<u>In millions</u>	Three Months Ended March 31,	
	2022	2021
Freight Segment		
Equipment	\$ 274	\$ 262
Components	229	203
Digital Electronics	153	156
Services	666	562
Total Freight Segment	<u>\$ 1,322</u>	<u>\$ 1,183</u>
Transit Segment		
Original Equipment Manufacturer	\$ 292	\$ 287
Aftermarket	313	360
Total Transit Segment	<u>\$ 605</u>	<u>\$ 647</u>

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

<i>In millions</i>	Three Months Ended March 31,			
	2022		2021	
	Gross Profit	Income from Operations	Gross Profit	Income from Operations
Freight Segment Reported Results	\$ 424	\$ 189	\$ 356	\$ 142
<i>Freight Segment Reported Margin</i>	<i>32.1%</i>	<i>14.3%</i>	<i>30.1%</i>	<i>12.0%</i>
Restructuring & Transaction costs	2	2	1	7
Non-cash Amortization expense	—	68	—	65
Freight Segment Adjusted Results	\$ 426	\$ 259	\$ 357	\$ 214
<i>Freight Segment Adjusted Margin</i>	<i>32.2%</i>	<i>19.6%</i>	<i>30.2%</i>	<i>18.1%</i>
Transit Segment Reported Results	\$ 171	\$ 65	\$ 178	\$ 70
<i>Transit Segment Reported Margin</i>	<i>28.2%</i>	<i>10.7%</i>	<i>27.5%</i>	<i>10.8%</i>
Restructuring & Transaction costs	3	4	3	4
Non-cash Amortization expense	—	5	—	5
Transit Segment Adjusted Results	\$ 174	\$ 74	\$ 181	\$ 79
<i>Transit Segment Adjusted Margin</i>	<i>28.7%</i>	<i>12.3%</i>	<i>27.9%</i>	<i>12.2%</i>

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
RECONCILIATION OF CHANGES IN NET SALES - BY SEGMENT
(UNAUDITED)

<i>In millions</i>	Three Months Ended March 31,		
	Freight	Transit	Consolidated
2021 Net Sales	\$ 1,183	\$ 647	\$ 1,830
Acquisitions	39	1	40
Foreign Exchange	(4)	(33)	(37)
Organic	104	(10)	94
2022 Net Sales	\$ 1,322	\$ 605	\$ 1,927
<i>Change (\$)</i>	<i>139</i>	<i>(42)</i>	<i>97</i>
<i>Change (%)</i>	<i>11.7%</i>	<i>(6.5)%</i>	<i>5.3%</i>

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						
2022 Q1 Cash Conversion Calculation						
(in millions)						
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$ 161	\$	150	\$ 122		59 %

Wabtec Corporation						
2021 Q1 Cash Conversion Calculation						
(in millions)						
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$ 292	\$	115	\$ 120		124 %

FIRST QUARTER 2022

Wabtec Financial Results & Company Highlights



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 impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the "GE Transportation merger") and Nordco, 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 and other benefits from acquisitions; 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, supply chain disruptions, 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; (14) the imposition of economic sanctions on Russia resulting from the invasion of Ukraine could lead to disruption, instability, and volatility in global markets and negatively impact our operations and financial performance; and (15) 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 2022 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 and operating cash flow conversion rate. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost 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 presentation are reconciliation tables that provide details about how adjusted results relate to GAAP results. Wabtec is not presenting a quantitative reconciliation of its forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share as it is unable to predict with reasonable certainty and without unreasonable effort the impact and timing restructuring-related expenses and the outcome of certain regulatory, legal and tax matters; the financial impact of these items is uncertain and is dependent on various factors, including the timing, and could be material to Wabtec's Consolidated Statement of Earnings.

WABTEC

Today's participants

PRESENTERS



RAFAEL SANTANA

*President & Chief
Executive Officer*



JOHN OLIN

*Executive Vice President
& Chief Financial Officer*

INVESTOR RELATIONS



KRISTINE KUBACKI

*Vice President,
Investor Relations*

1Q 2022 overview

1Q 2022 HIGHLIGHTS

SALES

\$1.93B UP 5.3% YoY

Sales growth driven by Freight Services, Components and Equipment ... even with supply chain disruption

ADJUSTED OPERATING
MARGIN ⁽²⁾**16.5%** GAAP: 12.4%

Delivered 1.4 percentage points of adj. margin expansion ... improvement driven by Freight Services

ADJUSTED EARNINGS
PER SHARE ⁽²⁾**\$1.13** GAAP: \$0.80

Adj. EPS up 27.0% YoY... driven by sales growth and strong margin expansion partially offset by cost increases

CASH FLOW FROM
OPERATIONS ⁽¹⁾**\$161M**

Cash flow from operations impacted by proactive inventory build

BACKLOG

\$22.76B

Returning capital to shareholders ... executed \$1.09B share buyback and paid \$28M in dividends

Strong backlog provides improved visibility... up \$1.09B YoY

INCREASED SALES, MARGIN EXPANSION & ADJ EPS GROWTH

(1) Year-over-year benefit from securitization of accounts receivable was \$62 million
 (2) Adjusted numbers represent non-GAAP financial measures, see Appendix for additional details and reconciliations

WABTEC

Market assumptions

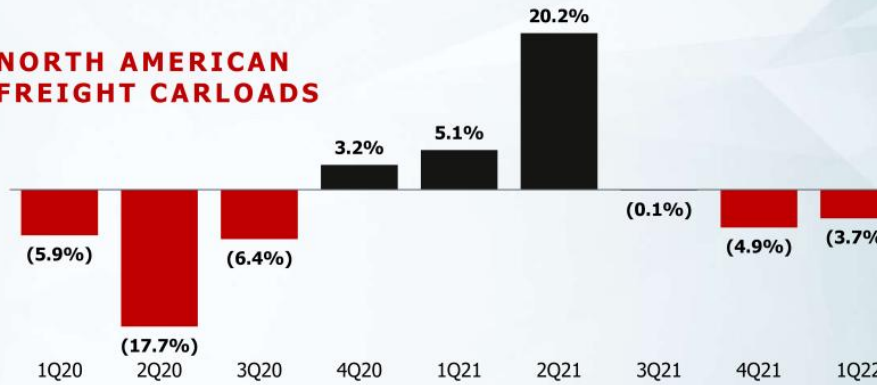
FREIGHT

NA Carloads	+
Locomotive & Railcar Parkings	+
International Freight Volumes	+
NA Railcar Production	++
Mining Commodities	++

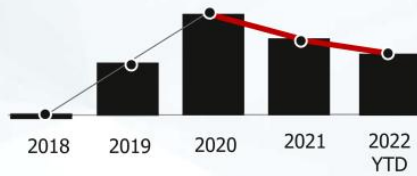
TRANSIT

Infrastructure Investment	+
Global Ridership	+

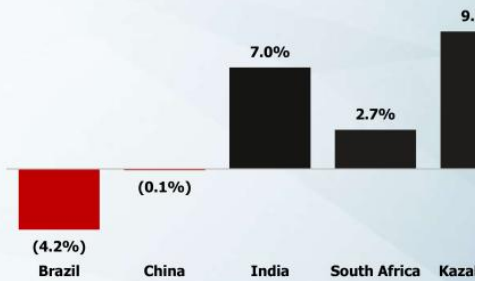
NORTH AMERICAN FREIGHT CARLOADS



AVG. NORTH AMERICAN PARKED LOCOMOTIVES



1Q 2022 FREIGHT VOLUMES



Sources: China, Kazakhstan, India Ministry of Railways, Brazil: ANTT, South Africa: ...

WABTEC

Executing on our value creation framework

DRIVERS OF PORTFOLIO GROWTH

- » Accelerate innovation of scalable technologies
- » Grow and refresh expansive global installed base
- » Lead decarbonization of rail
- » Expand high-margin recurring revenue streams
- » Drive continuous operational improvement



RECENT WINS

Strategic Digital Electronics orders ... largest predictive maintenance order in India ... next-gen dispatch and PTO upgrade with Class 1s

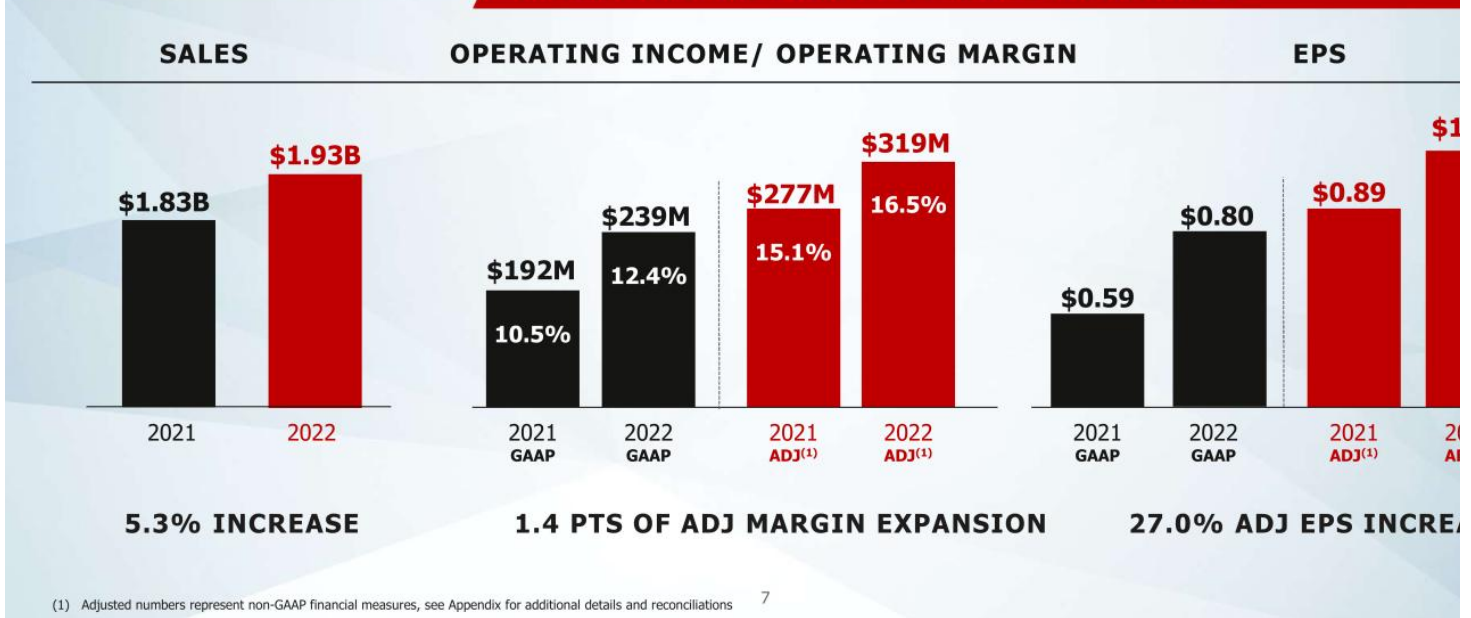
330 modernization order with Norfolk Southern

Launch of new lower-carbon, heavy-haul locomotive in E

Launched Integration 2.0

1Q 2022 Financial summary

INCREASED SALES, MARGINS AND ADJ EPS DESPITE SUPPLY CHAIN DISRUPTIONS AND COST HEADWINDS



(1) Adjusted numbers represent non-GAAP financial measures, see Appendix for additional details and reconciliations

WABTEC

1Q 2022 sales



(\$ in millions)

PRODUCT LINE	1Q22	YOY
Equipment	\$274	4.6%
Components	\$229	12.8%
Services	\$666	18.5%
Digital Electronics	\$153	(1.9%)
Freight Segment	\$1,322	11.7%
Transit Segment	\$605	(6.5%)
TOTAL SALES	\$1,927	5.3%

1Q KEY DRIVERS

EQUIPMENT

Increased due to higher mining sales

COMPONENTS

Higher due to increased OE railcar build, railcars coming out of storage and improving industrial end-markets

SERVICES

Increased from higher MODs sales, lower locomotive parkings and the acquisition of Nordco

DIGITAL ELECTRONICS

Decreased due to ongoing chip shortage ... partially offset by demand for on-board locomotive products

TRANSIT

Decreased as a result of supply chain issues, COVID-19 related disruptions and unfavorable foreign currency exchange

WABTEC

1Q 2022 consolidated adjusted gross profit

(\$ in millions)

1Q ^{(1) (2)}

2021 ADJ GROSS PROFIT

\$538

% of Sales

29.4%

Volume

↑

Mix/Pricing

↑↑

Raw Materials

↓↓

Currency

↓

Manufacturing/Other

↑

2022 ADJ GROSS PROFIT

\$600

% of Sales

31.1%

1Q KEY DRIVERS

MIX/PRICING

Favorable mix between business groups & higher pricing esc

RAW MATERIALS

Costs increased sharply due to higher steel, copper, aluminum fuel

CURRENCY

Unfavorable foreign exchange impacted gross profit by \$10M

MANUFACTURING/OTHER

Favorable fixed cost absorption, partially offset by higher transportation and logistics costs

(1) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations

(2) 1Q 2021 GAAP gross profit was \$534M (GAAP gross profit margin of 29.2%). 1Q 2022 GAAP gross profit was \$595M (GAAP gross profit margin of 30.9%)

WABTEC

1Q 2022 consolidated adjusted operating income

(\$ in millions)	1Q ⁽¹⁾⁽²⁾
2021 ADJ OP INCOME	\$277
<i>% of Sales</i>	<i>15.1%</i>
Adj Gross Profit	62
Adj SG&A	(13)
Engineering	(7)
2022 ADJ OP INCOME	\$319
<i>% of Sales</i>	<i>16.5%</i>

ADJ OPERATING INCOME UP YEAR-OVER-YEAR ON HIGHER GROSS MARGIN PARTIALLY OFFSET BY INCREASED SG&A AND ENGINEERING EXPENSES

(1) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations
(2) 1Q 2021 GAAP operating income was \$192M (GAAP operating margin of 10.5%). 1Q 2022 GAAP operating income was \$239M (GAAP operating margin of 12.4%)

1Q 2022 Freight segment performance



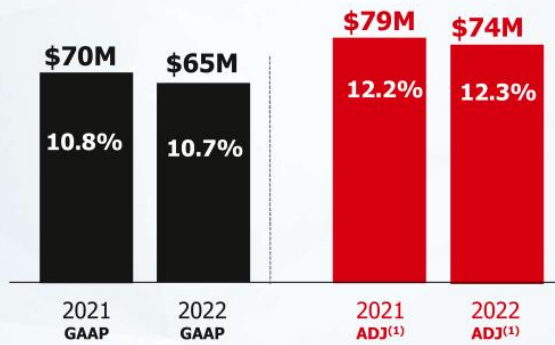
1Q 2022 Transit segment performance

SALES



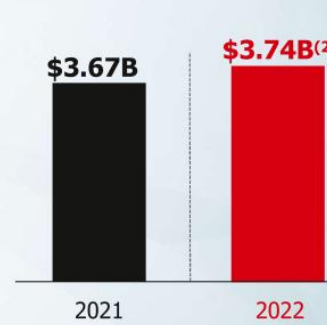
6.5% DECREASE

OPERATING INCOME/ OPERATING MARGIN



0.1 PTS OF ADJ MARGIN EXPANSION

BACKLOG



1.9% INCREASE YoY

(1) Adjusted numbers represent non-GAAP financial measures, see Appendix for additional details and reconciliations
 (2) Foreign exchange negatively impacted Transit sales by \$33 million; Foreign exchange rates had a negative \$135 million impact on segment backlog

Resilient business allows for execution on financial priorities

FOCUSED ON CASH CONVERSION CASH FROM OPS



Cash generation ... impacted by proactive inventory build

Full-year cash generation **on track**
>90% cash conversion

STRONG FINANCIAL POSITION NET DEBT



Adjusted net leverage⁽²⁾ **improved** ... committed to maintaining investment grade ratings

Strengthening balance sheet ... strong liquidity of \$1.50B⁽³⁾

RETURN CAPITAL TO SHAREHOLDERS



Deploying capital to execute on strategic priorities

Returning capital to shareholders... **executed share buyback and 25% increase in quarterly dividend**

STRONG FINANCIAL POSITION; INVESTING IN HIGH-RETURN OPPORTUNITIES FOR GROWTH

(1) Cash from Operations conversion % is defined as GAAP Cash from Operations divided by GAAP net income plus depreciation and amortization including deferred debt cost amortization
 (2) Net debt is defined as total debt minus cash and cash equivalents; adjusted leverage is defined as net debt divided by trailing 12-month adjusted EBITDA
 (3) At March 31, 2022 the Company's total available liquidity was \$1.50 billion, which includes cash and cash equivalents of \$0.49 billion plus \$1.01 billion available under current credit facilities

WABTEC

2022 outlook and guidance

REVENUES

\$8.3B to \$8.6B

ADJUSTED EPS

\$4.65 to \$5.05

CASH CONVERSION ⁽¹⁾

>90%

BROAD-BASED RECOVERY ACROSS PORTFOLIO

EQUIPMENT

Significantly higher deliveries of international locos & favorable mining fundamentals

COMPONENTS

Railcars coming out of storage ... higher railcar build ... improved industrial end-market

SERVICES

Increased demand for reliable, efficient power ... unparking of locos & higher MODs

DIGITAL ELECTRONICS

Growth driven by international expansion & product upgrades

TRANSIT

Increased global infrastructure investment & recovering ridership trends ... foreign cur impacts and supply chain challenges

KEY ASSUMPTIONS

Adjusted operating margin up

- Favorable productivity/absorption, offset by mix & cost inflation
- SG&A as % of sales down
- Engineering as % of sales up

Tax rate ~26%

Capex ~2% of sales

(1) Cash from operations conversion % is defined as GA operations divided by GAAP net income plus depreciati amortization including deferred debt cost amortization

WABTEC

What you've heard



- » Portfolio well positioned to **deliver long-term profitable growth** ... resilient large global installed base
- » **Strong operational performance** in a rising cost environment, continued supply chain disruptions and impact from Russia
- » Delivering on value creation framework... **leading decarbonization, efficiency and utilization of rail**
- » **Solid financial position** with disciplined capital allocation ... **improving ROIC and shareholder returns**

**STRONG FOUNDATION FOR GROWTH AND
INCREASED SHAREHOLDER VALUE**

Income statement

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
 (AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
 (UNAUDITED)

Appendix A (1 of 2)

	Three Months Ended	
	March 31,	
	2022	2021
Net sales	\$ 1,927	\$ 1,830
Cost of sales	(1,332)	(1,296)
Gross profit	595	534
<i>Gross profit as a % of Net Sales</i>	30.9%	29.2%
Selling, general and administrative expenses	(238)	(234)
Engineering expenses	(45)	(38)
Amortization expense	(73)	(70)
Total operating expenses	(356)	(342)
<i>Operating expenses as a % of Net Sales</i>	18.4%	18.7%
Income from operations	239	192
<i>Income from operations as a % of Net Sales</i>	12.4%	10.5%
Interest expense, net	(43)	(48)
Other income, net	4	14
Income before income taxes	200	158
Income tax expense	(50)	(43)
<i>Effective tax rate</i>	25.1%	27.5%
Net income	150	115
Less: Net income attributable to noncontrolling interest	(1)	(3)
Net income attributable to Wabtec shareholders	\$ 149	\$ 112
Earnings Per Common Share		
Basic		
Net income attributable to Wabtec shareholders	\$ 0.80	\$ 0.59
Diluted		
Net income attributable to Wabtec shareholders	\$ 0.80	\$ 0.59
Basic	184.5	188.5
Diluted	185.0	188.9



Income statement (cont.)

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended		
	March 31,		
	2022	2021	
Segment Information			
Freight Net Sales	\$ 1,322	\$ 1,183	
Freight Income from Operations	\$ 189	\$ 142	
Freight Operating Margin	14.3%	12.0%	
Transit Net Sales	\$ 605	\$ 647	
Transit Income from Operations	\$ 65	\$ 70	
Transit Operating Margin	10.7%	10.8%	
Backlog Information (Note: 12-month is a sub-set of total)			
	March 31, 2022	December 31, 2021	March 31, 2021
Freight Total	\$ 19,024	\$ 18,502	\$ 18,006
Transit Total	3,735	3,667	3,666
Wabtec Total	<u>\$ 22,759</u>	<u>\$ 22,169</u>	<u>\$ 21,672</u>
Freight 12-Month	\$ 4,812	\$ 4,520	\$ 3,910
Transit 12-Month	1,819	1,748	1,796
Wabtec 12-Month	<u>\$ 6,631</u>	<u>\$ 6,268</u>	<u>\$ 5,706</u>



Balance sheet

Appendix B

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

<i>In millions</i>	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Cash and cash equivalents	\$ 488	\$ 473
Receivables, net	1,382	1,477
Inventories	1,828	1,689
Other current assets	<u>213</u>	<u>193</u>
Total current assets	3,911	3,832
Property, plant and equipment, net	1,468	1,497
Goodwill	8,567	8,587
Other intangible assets, net	3,632	3,705
Other noncurrent assets	<u>860</u>	<u>833</u>
Total assets	<u>\$ 18,438</u>	<u>\$ 18,454</u>
Current liabilities	\$ 2,880	\$ 2,910
Long-term debt	4,225	4,056
Long-term liabilities - other	<u>1,245</u>	<u>1,249</u>
Total liabilities	8,350	8,215
Shareholders' equity	10,049	10,201
Noncontrolling interest	<u>39</u>	<u>38</u>
Total shareholders' equity	<u>10,088</u>	<u>10,239</u>
Total Liabilities and Shareholders' Equity	<u>\$ 18,438</u>	<u>\$ 18,454</u>



Cash flow

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

<i>In millions</i>	Three Months Ended March 31,	
	<u>2022</u>	<u>2021</u>
<i>Operating activities</i>		
Net income	\$ 150	\$ 115
Non-cash expense	122	116
Receivables	93	9
Inventories	(137)	(11)
Accounts Payable	48	47
Other assets and liabilities	(115)	16
Net cash provided by operating activities	161	292
Net cash used for investing activities	(18)	(422)
Net cash (used for) provided by financing activities	(133)	8
Effect of changes in currency exchange rates	5	7
Increase (decrease) in cash	15	(115)
Cash and cash equivalents, beginning of period	473	599
Cash and cash equivalents, end of period	\$ 488	\$ 484



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

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)									
	First Quarter 2022 Actual Results								
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income
Reported Results	\$ 1,927	\$ 595	\$ (356)	\$ 239	\$ (39)	\$ (50)	\$ 150	\$ (1)	\$ 149
Restructuring & Transaction costs	-	5	2	7	-	(2)	5	-	5
Non-cash Amortization expense	-	-	73	73	-	(18)	55	-	55
Adjusted Results	\$ 1,927	\$ 600	\$ (281)	\$ 319	\$ (39)	\$ (70)	\$ 210	\$ (1)	\$ 209
Fully Diluted Shares Outstanding									

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
Reported Results	\$ 1,830	\$ 534	\$ (342)	\$ 192	\$ (34)	\$ (43)	\$ 115	\$ (3)	\$ 112
Restructuring & Transaction costs	-	4	11	15	-	(4)	11	-	11
Non-cash Amortization expense	-	-	70	70	-	(19)	51	-	51
Foreign Exchange Gain	-	-	-	-	(9)	3	(6)	-	(6)
Adjusted Results	\$ 1,830	\$ 538	\$ (261)	\$ 277	\$ (43)	\$ (63)	\$ 171	\$ (3)	\$ 168
Fully Diluted Shares Outstanding									



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 2022 Q1 EBITDA Reconciliation (in millions)										
	<u>Reported Income from Operations</u>	+	<u>Other Income (Expense)</u>	+	<u>Depreciation & Amortization</u>	= <u>EBITDA</u>	+	<u>Restructuring & Transaction Costs</u>	=	<u>Adjusted EBITDA</u>
Consolidated Results	\$239		\$4		\$121	\$364		\$7		\$371

Wabtec Corporation 2021 Q1 EBITDA Reconciliation (in millions)										
	<u>Reported Income from Operations</u>	+	<u>Other Income (Expense)</u>	+	<u>Depreciation & Amortization</u>	= <u>EBITDA</u>	+	<u>Restructuring & Transaction Costs</u>	=	<u>Adjusted EBITDA</u>
Consolidated Results	\$192		\$14		\$119	\$325		\$15		\$340



Sales by product line

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

<i>In millions</i>	Three Months Ended March 31,	
	2022	2021
Freight Segment		
Equipment	\$ 274	\$ 262
Components	229	203
Digital Electronics	153	156
Services	666	562
Total Freight Segment	<u>\$ 1,322</u>	<u>\$ 1,183</u>
Transit Segment		
Original Equipment Manufacturer	\$ 292	\$ 287
Aftermarket	313	360
Total Transit Segment	<u>\$ 605</u>	<u>\$ 647</u>



Segment gross margin & operating margin reconciliation

Appen

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

In millions	Three Months Ended March 31,			
	2022		2021	
	Gross Profit	Income from Operations	Gross Profit	Income from Operations
Freight Segment Reported Results	\$ 424	\$ 189	\$ 356	\$ 142
<i>Freight Segment Reported Margin</i>	32.1%	14.3%	30.1%	12.0%
Restructuring & Transaction costs	2	2	1	7
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Freight Segment Adjusted Results	\$ 426	\$ 259	\$ 357	\$ 214
<i>Freight Segment Adjusted Margin</i>	32.2%	19.6%	30.2%	18.1%
Transit Segment Reported Results	\$ 171	\$ 65	\$ 178	\$ 70
<i>Transit Segment Reported Margin</i>	28.2%	10.7%	27.5%	10.8%
Restructuring & Transaction costs	3	4	3	4
Non-cash Amortization expense	-	5	-	5
Transit Segment Adjusted Results	\$ 174	\$ 74	\$ 181	\$ 79
<i>Transit Segment Adjusted Margin</i>	28.7%	12.3%	27.9%	12.2%



Segment sales reconciliation

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WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
RECONCILIATION OF CHANGES IN NET SALES - BY SEGMENT
(UNAUDITED)

<i>In millions</i>	Three Months Ended March 31,		
	Freight	Transit	Consolidated
2021 Net Sales	\$ 1,183	\$ 647	\$ 1,830
Acquisitions	39	1	40
Foreign Exchange	(4)	(33)	(37)
Organic	104	(10)	94
2022 Net Sales	<u>\$ 1,322</u>	<u>\$ 605</u>	<u>\$ 1,927</u>
Change (\$)	139	(42)	97
Change (%)	11.7%	-6.5%	5.3%



Cash conversion 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 2022 Q1 Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income</u>	+ <u>Depreciation & Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$161		\$150	\$122	59%

Wabtec Corporation 2021 Q1 Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income</u>	+ <u>Depreciation & Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$292		\$115	\$120	124%



