

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): October 25, 2023

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 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.):

- 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, \$.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 October 25, 2023, Westinghouse Air Brake Technologies Corporation (the “Company”) issued a press release reporting, among other things, the Company’s 2023 third 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 third quarter of 2023 (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](http://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 October 25, 2023, the Company issued a press release which, among other things, provided earnings guidance for fiscal year 2023. A copy of the press release is attached to this report as Exhibit 99.1 and the paragraph under the heading “2023 Financial Guidance” which discusses 2023 guidance is incorporated into this Item 7.01 by reference. The Company also furnished a Presentation relating to its third quarter of 2023, 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	<a href="#">Press release dated October 25, 2023</a>
99.2	<a href="#">Wabtec Earnings Presentation, Third Quarter 2023</a>
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, statements regarding Wabtec’s expectations about future sales and earnings, statements regarding order pipeline expectations, statements regarding anticipated cash flow generation with operating cash flow conversion 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) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, inflation, supply chain disruptions, foreign currency exchange, and industry consolidation; (2) changes in the financial condition or operating strategies of Wabtec’s

customers; (3) unexpected costs, charges or expenses resulting from acquisitions and potential failure to realize synergies and other anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) inability to retain and hire key personnel; (5) evolving legal, regulatory and tax regimes; (6) changes in the expected timing of projects; (7) a decrease in freight or passenger rail traffic; (8) an increase in manufacturing costs; (9) actions by third parties, including government agencies; (10) the impacts of epidemics, pandemics (including the COVID-19 pandemic), or similar public health crises on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets as a result of global military action, acts of terrorism or armed conflict, including from the imposition of economic sanctions on Russia resulting from the invasion of Ukraine; (12) cybersecurity and data protection risks and (13) 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, 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.

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**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: October 25, 2023

## News Release

### Wabtec Delivers Strong Third Quarter 2023 Results; Raises Full-Year Guidance

- GAAP Earnings Per Share of \$1.33, Up 51.1%; Adjusted Earnings Per Share of \$1.70, Up 39.3%
- Sales Growth of 22.5% to \$2.55 Billion; Freight Segment Sales Growth of 23.4% and Transit Segment Sales Growth of 20.0%
- GAAP Operating Margin at 14.5%; Adjusted Operating Margin Up 1.5 pts to 17.9%
- Strong Operating Cash Flow Generation of \$425 Million; Cash Conversion of 116%
- Raised Mid-Point of Full-Year Adjusted EPS Guidance to Up 21.4% Year-Over-Year

PITTSBURGH, October 25, 2023 – Wabtec Corporation (NYSE: WAB) today reported third quarter 2023 GAAP earnings per diluted share of \$1.33, up 51.1% versus the third quarter of 2022. Adjusted earnings per diluted share were \$1.70, up 39.3% versus the same quarter a year ago. Third quarter sales were \$2.55 billion, up 22.5% versus the third quarter a year ago, driven by strong sales across the Freight and Transit segments. The Company generated strong operating cash flow of \$425 million resulting in a cash conversion of 116% for the third quarter 2023.

“The Wabtec team delivered a strong quarter as evidenced by increased growth in sales, margin, earnings, and operating cash flow,” said Rafael Santana, Wabtec’s President and CEO. “Demand remained strong, including international markets, where our pipeline of future opportunities continues to strengthen. With our team’s relentless focus on execution, we delivered for our customers and shareholders despite an increasingly volatile macro-economic environment.

“Looking forward, we are confident that the breadth of our products and technologies combined with our ability to maintain resiliency during economic uncertainty will provide us with a solid foundation for growth and continued momentum as we close out this year and move into 2024. These factors, among others, give us confidence to raise our full-year 2023 guidance. Wabtec is well-positioned to continue driving profitable growth and maximizing shareholder value.”

#### 2023 Third Quarter Consolidated Results

Wabtec Corporation Consolidated Financial Results

	Third Quarter		
	2023	2022	Change
\$ in millions except earnings per share and percentages; margin change in percentage points (pts)			
Net Sales	\$2,550	\$2,081	22.5 %
GAAP Gross Margin	31.0 %	31.1 %	(0.1 pts)
Adjusted Gross Margin	31.5 %	31.4 %	0.1 pts
GAAP Operating Margin	14.5 %	12.5 %	2.0 pts
Adjusted Operating Margin	17.9 %	16.4 %	1.5 pts

Wabtec Corporation Consolidated Financial Results

\$ in millions except earnings per share and percentages; margin change in percentage points (pts)	Third Quarter		
	2023	2022	Change
GAAP Diluted EPS	\$1.33	\$0.88	51.1 %
Adjusted Diluted EPS	\$1.70	\$1.22	39.3 %
Cash Flow from Operations	\$425	\$204	\$221
Operating Cash Flow Conversion	116 %	72 %	

- Sales increased 22.5% compared to the year-ago quarter driven by increased sales across the Freight and Transit segments.
- GAAP operating margin was higher than the prior year at 14.5% and adjusted operating margin was higher than the prior year at 17.9%. Both GAAP and adjusted operating margins benefited from lower SG&A expense as a percentage of sales and improved fixed cost absorption driven by higher sales, partially offset by manufacturing inefficiencies related to a strike at our Erie site during the quarter.
- GAAP EPS and adjusted EPS increased from the year-ago quarter primarily due to higher sales and margin expansion, partially offset by increased interest expense.

**2023 Third Quarter Freight Segment Results**

Wabtec Corporation Freight Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	Third Quarter		
	2023	2022	Change
Net Sales	\$1,890	\$1,531	23.4 %
GAAP Gross Margin	32.3 %	32.5 %	(0.2 pts)
Adjusted Gross Margin	32.4 %	32.7 %	(0.3 pts)
GAAP Operating Margin	17.3 %	15.2 %	2.1 pts
Adjusted Operating Margin	21.2 %	19.9 %	1.3 pts

- Freight segment sales for the third quarter were up across most major product lines, with double-digit growth in Equipment, Components and Services.
- GAAP operating margin and adjusted operating margin benefited from lower SG&A expense as a percentage of sales and improved fixed cost absorption, partially offset by manufacturing inefficiencies related to a strike at our Erie site during the quarter.

**2023 Third Quarter Transit Segment Results**

Wabtec Corporation Transit Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	Third Quarter		
	2023	2022	Change
Net Sales	\$660	\$550	20.0 %
GAAP Gross Margin	27.3 %	27.4 %	(0.1 pts)
Adjusted Gross Margin	29.0 %	27.5 %	1.5 pts
GAAP Operating Margin	10.3 %	9.6 %	0.7 pts
Adjusted Operating Margin	12.5 %	11.0 %	1.5 pts

- Transit segment sales for the third quarter were up 20.0% due to strong OE and aftermarket sales.
- GAAP and adjusted operating margins were up as a result of favorable fixed cost absorption, improved product mix and savings related to Integration 2.0, our three-year strategic initiative.

## Backlog

Wabtec Corporation Consolidated Backlog Comparison

Backlog \$ in millions	September 30,		
	2023	2022	Change
12-Month Backlog	\$7,091	\$6,267	13.1 %
Total Backlog	\$21,483	\$22,610	(5.0)%

The Company's multi-year backlog continues to provide strong visibility. At September 30, 2023, the 12-month backlog was \$824 million higher than September 30, 2022. At September 30, 2023, the multi-year backlog was \$1,127 million lower than September 30, 2022 and excluding foreign currency exchange, the multi-year backlog decreased \$1,383 million, down 6.1%.

## Cash Flow and Liquidity Summary

- During the third quarter, cash provided by operations was \$425 million versus \$204 million in the year ago period due primarily to higher earnings and improved inventory management.
- At the end of the quarter, the Company had cash, cash equivalents and restricted cash of \$392 million and total debt of \$4.05 billion. At September 30, 2023, the Company's total available liquidity was \$1.86 billion, which includes cash and cash equivalents plus \$1.48 billion available under current credit facilities.

## 2023 Financial Guidance

- Wabtec updated its 2023 financial guidance with sales expected to be in a range of \$9.50 billion to \$9.70 billion and adjusted earnings per diluted share to be in a range of \$5.80 to \$6.00.
- For full year 2023, Wabtec expects cash flow generation with operating cash flow conversion of greater than 90 percent.

## Forecasted GAAP Earnings Reconciliation

Wabtec is not presenting a quantitative reconciliation of our forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share in reliance on the unreasonable efforts exemption provided under Item 10(e)(1)(i)(B) of Regulation S-K. Wabtec is 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 website at [www.WabtecCorp.com](http://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: 7429760).

## About Wabtec

Wabtec Corporation (NYSE: WAB) is revolutionizing the way the world moves for future generations. 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](http://www.wabteccorp.com).

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

Wabtec's earnings release and 2023 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. Adjusted EBITDA is further adjusted by restructuring costs. 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, statements regarding Wabtec's expectations about future sales and earnings, statements regarding order pipeline expectations, statements regarding anticipated cash flow generation with operating cash flow conversion, 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) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, inflation, supply chain disruptions, foreign currency exchange, and industry consolidation; (2) changes in the financial condition or operating strategies of Wabtec's customers; (3) unexpected costs, charges or expenses resulting from acquisitions and potential failure to realize synergies and other anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) inability to retain and hire key personnel; (5) evolving legal, regulatory and tax regimes; (6) changes in the expected timing of projects; (7) a decrease in freight or passenger rail traffic; (8) an increase in manufacturing costs; (9) actions by third parties, including government agencies; (10) the impact of epidemics, pandemics (including the COVID-19 pandemic), or similar public health crises on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets as a result of global military action, acts of terrorism or armed conflict, including from the imposition of economic sanctions on Russia resulting from the invasion of Ukraine; (12) cybersecurity and data protection risks and (13) 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, 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.



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WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net sales	\$ 2,550	\$ 2,081	\$ 7,151	\$ 6,056
Cost of sales	(1,758)	(1,433)	(4,971)	(4,168)
Gross profit	792	648	2,180	1,888
<i>Gross profit as a % of Net Sales</i>	31.0 %	31.1 %	30.5 %	31.2 %
Selling, general and administrative expenses	(295)	(260)	(843)	(757)
Engineering expenses	(53)	(54)	(157)	(149)
Amortization expense	(74)	(73)	(222)	(218)
Total operating expenses	(422)	(387)	(1,222)	(1,124)
<i>Operating expenses as a % of Net Sales</i>	16.5 %	18.6 %	17.1 %	18.6 %
Income from operations	370	261	958	764
<i>Income from operations as a % of Net Sales</i>	14.5 %	12.5 %	13.4 %	12.6 %
Interest expense, net	(60)	(48)	(163)	(135)
Other income, net	10	4	17	15
Income before income taxes	320	217	812	644
Income tax expense	(78)	(54)	(204)	(162)
<i>Effective tax rate</i>	24.5 %	24.7 %	25.1 %	25.1 %
Net income	242	163	608	482
Less: Net income attributable to noncontrolling interest	(2)	(3)	(8)	(7)
Net income attributable to Wabtec shareholders	\$ 240	\$ 160	\$ 600	\$ 475
<b>Earnings Per Common Share</b>				
Basic				
Net income attributable to Wabtec shareholders	\$ 1.34	\$ 0.88	\$ 3.34	\$ 2.60
Diluted				
Net income attributable to Wabtec shareholders	\$ 1.33	\$ 0.88	\$ 3.33	\$ 2.59
Weighted average shares outstanding				
Basic	178.6	181.3	179.1	182.6
Diluted	179.2	181.9	179.7	183.1

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (CONTINUED)  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

Segment Information	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Freight Net sales	\$ 1,890	\$ 1,531	\$ 5,164	\$ 4,343
Freight Income from operations	\$ 327	\$ 233	\$ 825	\$ 655
Freight Operating margin	17.3 %	15.2 %	16.0 %	15.1 %
Transit Net sales	\$ 660	\$ 550	\$ 1,987	\$ 1,713
Transit Income from operations	\$ 68	\$ 53	\$ 203	\$ 168
Transit Operating margin	10.3 %	9.6 %	10.2 %	9.8 %
<b>Backlog Information (Note: 12-month is a sub-set of total)</b>	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>September 30, 2022</b>	
Freight Total	\$ 17,614	\$ 18,336	\$ 19,173	
Transit Total	3,869	4,095	3,437	
Wabtec Total	\$ 21,483	\$ 22,431	\$ 22,610	
Freight 12-month	\$ 5,282	\$ 5,318	\$ 4,567	
Transit 12-month	1,809	1,902	1,700	
Wabtec 12-month	\$ 7,091	\$ 7,220	\$ 6,267	

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

	September 30, 2023	December 31, 2022
<i>In millions</i>		
Cash, cash equivalents and restricted cash	\$ 392	\$ 541
Receivables, net	1,714	1,519
Inventories, net	2,246	2,034
Other current assets	282	233
<b>Total current assets</b>	<b>4,634</b>	<b>4,327</b>
Property, plant and equipment, net	1,419	1,429
Goodwill	8,590	8,508
Other intangible assets, net	3,267	3,402
Other noncurrent assets	890	850
<b>Total Assets</b>	<b>\$ 18,800</b>	<b>\$ 18,516</b>
Current liabilities	\$ 3,891	\$ 3,467
Long-term debt	3,288	3,751
Other long-term liabilities	1,254	1,151
<b>Total Liabilities</b>	<b>8,433</b>	<b>8,369</b>
Shareholders' equity	10,326	10,102
Noncontrolling interest	41	45
<b>Total Equity</b>	<b>10,367</b>	<b>10,147</b>
<b>Total Liabilities and Equity</b>	<b>\$ 18,800</b>	<b>\$ 18,516</b>

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

<i>In millions</i>	Nine Months Ended September 30,	
	2023	2022
<b>Operating activities</b>		
Net income	\$ 608	\$ 482
Non-cash expense	372	355
Receivables	(214)	(39)
Inventories	(201)	(401)
Accounts payable	(50)	232
Other assets and liabilities	—	(1)
<b>Net cash provided by operating activities</b>	<b>515</b>	<b>628</b>
<b>Net cash used for investing activities</b>	<b>(336)</b>	<b>(149)</b>
<b>Net cash used for financing activities</b>	<b>(323)</b>	<b>(395)</b>
Effect of changes in currency exchange rates	(5)	(43)
(Decrease) increase in cash	(149)	41
Cash, cash equivalents and restricted cash, beginning of period	541	473
Cash, cash equivalents and restricted cash, end of period	\$ 392	\$ 514

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)										
	Third Quarter 2023 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	\$ 2,550	\$ 792	\$ (422)	\$ 370	\$ (50)	\$ (78)	\$ 242	\$ (2)	\$ 240	\$ 1.33
Restructuring costs	—	13	—	13	—	(3)	10	—	10	\$ 0.06
Non-cash Amortization expense	—	—	74	74	—	(19)	55	—	55	\$ 0.31
<b>Adjusted Results</b>	<b>\$ 2,550</b>	<b>\$ 805</b>	<b>\$ (348)</b>	<b>\$ 457</b>	<b>\$ (50)</b>	<b>\$ (100)</b>	<b>\$ 307</b>	<b>\$ (2)</b>	<b>\$ 305</b>	<b>\$ 1.70</b>
<b>Fully Diluted Shares Outstanding</b>										<b>179.2</b>

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
	Third Quarter Year-to-Date 2023 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	\$ 7,151	\$ 2,180	\$ (1,222)	\$ 958	\$ (146)	\$ (204)	\$ 608	\$ (8)	\$ 600	\$ 3.33
Restructuring costs	—	25	7	32	—	(8)	24	—	24	\$ 0.13
Non-cash Amortization expense	—	—	222	222	—	(56)	166	—	166	\$ 0.92
<b>Adjusted Results</b>	<b>\$ 7,151</b>	<b>\$ 2,205</b>	<b>\$ (993)</b>	<b>\$ 1,212</b>	<b>\$ (146)</b>	<b>\$ (268)</b>	<b>\$ 798</b>	<b>\$ (8)</b>	<b>\$ 790</b>	<b>\$ 4.38</b>
<b>Fully Diluted Shares Outstanding</b>										<b>179.7</b>

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)										
	Third 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
<b>Reported Results</b>	\$ 2,081	\$ 648	\$ (387)	\$ 261	\$ (44)	\$ (54)	\$ 163	\$ (3)	\$ 160	\$ 0.88
Restructuring costs	—	5	4	9	—	(2)	7	—	7	\$ 0.04
Non-cash Amortization expense	—	—	73	73	—	(18)	55	—	55	\$ 0.30
<b>Adjusted Results</b>	<b>\$ 2,081</b>	<b>\$ 653</b>	<b>\$ (310)</b>	<b>\$ 343</b>	<b>\$ (44)</b>	<b>\$ (74)</b>	<b>\$ 225</b>	<b>\$ (3)</b>	<b>\$ 222</b>	<b>\$ 1.22</b>
<b>Fully Diluted Shares Outstanding</b>										<b>181.9</b>

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
	Third Quarter Year-to-Date 2022 Actual Results									
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
<b>Reported Results</b>	\$ 6,056	\$ 1,888	\$ (1,124)	\$ 764	\$ (120)	\$ (162)	\$ 482	\$ (7)	\$ 475	\$ 2.59
Restructuring costs	—	12	8	20	—	(5)	15	—	15	\$ 0.08
Non-cash Amortization expense	—	—	218	218	—	(54)	164	—	164	\$ 0.89
<b>Adjusted Results</b>	<b>\$ 6,056</b>	<b>\$ 1,900</b>	<b>\$ (898)</b>	<b>\$ 1,002</b>	<b>\$ (120)</b>	<b>\$ (221)</b>	<b>\$ 661</b>	<b>\$ (7)</b>	<b>\$ 654</b>	<b>\$ 3.56</b>
<b>Fully Diluted Shares Outstanding</b>										<b>183.1</b>

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 Third Quarter 2023 EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 370		\$ 10		\$ 124		\$ 504		\$ 10		\$ 514

Wabtec Corporation Third Quarter 2023 YTD EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 958		\$ 17		\$ 367		\$ 1,342		\$ 24		\$ 1,366

Wabtec Corporation Third Quarter 2022 EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 261		\$ 4		\$ 117		\$ 382		\$ 9		\$ 391

Wabtec Corporation Third Quarter 2022 YTD EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 764		\$ 15		\$ 354		\$ 1,133		\$ 20		\$ 1,153



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

<i>In millions</i>	Three Months Ended September 30,	
	2023	2022
Freight Segment		
Services	\$ 787	\$ 669
Equipment	615	443
Components	307	232
Digital Intelligence	181	187
<b>Total Freight Segment</b>	<b>\$ 1,890</b>	<b>\$ 1,531</b>
Transit Segment		
Original Equipment Manufacturer	\$ 302	\$ 264
Aftermarket	358	286
<b>Total Transit Segment</b>	<b>\$ 660</b>	<b>\$ 550</b>
	Nine Months Ended September 30,	
	2023	2022
Freight Segment		
Services	\$ 2,304	\$ 2,046
Equipment	1,423	1,098
Components	874	695
Digital Intelligence	563	504
<b>Total Freight Segment</b>	<b>\$ 5,164</b>	<b>\$ 4,343</b>
Transit Segment		
Original Equipment Manufacturer	\$ 909	\$ 815
Aftermarket	1,078	898
<b>Total Transit Segment</b>	<b>\$ 1,987</b>	<b>\$ 1,713</b>

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

<i>In millions</i>	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023		2022		2023		2022	
	<u>Gross Profit</u>	<u>Income from Operations</u>	<u>Gross Profit</u>	<u>Income from Operations</u>	<u>Gross Profit</u>	<u>Income from Operations</u>	<u>Gross Profit</u>	<u>Income from Operations</u>
<b>Freight Segment Reported Results</b>	<b>\$ 611</b>	<b>\$ 327</b>	<b>\$ 497</b>	<b>\$ 233</b>	<b>\$ 1,632</b>	<b>\$ 825</b>	<b>\$ 1,414</b>	<b>\$ 655</b>
<i>Freight Segment Reported Margin</i>	32.3 %	17.3 %	32.5 %	15.2 %	31.6 %	16.0 %	32.6 %	15.1 %
Restructuring costs	2	3	4	5	8	11	7	8
Non-cash Amortization expense	—	69	—	69	—	206	—	204
<b>Freight Segment Adjusted Results</b>	<b>\$ 613</b>	<b>\$ 399</b>	<b>\$ 501</b>	<b>\$ 307</b>	<b>\$ 1,640</b>	<b>\$ 1,042</b>	<b>\$ 1,421</b>	<b>\$ 867</b>
<i>Freight Segment Adjusted Margin</i>	32.4 %	21.2 %	32.7 %	19.9 %	31.8 %	20.2 %	32.7 %	20.0 %
<b>Transit Segment Reported Results</b>	<b>\$ 181</b>	<b>\$ 68</b>	<b>\$ 151</b>	<b>\$ 53</b>	<b>\$ 548</b>	<b>\$ 203</b>	<b>\$ 474</b>	<b>\$ 168</b>
<i>Transit Segment Reported Margin</i>	27.3 %	10.3 %	27.4 %	9.6 %	27.6 %	10.2 %	27.6 %	9.8 %
Restructuring costs	11	10	1	3	17	21	5	10
Non-cash Amortization expense	—	5	—	4	—	16	—	14
<b>Transit Segment Adjusted Results</b>	<b>\$ 192</b>	<b>\$ 83</b>	<b>\$ 152</b>	<b>\$ 60</b>	<b>\$ 565</b>	<b>\$ 240</b>	<b>\$ 479</b>	<b>\$ 192</b>
<i>Transit Segment Adjusted Margin</i>	29.0 %	12.5 %	27.5 %	11.0 %	28.4 %	12.1 %	27.9 %	11.2 %

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

<i>In millions</i>	Three Months Ended September 30,		
	Freight	Transit	Consolidated
<b>2022 Net Sales</b>	<b>\$ 1,531</b>	<b>\$ 550</b>	<b>\$ 2,081</b>
Acquisitions	45	—	45
Foreign Exchange	2	30	32
Organic	312	80	392
<b>2023 Net Sales</b>	<b>\$ 1,890</b>	<b>\$ 660</b>	<b>\$ 2,550</b>
<i>Change (\$)</i>	359	110	469
<i>Change (%)</i>	23.4 %	20.0 %	22.5 %
	<b>Nine Months Ended September 30,</b>		
<b>2022 Net Sales</b>	<b>\$ 4,343</b>	<b>\$ 1,713</b>	<b>\$ 6,056</b>
Acquisitions	77	—	77
Foreign Exchange	(28)	(3)	(31)
Organic	772	277	1,049
<b>2023 Net Sales</b>	<b>\$ 5,164</b>	<b>\$ 1,987</b>	<b>\$ 7,151</b>
<i>Change (\$)</i>	821	274	1,095
<i>Change (%)</i>	18.9 %	16.0 %	18.1 %

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					
2023 Third Quarter Cash Conversion Calculation					
(in millions)					
	Reported Cash from Operations	÷	(Net Income + Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$425		\$242		116%

Wabtec Corporation					
2023 Third Quarter YTD Cash Conversion Calculation					
(in millions)					
	Reported Cash from Operations	÷	(Net Income + Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$515		\$608		53%

Wabtec Corporation					
2022 Third Quarter Cash Conversion Calculation					
(in millions)					
	Reported Cash from Operations	÷	(Net Income + Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$204		\$163		72%

Wabtec Corporation					
2022 Third Quarter YTD Cash Conversion Calculation					
(in millions)					
	Reported Cash from Operations	÷	(Net Income + Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$628		\$482		75%



**THIRD QUARTER 2023**

# Wabtec Financial Results and 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, 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 include statements regarding: Wabtec's plans, objectives and intention; Wabtec's expectations about future sales, earnings and cash conversion; Wabtec's projected expenses and cost savings associated with its Integration 2.0 initiative; Wabtec's 5-year outlook (established in March 2022); Wabtec's expectations for evolving global industry, market and macro-economic conditions and their impact on Wabtec's business; synergies and other expected benefits from Wabtec's acquisitions; Wabtec's expectations for production and demand conditions; and any assumptions underlying any of the foregoing. 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) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, inflation, supply chain disruptions, foreign currency exchange, and industry consolidation; (2) changes in the financial condition or operating strategies of Wabtec's customers; (3) unexpected costs, charges or expenses resulting from acquisitions and potential failure to realize synergies and other anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) inability to retain and hire key personnel; (5) evolving legal, regulatory and tax regimes; (6) changes in the expected timing of projects; (7) a decrease in freight or passenger rail traffic; (8) an increase in manufacturing costs; (9) actions by third parties, including government agencies; (10) the impacts of epidemics, pandemics (including the COVID-19 pandemic), or similar public health crises on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets as a result of global military action, acts of terrorism or armed conflict, including from the imposition of economic sanctions on Russia resulting from the invasion of Ukraine; (12) cybersecurity and data protection risks and (13) 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, 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 2023 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. Adjusted EBITDA is further adjusted for restructuring costs. 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 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 the timing, and could be material to Wabtec's Consolidated Statement of Earnings.

## Today's participants



**RAFAEL SANTANA**

*President and Chief  
Executive Officer*



**JOHN OLIN**

*Executive Vice President  
and Chief Financial Officer*



**KRISTINE KUBACKI**

*Vice President,  
Investor Relations*



WABTEC

# 3Q 2023 overview

## 3Q 2023 HIGHLIGHTS

<b>SALES</b>	<b>\$2.55B</b>	Up 22.5% YoY	Increased sales were driven by strong growth across the Freight and Transit segments
<b>OPERATING MARGIN</b>	<b>14.5%</b> GAAP	<b>17.9%</b> Adjusted <sup>(2)</sup>	Operating margin benefited from sales growth and lower SG&A as a percentage of sales
<b>EARNINGS PER SHARE</b>	<b>\$1.33</b> GAAP	<b>\$1.70</b> Adjusted <sup>(2)</sup>	GAAP EPS up 51.1% YoY ... Adjusted EPS up 39.3% YoY from higher Freight and Transit sales and adjusted operating margin expansion
<b>CASH FLOW FROM OPERATIONS<sup>(1)</sup></b>	<b>\$425M</b>		Operating cash flow driven by significantly higher income and improved inventory management
<b>MULTI-YEAR BACKLOG</b>	<b>\$21.48B</b>		Backlog provides multi-year visibility ... 12-month backlog up 13.1% to \$7.09 billion

**STRONG PERFORMANCE AND MOMENTUM ACROSS THE BUSINESS**

4 (1) Year-over-year 3<sup>rd</sup> quarter cash flow impact from securitization of accounts receivable was unfavorable \$25 million  
 (2) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations



# 2023 Market Expectations

## FREIGHT

FAVORABLE / UNFAVORABLE

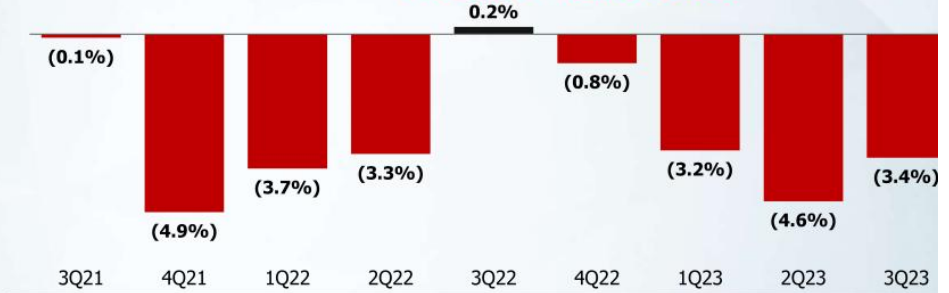
NA Carloads	-
Locomotive and Railcars Parkings	↔ / -
International Freight Volumes	+
NA Railcar Deliveries	+
Mining Commodities	↔

## TRANSIT

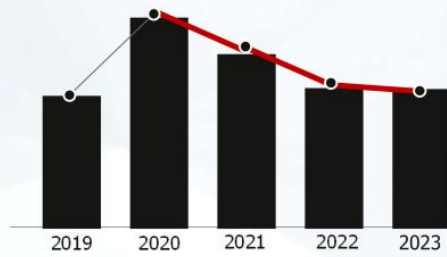
Infrastructure Investment	+
Global Ridership	+ / ↔

## NORTH AMERICAN FREIGHT CARLOADS

Source: Association of American

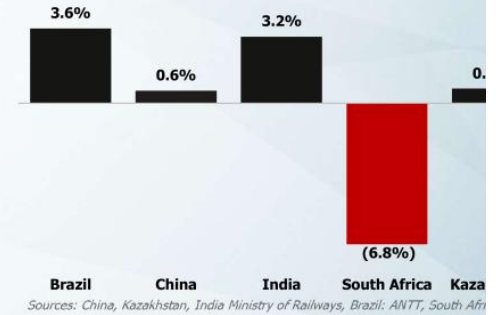


## AVG NORTH AMERICAN PARKED LOCOMOTIVES



Source: Wabtec

## 2023 FREIGHT VOLUMES



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

# 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 W

\$2+ billion MOU in Kazakhstan ... expected to drive significant growth in 2024 and beyond

Mining orders \$150+ million ... up double-digit versus prior year

Additional 4Q orders for 22 locomotives in LATAM for 2024

Significant components order with New York City Transit ... for 640 additional cars

Recent acquisitions in mining and maintenance of way (L&M Nordco) ... ahead of plan

WABTEC

# Spotlight on international markets



## KEY MARKETS & GROWTH DRIVERS

### SOUTH AMERICA

New concessions  
Agriculture + mining growth

### CIS

Gateway Asia → Europe  
Fleet renewal & efficiency

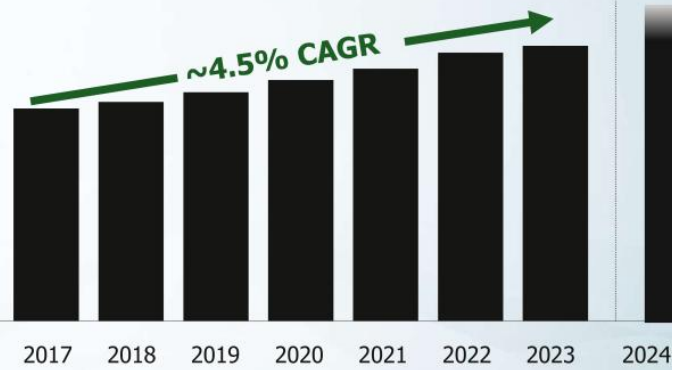
### INDIA & AFRICA

Economic growth + mining  
Transit urbanization

### AUSTRALIA

Mining growth  
Decarbonization targets

## RESILIENT GROWTH IN THE INTERNATIONAL INSTALLED BASE



\*Excludes Canada & Mexico

**LEVERAGING WABTEC PORTFOLIO AND LOCAL PARTNERSHIPS TO DRIVE PROFITABLE GROWTH IN 2024 AND BEYOND**

# 3Q 2023 financial summary

**INCREASED SALES, MARGIN EXPANSION AND EPS GROWTH DESPITE MACRO UNCERTAINTY**

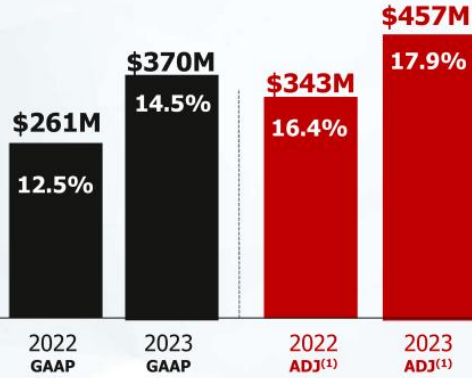
## SALES



**22.5% INCREASE**

(21.0% INCREASE EX-CURRENCY)

## OP INCOME/OP MARGIN



## EPS



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

WABTEC

# 3Q 2023 sales



(\$ in millions)

<b>PRODUCT LINE</b>	<b>3Q23</b>	<b>YOY</b>
Equipment	\$615	38.8%
Components	\$307	32.3%
Digital Intelligence	\$181	(3.2%)
Services	\$787	17.6%
Freight Segment	\$1,890	23.4%
Transit Segment	\$660	20.0%
<b>TOTAL SALES</b>	<b>\$2,550</b>	<b>22.5%</b>

## 3Q KEY DRIVERS

### EQUIPMENT

Higher North American and international locomotives sales ... increased mining sales

### COMPONENTS

Higher OE railcar build and increased demand for industrial products (14.2% YoY growth excluding acquisitions)

### DIGITAL INTELLIGENCE

Softness in NA signaling business, partially offset by higher demand for international PTC, on-board locomotive hardware, and digital mining products

### SERVICES

Increased sales from higher mods deliveries and increased parts sales

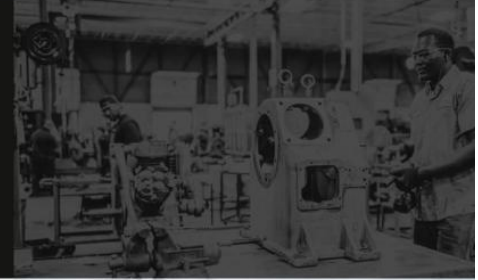
### TRANSIT

Strong OE and aftermarket sales ... sales up 14.5% on constant currency basis

9



# 3Q 2023 consolidated gross profit



(\$ in millions)

	GAAP	Adjusted <sup>(1)</sup>
<b>2022 GROSS PROFIT</b>	<b>\$648</b>	<b>\$653</b>
<i>% Gross Profit Margin</i>	<i>31.1%</i>	<i>31.4%</i>
Volume	↑↑	↑↑
Mix/Pricing	↑	↑
Raw Materials	↔	↔
Currency	↑	↑
Manufacturing/Other	↓	↓
<b>2023 GROSS PROFIT</b>	<b>\$792</b>	<b>\$805</b>
<i>% Gross Profit Margin</i>	<i>31.0%</i>	<i>31.5%</i>

## 3Q KEY DRIVERS

### VOLUME

Significantly higher Freight and Transit segment sales

### MIX/PRICING

Favorable mix of products between and within segments

### RAW MATERIALS

Largely flat input costs

### CURRENCY

Favorable foreign exchange increased gross profit \$7M (operating income favorable by \$3M)

### MANUFACTURING/OTHER

Favorable fixed cost absorption and benefits of Integration 2 offset by manufacturing inefficiencies related to Erie strike

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

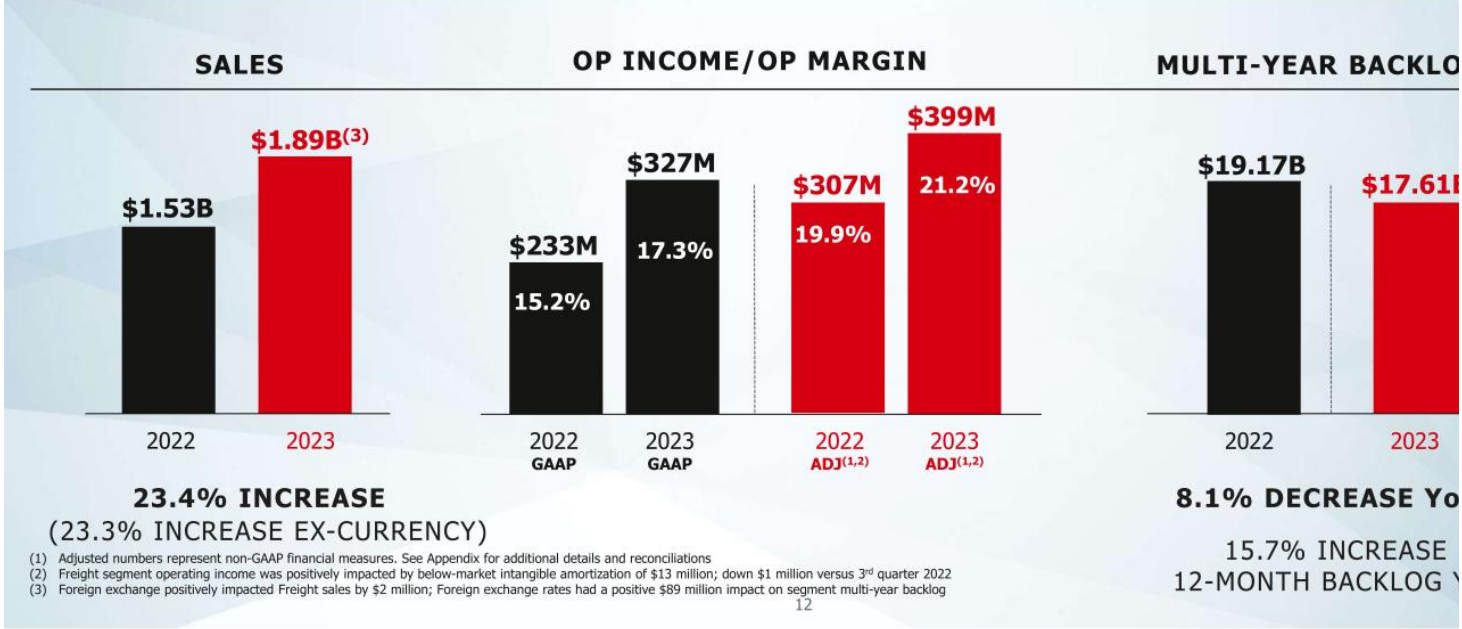
## 3Q 2023 consolidated operating income

(\$ in millions)	GAAP	Adjusted <sup>(1)</sup>
<b>2022 OP INCOME</b>	<b>\$261</b>	<b>\$343</b>
<i>% Operating Margin</i>	<i>12.5%</i>	<i>16.4%</i>
Gross Profit	144	152
SG&A	(35)	(39)
Engineering	1	1
Amortization	(1)	-
<b>2023 OP INCOME</b>	<b>\$370</b>	<b>\$457</b>
<i>% Operating Margin</i>	<i>14.5%</i>	<i>17.9%</i>

**OP MARGIN BENEFITED FROM HIGHER SALES AND LOWER SG&A AS PERCENTAGE OF SALES**

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

# 3Q 2023 Freight segment performance

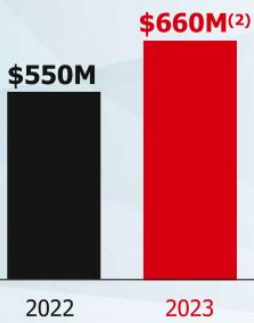


(1) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations  
 (2) Freight segment operating income was positively impacted by below-market intangible amortization of \$13 million; down \$1 million versus 3<sup>rd</sup> quarter 2022  
 (3) Foreign exchange positively impacted Freight sales by \$2 million; Foreign exchange rates had a positive \$89 million impact on segment multi-year backlog



# 3Q 2023 Transit segment performance

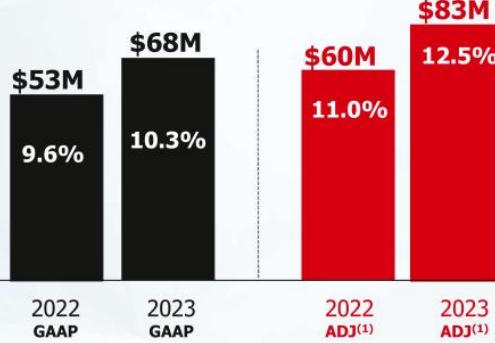
## SALES



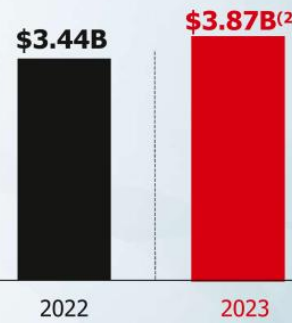
**20.0% INCREASE**

(14.5% INCREASE EX-CURRENCY)

## OP INCOME/OP MARGIN



## MULTI-YEAR BACKLOG



**12.6% INCREASE YoY**

6.4% INCREASE  
12-MONTH BACKLOG

(1) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations.  
 (2) Foreign exchange positively impacted Transit sales by \$30 million; Foreign exchange rates had a positive \$167 million impact on segment multi-year backlog

# Resilient business allows for execution on financial priorities

## FOCUSED ON CASH CONVERSION<sup>(1)</sup> YTD CASH FROM OPS



**3<sup>rd</sup> quarter CFO of \$425M** driven by strong growth in net income and improved inventory management

**Full year 2023 cash conversion** impacted by higher working capital investment to support growth

## STRONG FINANCIAL POSITION LEVERAGE



**Debt leverage<sup>(2)</sup>** within target range of 2.0 to 2.5x

**Strong balance sheet** ... liquidity of \$1.86B<sup>(3)</sup>

## RETURN CAPITAL TO SHAREHOLDERS



Returning capital to shareholders ... **\$344M returned through share repurchases and dividends**

## STRONG FINANCIAL POSITION; INVESTING FOR GROWTH AND MAXIMIZING SHAREHOLDER RETURNS

(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) Leverage is defined as net debt divided by trailing 12-month adjusted EBITDA. Net debt is defined as total debt minus cash, restricted cash and cash equivalents  
 (3) At September 30, 2023, the Company's total available liquidity was \$1.86 billion, which includes cash and cash equivalents of \$0.39 billion, excluding restricted cash of \$0.07 million, plus \$1.46 billion available under current credit facilities

# 2023 updated financial guidance<sup>(1,2)</sup>

## PRIOR GUIDANCE

### REVENUES

**\$9.25B to \$9.50B**

### ADJUSTED EPS

**\$5.50 to \$5.80**

### CASH CONVERSION <sup>(3)</sup>

**>90%**

## UPDATED GUIDANCE

### REVENUES

**\$9.5B to \$9.7B**

### ADJUSTED EPS

**\$5.80 to \$6.00**

### CASH CONVERSION <sup>(3)</sup>

**>90%**

## KEY ASSUMPTIONS

Adjusted operating margin up

- Favorable productivity/absorption offset by mix
- SG&A as % of sales down
- Engineering as % of sales flat

Tax rate ~25.5%

Capex ~1.75% of sales (prior ~2% of sales)

**STRONG MOMENTUM ACROSS THE PORTFOLIO ... DRIVING PROFITABLE GROWTH**

(1) See Forward looking statements and non-GAAP financial information

(2) Wabtec is not presenting a quantitative reconciliation of our forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share in reliance on the unreasonable efforts exemption provided under Item 10(e)(1)(i)(B) of F S-K. Wabtec is 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.

(3) 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

# Key takeaways

## 5-YEAR OUTLOOK<sup>(1)</sup>

MSD CORE ORGANIC  
GROWTH CAGR

+

250-300 BPS MARGIN  
EXPANSION

+

DISCIPLINED CAPITAL  
DEPLOYMENT

=

DOUBLE-DIGIT EPS  
GROWTH WITH STRONG  
OPERATING CASH FLOW  
CONVERSION  
(90%+)

(1) Long-term guidance as of March 9, 2022

- 01** Strong operational and financial performance despite significant macro uncertainty and volatility
- 02** Positive productivity driven by continuous cost improvement combined with realization of Integration 2.0 savings
- 03** Continued momentum across the portfolio and strong order pipeline
- 04** Wabtec is well-positioned to drive higher returns and create significant long-term value for shareholders

# Income statement

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

Appendix A ( 1 of 2)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net sales	\$ 2,550	\$ 2,081	\$ 7,151	\$ 6,056
Cost of sales	(1,758)	(1,433)	(4,971)	(4,168)
Gross profit	792	648	2,180	1,888
<i>Gross profit as a % of Net Sales</i>	31.0%	31.1%	30.5%	31.2%
Selling, general and administrative expenses	(295)	(260)	(843)	(757)
Engineering expenses	(53)	(54)	(157)	(149)
Amortization expense	(74)	(73)	(222)	(218)
Total operating expenses	(422)	(387)	(1,222)	(1,124)
<i>Operating expenses as a % of Net Sales</i>	16.5%	18.6%	17.1%	18.6%
Income from operations	370	261	958	764
<i>Income from operations as a % of Net Sales</i>	14.5%	12.5%	13.4%	12.6%
Interest expense, net	(60)	(48)	(163)	(135)
Other income, net	10	4	17	15
Income before income taxes	320	217	812	644
Income tax expense	(78)	(54)	(204)	(162)
<i>Effective tax rate</i>	24.5%	24.7%	25.1%	25.1%
Net income	242	163	608	482
Less: Net income attributable to noncontrolling interest	(2)	(3)	(8)	(7)
Net income attributable to Wabtec shareholders	\$ 240	\$ 160	\$ 600	\$ 475
<b>Earnings Per Common Share</b>				
<b>Basic</b>				
Net income attributable to Wabtec shareholders	\$ 1.34	\$ 0.88	\$ 3.34	\$ 2.60
<b>Diluted</b>				
Net income attributable to Wabtec shareholders	\$ 1.33	\$ 0.88	\$ 3.33	\$ 2.59
Basic	178.6	181.3	179.1	182.6
Diluted	179.2	181.9	179.7	183.1



# Income statement (cont.)

**WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**  
**(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)**  
**(UNAUDITED)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Segment Information</b>				
Freight Net Sales	\$ 1,890	\$ 1,531	\$ 5,164	\$ 4,343
Freight Income from Operations	\$ 327	\$ 233	\$ 825	\$ 655
Freight Operating Margin	17.3%	15.2%	16.0%	15.1%
Transit Net Sales	\$ 660	\$ 550	\$ 1,987	\$ 1,713
Transit Income from Operations	\$ 68	\$ 53	\$ 203	\$ 168
Transit Operating Margin	10.3%	9.6%	10.2%	9.8%
<b>Backlog Information (Note: 12-month is a sub-set of total)</b>				
	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>September 30, 2022</b>	
Freight Total	\$ 17,614	\$ 18,336	\$ 19,173	
Transit Total	3,869	4,095	3,437	
Wabtec Total	\$ 21,483	\$ 22,431	\$ 22,610	
Freight 12-Month	\$ 5,282	\$ 5,318	\$ 4,567	
Transit 12-Month	1,809	1,902	1,700	
Wabtec 12-Month	\$ 7,091	\$ 7,220	\$ 6,267	



# Balance sheet

Appendix B

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<i>In millions</i>		
Cash, cash equivalents and restricted cash	\$ 392	\$ 541
Receivables, net	1,714	1,519
Inventories	2,246	2,034
Other current assets	<u>282</u>	<u>233</u>
<b>Total current assets</b>	4,634	4,327
Property, plant and equipment, net	1,419	1,429
Goodwill	8,590	8,508
Other intangible assets, net	3,267	3,402
Other noncurrent assets	<u>890</u>	<u>850</u>
<b>Total assets</b>	<u>\$ 18,800</u>	<u>\$ 18,516</u>
Current liabilities	\$ 3,891	\$ 3,467
Long-term debt	3,288	3,751
Long-term liabilities - other	<u>1,254</u>	<u>1,151</u>
<b>Total liabilities</b>	8,433	8,369
Shareholders' equity	10,326	10,102
Noncontrolling interest	<u>41</u>	<u>45</u>
<b>Total shareholders' equity</b>	10,367	10,147
<b>Total Liabilities and Shareholders' Equity</b>	<u>\$ 18,800</u>	<u>\$ 18,516</u>





# Cash flow

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

<i><u>In millions</u></i>	<b>Nine Months Ended September 30,</b>	
	<b><u>2023</u></b>	<b><u>2022</u></b>
<i>Operating activities</i>		
Net income	\$ 608	\$ 482
Non-cash expense	372	355
Receivables	(214)	(39)
Inventories	(201)	(401)
Accounts Payable	(50)	232
Other assets and liabilities	-	(1)
<b>Net cash provided by operating activities</b>	<b>515</b>	<b>628</b>
<b>Net cash used for investing activities</b>	<b>(336)</b>	<b>(149)</b>
<b>Net cash used for financing activities</b>	<b>(323)</b>	<b>(395)</b>
Effect of changes in currency exchange rates	(5)	(43)
(Decrease) increase in cash	(149)	41
Cash, cash equivalents and restricted cash, beginning of period	541	473
Cash, cash equivalents and restricted cash, end of period	\$ 392	\$ 514





# 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 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)	Third Quarter 2023 Actual Results								
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income
	Reported Results	\$ 2,550	\$ 792	\$ (422)	\$ 370	\$ (50)	\$ (78)	\$ 242	\$ (2)
Restructuring costs	-	13	-	13	-	(3)	10	-	10
Non-cash Amortization expense	-	-	74	74	-	(19)	55	-	55
<b>Adjusted Results</b>	<b>\$ 2,550</b>	<b>\$ 805</b>	<b>\$ (348)</b>	<b>\$ 457</b>	<b>\$ (50)</b>	<b>\$ (100)</b>	<b>\$ 307</b>	<b>\$ (2)</b>	<b>\$ 305</b>
Fully Diluted Shares Outstanding	—								

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)	Third Quarter Year-to-Date 2023 Actual Results								
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income
	Reported Results	\$ 7,151	\$ 2,180	\$ (1,222)	\$ 958	\$ (146)	\$ (204)	\$ 608	\$ (8)
Restructuring costs	-	25	7	32	-	(8)	24	-	24
Non-cash Amortization expense	-	-	222	222	-	(56)	166	-	166
<b>Adjusted Results</b>	<b>\$ 7,151</b>	<b>\$ 2,205</b>	<b>\$ (993)</b>	<b>\$ 1,212</b>	<b>\$ (146)</b>	<b>\$ (268)</b>	<b>\$ 798</b>	<b>\$ (8)</b>	<b>\$ 790</b>
Fully Diluted Shares Outstanding	—								



# 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)		Third Quarter 2022 Actual Results							
		Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest
Reported Results	\$ 2,081	\$ 648	\$ (387)	\$ 261	\$ (44)	\$ (54)	\$ 163	\$ (3)	\$ 160
Restructuring costs	-	5	4	9	-	(2)	7	-	7
Non-cash Amortization expense	-	-	73	73	-	(18)	55	-	55
<b>Adjusted Results</b>	<b>\$ 2,081</b>	<b>\$ 653</b>	<b>\$ (310)</b>	<b>\$ 343</b>	<b>\$ (44)</b>	<b>\$ (74)</b>	<b>\$ 225</b>	<b>\$ (3)</b>	<b>\$ 222</b>
Fully Diluted Shares Outstanding									

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Third Quarter Year-to-Date 2022 Actual Results							
		Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest
Reported Results	\$ 6,056	\$ 1,888	\$ (1,124)	\$ 764	\$ (120)	\$ (162)	\$ 482	\$ (7)	\$ 475
Restructuring costs	-	12	8	20	-	(5)	15	-	15
Non-cash Amortization expense	-	-	218	218	-	(54)	164	-	164
<b>Adjusted Results</b>	<b>\$ 6,056</b>	<b>\$ 1,900</b>	<b>\$ (898)</b>	<b>\$ 1,002</b>	<b>\$ (120)</b>	<b>\$ (221)</b>	<b>\$ 661</b>	<b>\$ (7)</b>	<b>\$ 654</b>
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 2023 Q3 EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	<u>Other Income (Expense)</u>	<u>Depreciation &amp; Amortization</u>	= <u>EBITDA</u>	<u>+ Restructuring Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$370	\$10	\$124	\$504	\$10	\$514

Wabtec Corporation 2023 Q3 YTD EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	<u>Other Income (Expense)</u>	<u>Depreciation &amp; Amortization</u>	= <u>EBITDA</u>	<u>+ Restructuring Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$958	\$17	\$367	\$1,342	\$24	\$1,366

Wabtec Corporation 2022 Q3 EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	<u>Other Income (Expense)</u>	<u>Depreciation &amp; Amortization</u>	= <u>EBITDA</u>	<u>+ Restructuring Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$261	\$4	\$117	\$382	\$9	\$391

Wabtec Corporation 2022 Q3 YTD EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	<u>Other Income (Expense)</u>	<u>Depreciation &amp; Amortization</u>	= <u>EBITDA</u>	<u>+ Restructuring Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$764	\$15	\$354	\$1,133	\$20	\$1,153



# Sales by product line

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

<i>In millions</i>	Three Months Ended September 30,	
	2023	2022
Freight Segment		
Equipment	\$ 615	\$ 443
Components	307	232
Digital Intelligence	181	187
Services	787	669
Total Freight Segment	<u>\$ 1,890</u>	<u>\$ 1,531</u>
Transit Segment		
Original Equipment Manufacturer	\$ 302	\$ 264
Aftermarket	358	286
Total Transit Segment	<u>\$ 660</u>	<u>\$ 550</u>
<i>In millions</i>	Nine Months Ended September 30,	
	2023	2022
Freight Segment		
Equipment	\$ 1,423	\$ 1,098
Components	874	695
Digital Intelligence	563	504
Services	2,304	2,046
Total Freight Segment	<u>\$ 5,164</u>	<u>\$ 4,343</u>
Transit Segment		
Original Equipment Manufacturer	\$ 909	\$ 815
Aftermarket	1,078	898
Total Transit Segment	<u>\$ 1,987</u>	<u>\$ 1,713</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 September 30,				Nine Months Ended September 30,			
	2023		2022		2023		2022	
	Gross Profit	Income from Operations	Gross Profit	Income from Operations	Gross Profit	Income from Operations	Gross Profit	Income from Operations
<b>Freight Segment Reported Results</b>	\$ 611	\$ 327	\$ 497	\$ 233	\$ 1,632	\$ 825	\$ 1,414	\$ 700
<i>Freight Segment Reported Margin</i>	32.3%	17.3%	32.5%	15.2%	31.6%	16.0%	32.6%	15.0%
Restructuring costs	2	3	4	5	8	11	7	7
Non-cash Amortization expense	-	69	-	69	-	206	-	-
<b>Freight Segment Adjusted Results</b>	\$ 613	\$ 399	\$ 501	\$ 307	\$ 1,640	\$ 1,042	\$ 1,421	\$ 707
<i>Freight Segment Adjusted Margin</i>	32.4%	21.2%	32.7%	19.9%	31.8%	20.2%	32.7%	15.1%
<b>Transit Segment Reported Results</b>	\$ 181	\$ 68	\$ 151	\$ 53	\$ 548	\$ 203	\$ 474	\$ 174
<i>Transit Segment Reported Margin</i>	27.3%	10.3%	27.4%	9.6%	27.6%	10.2%	27.6%	9.4%
Restructuring costs	11	10	1	3	17	21	5	5
Non-cash Amortization expense	-	5	-	4	-	16	-	-
<b>Transit Segment Adjusted Results</b>	\$ 192	\$ 83	\$ 152	\$ 60	\$ 565	\$ 240	\$ 479	\$ 179
<i>Transit Segment Adjusted Margin</i>	29.0%	12.5%	27.5%	11.0%	28.4%	12.1%	27.9%	10.0%



# Segment sales reconciliation

Appen

## RECONCILIATION OF CHANGES IN NET SALES - BY SEGMENT (UNAUDITED)

<i>In millions</i>	Three Months Ended September 30,		
	Freight	Transit	Consolidated
<b>2022 Net Sales</b>	\$ 1,531	\$ 550	\$ 2,081
Acquisitions	45	-	45
Foreign Exchange	2	30	32
Organic	312	80	392
<b>2023 Net Sales</b>	<u>\$ 1,890</u>	<u>\$ 660</u>	<u>\$ 2,550</u>
Change (\$)	359	110	469
Change (%)	23.4%	20.0%	22.5%
	Nine Months Ended September 30,		
	Freight	Transit	Consolidated
<b>2022 Net Sales</b>	\$ 4,343	\$ 1,713	\$ 6,056
Acquisitions	77	-	77
Foreign Exchange	(28)	(3)	(31)
Organic	772	277	1,049
<b>2023 Net Sales</b>	<u>\$ 5,164</u>	<u>\$ 1,987</u>	<u>\$ 7,151</u>
Change (\$)	821	274	1,095
Change (%)	18.9%	16.0%	18.1%



# 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 2023 Q3 Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income</u>	+ <u>Depreciation &amp; Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$425		\$242	\$125	116%

Wabtec Corporation 2023 Q3 YTD Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income</u>	+ <u>Depreciation &amp; Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$515		\$608	\$371	53%

Wabtec Corporation 2022 Q3 Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income</u>	+ <u>Depreciation &amp; Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$204		\$163	\$119	72%

Wabtec Corporation 2022 Q3 YTD Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income</u>	+ <u>Depreciation &amp; Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$628		\$482	\$359	75%



