Forward looking statements & non-GAAP financial information

This presentation 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 relating to the impact of the acquisition by Wabtec of GE Transportation (the “GE Transportation merger”) and statements regarding Wabtec’s expectations about future sales and earnings. All statements, other than historical facts, including statements regarding the expected benefits of the GE Transportation merger, including anticipated synergy benefits and statements regarding Wabtec’s plans, objectives, expectations and intentions; legal, economic and regulatory conditions; and any assumptions underlying any of the foregoing, are forward-looking statements.

Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of the GE Transportation merger, including as a result of integrating GE Transportation into Wabtec; (4) Wabtec’s ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy; and (14) other risk factors as detailed from time to time in Wabtec’s reports filed with the SEC, including Wabtec’s annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of any 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 2020 financial guidance mention certain non-GAAP financial performance measures, including adjusted sales, adjusted operating margin, EBITDA, adjusted EBITDA, adjusted effective tax rate, adjusted income from operations, adjusted interest and other expense and adjusted earnings per diluted share. Wabtec defines EBITDA as income from operations plus depreciation and amortization. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this presentation have inherent 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. With respect to Wabtec's guidance to certain non-GAAP adjusted financial measures, it is not possible, without unreasonable effort, to forecast and quantify with reasonable accuracy certain adjustments that would be necessary for a reconciliation to the corresponding GAAP financial measures.
DURING THE CONFERENCE, WABTEC MANAGEMENT WILL DISCUSS ITS PREVIOUSLY ISSUED GUIDANCE FOR 2020. THIS GUIDANCE HAS NOT BEEN REVISED FOR ANY POTENTIAL IMPACT DUE TO COVID-19, AND MORE RECENTLY WITH VOLATILITY IN THE COMMODITY AND FINANCIAL MARKETS.

TO DATE, WABTEC HAS SEEN LIMITED IMPACT TO ITS FIRST QUARTER. HOWEVER, WE ARE CONTINUING TO MONITOR OUR CUSTOMERS AND THE END MARKETS WE SERVE, AS THOSE COULD HAVE AN IMPACT ON WABTEC’S BUSINESS, OPERATIONS AND FINANCIAL PERFORMANCE.
Agenda

8:30 AM ET  Opening Remarks and Wabtec Overview  Rafael Santana

9:15 AM ET  Portfolio Spotlights

  Spotlight on Technology  Dominique Malenfant
  Spotlight on Freight Services  Pascal Schweitzer
  Spotlight on Digital Electronics  Peter Thomas / Bob Bourg
  Spotlight on Global Operations  Alicia Hammersmith
  Spotlight on Transit  Lilian Leroux
  Spotlight on Regional Growth: Russia /CIS/MENAT  Gokhan Bayhan
  Spotlight on Regional Growth: India  Sujatha Narayan

11:00 AM ET  Financials / Q&A

  Financial Performance  Pat Dugan
  Q&A
Introduction
Rafael Santana
What you will hear today

1. Delivering results through the cycles via world-class technology and innovation while leveraging significant installed base

2. Focused on continuous operational improvement and margin expansion

3. Lean operations driving strong cash flow with disciplined capital allocation

4. Building a stronger and better Wabtec with a purpose-driven culture of accountability

Extending the lead as #1 rail technology company in the world

5-YEAR OUTLOOK

Mid-Single Digit
ORGANIC SALES CAGR VS. LOW SINGLE DIGIT FOR INDUSTRY

300+ bps
OPERATING MARGIN EXPANSION

>10%
EPS CAGR

>90%
CASH FROM OPS CONVERSION

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

Rafael Santana
President & CEO

Gokhan Bayhan
Regional General Manager, Russia/CIS/MENAT

Bob Bourg
Vice President, Core Electronics and Data Analytics

Pat Dugan
CFO & Executive Vice President

Alicia Hammersmith
Vice President, Operations, Transit

Lilian Leroux
Group President, Transit

Dominique Malenfant
Chief Technology Officer

Sujatha Narayan
Regional General Manager, India

Pascal Schweitzer
Group President, Freight Services

Peter Thomas
Chief Commercial Officer, Digital Electronics – Americas
Strong global industrial portfolio with track record of innovation and significant recurring revenue

**Portfolio**
- Freight: 66%
- Freight Services: 24%
- Digital: 8%
- Freight Components: 13%
- Freight Equipment: 21%
- Transit: 34%
  - Transit OEM: 16%
  - Transit Aftermarket: 18%

**Geography**
- ~60% non-U.S. revenues

**Market**
- ~60% Aftermarket

**Numbers**
- $8.2B '19 GAAP sales
- ~27K employees
Competitive strengths

1. **Technology leader** ... 7,000 patents

2. **Track-record of execution** ... customer partnerships spanning 50+ countries

3. **Significant installed base** ... mission critical products

4. **Lean operations** ... 120+ manufacturing sites

5. **Purpose-driven culture** ... 150 years of industry expertise
Our vision:

We will accelerate the future of transportation by building the safest, most reliable and sustainable freight, transit, signaling and logistics systems and services.

Through our scale and innovation, we will drive average double-digit earnings growth and lead the transportation industry in unprecedented ways.

ENGAGED PEOPLE
- High performance teams & leaders
- Domain expertise
- Safety at our core

INNOVATIVE TECHNOLOGIES
- Sustainable, quality solutions
- High barriers to entry
- Growth driver

LEAN OPERATIONS
- Continuous improvement
- Flexible capabilities
- Culturally engrained

INVESTED IN COMMUNITIES

CUSTOMER FOCUSED

VALUE CREATION FOR OUR SHAREHOLDERS
Global demand for transport is growing fast … freight and passenger activity will more than double by 2050.

North America’s freight ton mile is moved via rail.

**CLEANER**
<10% of freight transportation carbon emissions*

**SAFER**
<4% of freight transportation injuries*

**EFFICIENT**
Rail is 4x more fuel efficient than conventional trucks**

---

*Popular Science, 2019
**AAR Sustainability Fact Sheet, 2019
Diverse portfolio of businesses uniquely positioned to outperform the market

**Freight segment**

- **Equipment**
  - >20% Of the world’s rail freight is moved by a Wabtec locomotive

- **Services**
  - 2.5M Messages monitored daily on Wabtec locomotives

- **Components**
  - >30% Of content on a Freight car capable of being Wabtec

- **Digital Electronics**
  - >30% Of North American freight moved through ports managed by Wabtec software

**Transit segment**

- **Transit**
  - >15% Rail passenger cars equipped with Wabtec safety critical components
## Market update

### Markets we’re in

<table>
<thead>
<tr>
<th>Markets we’re in</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North America Freight</strong></td>
<td></td>
</tr>
<tr>
<td>NAM carload volume</td>
<td>(4.0)%</td>
</tr>
<tr>
<td>NAM railcar deliveries</td>
<td>5.8%</td>
</tr>
<tr>
<td><strong>International Freight</strong></td>
<td></td>
</tr>
<tr>
<td>Int’l rail freight MT</td>
<td>3.1%</td>
</tr>
<tr>
<td><strong>North American Passenger</strong></td>
<td></td>
</tr>
<tr>
<td>Passenger-kilometer</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>International Passenger</strong></td>
<td></td>
</tr>
<tr>
<td>Passenger-kilometer</td>
<td>2.9%</td>
</tr>
<tr>
<td><strong>Mining and Other Industrials</strong></td>
<td></td>
</tr>
<tr>
<td>Iron Ore exports MT</td>
<td>(2.9)%</td>
</tr>
<tr>
<td>Coal consump. QBTU</td>
<td>(1.2)%</td>
</tr>
</tbody>
</table>

### Expected annual market growth (over 5 years)

- **Freight**: ~2-3\%
- **Transit**: ~3-4\%
- **Industrial**: ~3-5\%

Sources: AAR, FTR, Bloomberg, UIC, Global Mining Data, Energy Information Administration, Amtrak, Via Rail, Internal analysis
How we win in the global transportation market

1. **Customer focus**
   Deepen & transform global capabilities. Help customers compete and win.

2. **Technology**
   Protect & extend our current market position with world-class technology.

3. **Lean culture**
   Commitment to quality and continuous improvement.

Management compensation aligned to execution

How we create value ...

<table>
<thead>
<tr>
<th>2020</th>
<th>5-YR OUTLOOK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$8.7B</strong> REVENUES</td>
<td><strong>Mid-Single Digit</strong> ORGANIC SALES CAGR</td>
</tr>
<tr>
<td>100+ bps OPERATING MARGIN EXPANSION</td>
<td>300+ bps OPERATING MARGIN EXPANSION</td>
</tr>
<tr>
<td><strong>$4.50 to $4.80</strong> ADJUSTED EPS</td>
<td>&gt;10% EPS CAGR</td>
</tr>
<tr>
<td><strong>$900M</strong> CASH FROM OPS</td>
<td>&gt;90% CASH FROM OPS CONVERSION</td>
</tr>
</tbody>
</table>

- EPS CAGR
- ORGANIC SALES CAGR
- OPERATING MARGIN EXPANSION
- REVENUES
- ADJUSTED EPS
- CASH FROM OPS
- MANAGEMENT COMPENSATION ALIGNED TO EXECUTION
2019 execution & integration reinforces strategic merger rationale

<table>
<thead>
<tr>
<th>Strategic merger rationale</th>
<th>How Wabtec has delivered</th>
</tr>
</thead>
<tbody>
<tr>
<td>(as communicated at announcement)</td>
<td>$8.2B revenue, global operations, ~60% international revenues, leader in Freight and Transit markets</td>
</tr>
<tr>
<td>1 Diversified, global leader in transportation &amp; logistics</td>
<td>10+ new products launched in ’19 further enabling autonomous operations</td>
</tr>
<tr>
<td>2 Electronics &amp; Digital technologies leading to autonomous operations</td>
<td>~60% of total revenues in aftermarket, providing stability in key markets and close alignment with customer needs</td>
</tr>
<tr>
<td>3 Recurring revenue growth in high-margin aftermarket &amp; services</td>
<td>2019 adjusted pro forma revenues of $8.7B(a), EBITDA of $1.5B</td>
</tr>
<tr>
<td>4 Highly compelling pro-forma financial profile ... attractive point in cycle</td>
<td>$30M synergies delivered in 2019, ahead of plan &amp; on-track to deliver $250M before 2022</td>
</tr>
<tr>
<td>5 Significant operating synergy potential &amp; tax benefit drive value creation</td>
<td>$1B cash from operations delivered in 2019 yielding net debt to adjusted EBITDA of 2.6x</td>
</tr>
<tr>
<td>6 Strong free cash flow profile enabling rapid de-leveraging</td>
<td></td>
</tr>
</tbody>
</table>

(a): Please refer to Wabtec's current report on form 8-K dated February 24, 2020
Strong cash generation enabling capital allocation flexibility

**Cash sources**
- Excess Cash
- Cash from Operations

**Cash uses 5-year outlook**
- Available cash
- Dividends
- Cap-Ex

**Capital allocation approach**

- Maintain **strong balance sheet** for flexible capital deployment
- Continuing to **invest in technology innovation** to grow leadership position
- Focused on **strategic bolt-on M&A** that strengthen the core business and are accretive to EPS
- **Return cash to shareholders** through dividends and opportunistic share repurchase

**Balanced capital allocation priorities to maximize shareholder value**
Committed to creating a more sustainable world ... focus on corporate social responsibility

I Innovating with purpose

Creating a more sustainable world

Empowering people and communities

Innovating to serve our customers and minimizing our impact on the planet

Taking action to reduce our environmental impact, while strengthening the long-term sustainability of our business

Driving an inclusive culture grounded in integrity; investing in the communities where our teams live and work
Segment Overviews
Rafael Santana
FREIGHT SEGMENT

GROWTH DRIVERS & INDUSTRY DYNAMICS

- Expanding installed base enabling increased recurring revenue streams

- Steady international growth … footprint & partnerships are a strategic advantage

- Digital capability is required for customers to achieve OpEx goals … OEM expertise enabling competitive advantage

- Merger driving significant footprint rationalization while also capturing more content per train

(1) 2019 GAAP sales of $5.4B, 2019 GAAP EBIT % of 11.8%, 2019 Adjusted Pro-Forma sales of ~$5.9B, 2019 Adjusted Pro-Forma EBIT % of ~18.5%
Strategy in action

Strongly positioned to **capitalize on global dynamics**

<table>
<thead>
<tr>
<th>Locomotive</th>
<th>Freight car</th>
<th>5 year Outlook</th>
<th>Looking ahead 2021-2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NORTH AMERICA</strong></td>
<td>31K 19</td>
<td>1.6M 43K</td>
<td></td>
</tr>
<tr>
<td><strong>APAC</strong></td>
<td>20K 17</td>
<td>1.2M 57K</td>
<td></td>
</tr>
<tr>
<td><strong>RUSSIA/CIS/MENAT</strong></td>
<td>40K 25</td>
<td>1.3M 60K</td>
<td></td>
</tr>
<tr>
<td><strong>LATAM</strong></td>
<td>3K 20</td>
<td>151K 1.5K</td>
<td></td>
</tr>
<tr>
<td><strong>SUB-SAHARAN AFRICA</strong></td>
<td>4K 19</td>
<td>145K 0.5K</td>
<td></td>
</tr>
<tr>
<td><strong>EUROPE</strong></td>
<td>7K 22</td>
<td>770K 12K</td>
<td></td>
</tr>
</tbody>
</table>

**Sources:** AAR, SCI, UIC

**5 year Outlook**

- Modernization & new opportunity for service as asset utilization peaks
- Strong aftermarket and OEM agreements
- Deliver India locos, grow share in Southeast Asia
- Strong component opportunities in India
- Continue engine and loco delivery, fleet renewal in other CIS, volume to grow due to coal
- Leverage RR relationships to grow component share
- Renew technology, positive outlook for iron ore & ag.
- Stable market for components
- Renew technology, positive volume for iron ore & coal
- Leverage RR relationships to grow component share
- Unfavorable volume dynamics & renewal dependent on technology progress for non-electrified sections
- OEM agreement to grow market share
Unlocking opportunity for margin expansion across freight ecosystem

**Locomotive**
- Wabtec holds significant loco IP content
- Opportunity to pull through value on new deliveries, manufacturing & aftermarket sales

**Freight Car**
- ~10% of Wabtec content on rail cars
- Opportunity to grow 2X by 2025
Strategy in action

Key technologies unlocking $1B revenue in adjacent markets

Mining
- Propulsion system
- Significant partnerships with OEMs

Marine, Power Gen
- Tier 4 engine: Marine and Power Gen
- Traction motor: Drill Motor

Wayside Track Management
- Wheel condition monitoring, rail camera, bearing acoustic monitoring

Heat Exchangers
- 100+ patents on heat exchanger / cooling system designs
- Industrial applications
Transit segment

Growth drivers & industry dynamics

- Dilutive projects are largely behind us ... winning new volume at a better margin
- Regulation changes are creating opportunities ... investing in highly-engineered systems that support shift to green
- Steady transit growth across the globe with highlights in India where we’re uniquely positioned to win
- Lean culture to deliver significant cost out ... sourcing, footprint, quality

Product Mix

<table>
<thead>
<tr>
<th>Product</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM</td>
<td>48%</td>
</tr>
<tr>
<td>Aftermarket</td>
<td>52%</td>
</tr>
</tbody>
</table>

Geography

<table>
<thead>
<tr>
<th>Geography</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>20%</td>
</tr>
<tr>
<td>APAC</td>
<td>17%</td>
</tr>
<tr>
<td>EMENA</td>
<td>55%</td>
</tr>
<tr>
<td>ROW</td>
<td>9%</td>
</tr>
</tbody>
</table>

$2.8B

‘19 SALES

2-5%

‘20 SALES GROWTH

~100bps

‘20 MARGIN EXPANSION

(1) 2019 GAAP sales of $2.8B, 2019 GAAP EBIT % of 7.8%, 2019 Adjusted Pro-Forma sales of $2.8B, 2019 Adjusted Pro-Forma EBIT % of ~9.0%
How we win in Transit profitably

Stabilize the portfolio

- Prudent project selection & improved risk management.

Drive lean culture

- Leverage integration to drive best cost footprint; continuous improvement mindset.

Capture profitable growth

- Expand in attractive end markets. Win share of global growth & shift to green opportunities.

Aligning portfolio for continuous profitable growth ... path to mid-teen margins
Technology
Dominique Malenfant
Technical innovation ... at our core

1st TO MARKET

- Advanced Adhesion controls system to improve traction efficiency for heavy haul freight locomotives
- Train Energy Management for freight application
- AC electric drive system for mining Ultra-Class trucks
- Global Remote Monitoring & Diagnostic solution
- Fully electronic SIL 4 brake system in transit
- Electronic Train Management System (“PTC”) in freight
- Tier 4 engine w/o aftertreatment ... 3 years ahead of competition
- Metallic 3D printed parts for rail in production
- Battery electric freight locomotive
Extending our technology leadership by enabling advances in transportation

**Solving our customers largest challenges:**

- **OpEx**
- **Dwell**
- **Reliability**
- **Velocity**
- **Environment**
Disrupting the rail industry with battery power

BATTERY-ELECTRIC FREIGHT LOCOMOTIVE

FUEL = $7B+

ANNUAL NAM LOCO FUEL SPEND

Up to 6,000 KWHr

100% BATTERY POWERED

Up to 30% FUEL AND EMISSIONS SAVINGS

Up to 45 MILES ON BATTERY Autonomy

Customer Value Drivers

Environment

OpEx

WABTEC CORPORATION

28
Additive is disrupting traditional manufacturing
FUEL COOLING NOZZLE

Customer Value Drivers
- OpEx
- Reliability

- LIFE EXTENSION: >2x
- LEAD TIME: Up to 90% ↓
- INVENTORY: Up to 75% ↓

1,250 prototype parts + 12 production part types ...
target is to grow production circulation >25,000 by 2025

'19 IMPACT: ~$4 MILLION

WABTEC CORPORATION
2020 INVESTOR CONFERENCE
Shift to green ... technology unlocking opportunity for customers and the world

Target to drive **50% increase** in market share & margin over next 10 years

METROFLEXX BRAKING SYSTEM

- **Up to 15% ↓ BRAKING DISTANCE**
- **95% RECICLABILITY**
- **30% ↓ LIFE CYCLE COST**
- **50% ↓ WEIGHT**
Technology as a competitive growth enabler

- Capability ... delivering innovation
- Flexibility ... variable workforce
- Competitiveness ... driving value

Investing ~5% of revenues in technology development
Striving to be railroads’ service partner of choice
Rolling stock assets and the right maintenance strategy create significant value

Why locomotive service matters

- >30 yrs (Locomotive life)
- >4M (Gallons of fuel consumed)
- 120+ (Service events)

Why freight car service matters

- >40 yrs (Freight car life)
- 5M+ (Global freight cars)
- ~1M (Annual Ton mileage)

Significant opportunity over the asset’s lifecycle
Freight Services solutions for our customers

**Modernizations**
- **Up to 50%** Hauling power ➔
- Replace 3 units with 2
- >500 units in operation
- Up to 10k locomotive market potential

**What:** Asset life extension via comprehensive upgrades
**How:** Modular scope defined with every customer

**FDL Advantage**
- **Up to 5%** Fuel savings
- Lower emissions & cost
- 10k+ engines in operation
- Up to 500 overhauls/year over the next 10 years

**What:** Performance upgrade
**How:** Common rail system and new controls during engine overhaul

**Smart Shopping**
- **Up to 40%** Dwell time ↓
- Improve loco downtime
- Up to 4% availability ➔
- ~3% reduction in repeat locomotive failures

**What:** Suite of products to manage shop logistics
**How:** Digitally connect all assets across the network

**Product Lifecycle**
- ~3% of Sales
- Annual repair investment
- ~23k locomotives globally
- Up to 20% increase in useful life of parts

**What:** Performance upgrades and new products
**How:** Global product remanufacturing capabilities
A well-positioned, technologically advanced locomotive fleet

~23k
INSTALLED BASE

40+
COUNTRIES

200+
CUSTOMERS

Technology differentiators

1. Engine fuel efficiency
   Up to 6% more efficient engine driving
   ~18k gallons of fuel savings per year\(^a\)

2. Hauling power
   14% more tonnage with advance adhesion/individual axle control enabling >1,000 additional cars/locos

3. Trip Optimizer
   ~12k installed saving over 250k gallons of fuel per day around the globe

---

(a – Source: Southwest Research Institute Locomotive Fuel Consumption Testing)
Unique franchise with a proven track record of growth

6% annual revenue growth over the last decade

$2.2B
2019 ADJ PRO-FORMA SALES\(^a\)

$12B
BACKLOG

\(~80\%\)
Revenues under contract

\(~90\%\)
OEM parts with Wabtec IP

\(~80\%\)
Fleet under digital monitoring

500+
Performance upgrades in catalog

A global, customer focused team

- 100+ customer locations with Wabtec presence
- Remanufacturing at 20+ global locations
- \(~30\%\) of installed base outside of North America
# Long-term fundamentals to deliver growth

## Market Drivers

### Fleet lifecycle
- Favorable fleet age profile ... prioritized asset dispatch
- Higher locomotive utilization ... accelerating maintenance across the board

### Fleet performance
- Increased demand for availability, reliability, fuel performance ... mods and upgrade opportunities
- Strategic partnerships for value

### Fleet size
- International deliveries, units off warranty
  - NAM Class I parking
  - Railroad focus on op ratios, short term impact to maintenance costs

## Our Strategy

### Capture entitlement
- Maximize utilization
- Track loco performance over lifecycle
- Leverage global service platform and infrastructure

### Drive outcomes
- Partner on RR fleet lifecycle strategy
- Roll-out new offerings at scale
- Revitalize aging assets via Mods

### Optimize lifecycle cost
- Rigorous tools to analyze cost structure
- Dedicated engineering organization focused on lifecycle cost management
- LEAN and Quality at heart of business
Strategy in action

Wabtec Freight Services ... aligned to PSR

Remote Monitoring
50% ↘ early failure prediction

Performance upgrades
5% fuel savings, 50% ↓ in software cycle time

Smart Shopping
40% ↓ in dwell time

Technical support
500+ certified technical advisors

Global logistics
Guaranteed parts availability and performance

Overhaul solutions
Global remanufacturing capabilities

World Class Reliability
50% ↓ in failures per loco after modernization
Key takeaways

1. Technology-driven service franchise delivering through the cycles

2. Leveraging fleet dynamics and railroad demand for increased performance to drive mid-single digit annual growth over the next five years

3. Strong cost and growth synergies with Wabtec service business; leveraging existing platforms to grow penetration
Digital Electronics
Peter Thomas & Bob Bourg
Digital Electronics

Industry dynamics & growth drivers

- Managing a tough cycle globally ... overall ‘19 volume down (4%) in North America
- NA Railroads shift focus to Operations ... Precision Scheduled Railroading (PSR)
- Automation opens next generation of productivity ... and growth
- Opportunity to take capabilities to key global markets

Revenue by Segment

Freight

Industrial

Transit

Geography

North America

APAC

LATAM

Other

Revenue by Segment

North America

APAC

LATAM

Other

$0.7B

‘19 SALES

$1.1B

BACKLOG

>10%

EXPECTED TOP-LINE GROWTH
## Customer Outcomes That Matter, in the Context of PSR

### Safety
- **~22k** On-board PTC systems
- **~65k** Track miles with PTC
- **~9k** Collision avoidance systems

### Asset Performance
- **~12k** Trip Optimizer units
- **~20k** LOCOTROL Systems
- **~10k** GoLINC Edge devices

### Network Performance
- **250** Dispatch desks in service
- **~100k** Track miles under control

### Supply Chain Visibility
- **14** Days advanced visibility
- **10%** Productivity improvement

### Improved Customer Service
- **↑ Safety**
- **↑ Communications**
- **↑ Fuel savings**
- **↑ Asset utilization**
- **↓ Dwell**
- **↑ Velocity**

---

**Installed Base Foundation of Automation**
# How we win with our customers

1. **Growth on existing portfolio**

2. **Enhancements and upgrades**

3. **Path to automation**

4. **Market expansion**

<table>
<thead>
<tr>
<th>Category</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight</td>
<td>&gt;$15B ADDRESSABLE OPEX</td>
</tr>
<tr>
<td>Transit</td>
<td>3x EST. DEMAND FOR PASSENGER TRANSPORT BY 2050</td>
</tr>
<tr>
<td>Mining</td>
<td>$5B 1% IMPROVEMENT IN OP COSTS</td>
</tr>
<tr>
<td>Shipper / Ports</td>
<td>14 DAYS OF ADVANCED VISIBILITY W/DATA INTEGRATION</td>
</tr>
</tbody>
</table>
Road to rail ... harnessing innovation to drive productivity

- Shift of trucking revenue to rail: 1%
  Top-line growth of >10% for railroads

- Rail is 4 times more fuel efficient than trucks: 4x

- Moving freight by rail instead of truck lowers greenhouse gas emissions by 75%: 75%

<table>
<thead>
<tr>
<th>1980</th>
<th>2018</th>
<th>2028</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 gallon</td>
<td>1 gallon</td>
<td>1 gallon</td>
</tr>
<tr>
<td>1 ton</td>
<td>1 ton</td>
<td>1 ton</td>
</tr>
<tr>
<td>235 miles</td>
<td>473 miles</td>
<td>900+ miles</td>
</tr>
</tbody>
</table>

Sources: Federal Railroad Administration (June, 2018); Association of American Railroads (July, 2019)

Partnering with customers ... improving freight throughput in 10 years what took 40 years
Enabling productivity and efficiency for customers

Class I Operating Expense

Future

2019

$60B+

2010

$70B+

Market Opportunity for Wabtec

Fuel Efficiency ... $600M
Trip Optimizer, Smart Horsepower per Ton (HPT), Locotrol, Zero-to-Zero

Safety ... $2B
Signaling, Wayside, Communication

Network Optimization... $500M
Yard Planner, Smart Intermodal, Movement Planner

Productivity ... $2B
Autonomous, Road Remote Control Locomotive

Asset Performance Management... $500M
EdgeLINC, Expert on Alert, Condition Monitoring
Automation building blocks unlock value & capability

**FULL AUTOMATION**
Moving block . Dispatch visibility
Wayside sensor integration

**DE-SKILLED ENGINEER**
Vital standalone PTC . High-bandwidth communication . Yard automation

**SINGLE PERSON CREW**
Paperless Cab . Road RCL . Movement Planner

**ATTENDED AUTOMATION**
PTC + Trip Optimizer . Movement Planner
Zero-to-Zero . SmartHPT

**TECHNOLOGY FOUNDATION**
PTC . Trip Optimizer . Distributed Power

25% FUEL EFFICIENCY IMPROVEMENT
50% POTENTIAL PRODUCTIVITY SAVINGS
25% REDUCTION IN TRAIN DELAYS
75% REDUCTION IN ACCIDENTS DUE TO HUMAN ERRORS

Double digit revenue growth by unlocking ~$6B+ in opportunity

Estimation for North American Class 1 railroads
Global Operations
Alicia Hammersmith
Global cost-competitive manufacturing strategy

BUILDING FLEXIBILITY
- Combined manufacturing enabling operations synergies
- Optimize footprint for capability to serve multiple product lines ... simplify supply chain and asset base
- Announced upcoming exit of 6% of property portfolio in 2019
- Actioning additional 9% of footprint in 2020

ACCELERATING LEAN
Demonstrated track record of margin expansion:
- 5% manufacturing cost savings productivity
- Integrated systems and MRP
- Disruptive manufacturing ... additive, condition-based maintenance, etc.
- Best in class safety record

TRANSFORMATION
- Proven local capability in best cost countries for key customers (India, Brazil, Kazakhstan, Czech Republic, Macedonia)
- Strong local partnerships for in-country content (South Africa, Turkey, Ukraine, Egypt)
- Material and transportation cost reduction ... targeting 35% content sourced from best cost countries

~$70MM
INSOURCED MATERIAL FROM COMBINED OPERATIONS

>90%
ON-TIME DELIVERY TO CUSTOMERS

>25%
SITES IN BEST COST COUNTRIES

Evolving to lighter asset model
Lean in action

**Lean operations** and multi-modal flexibility ... transforming Fort Worth

<table>
<thead>
<tr>
<th>Year</th>
<th># of unique models</th>
<th>New locos</th>
<th>Modernizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>3</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>3</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>12</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>2020F</td>
<td>12+</td>
<td>60%</td>
<td></td>
</tr>
</tbody>
</table>

**Total Ft. Worth production mix**

- **2x** CAPACITY EXPANSION W/O ADD’L FOOTPRINT
- **(15)%** LOWER MANUFACTURING ASSEMBLY HOURS
- **50+** LEAN EXPERT KAIZEN EVENTS

**From**
A single model, new locomotive only shop

**To**
12 different models with modernization mix
Lean in action

First mixed moving line in industry ... transforming Brazil site

From
Static line...
batch production push system

To
Mixed moving line...
single piece flow pull system

10%
WORKING CAPITAL IMPROVEMENT

>13,000 ft²
AREA SAVINGS

3
SITES CONSOLIDATED

0
RECORDABLE INJURIES
Lean in action

**Machine connectivity** in Grove City

400+ CONNECTED MACHINES ACROSS 13 PLANTS

60%+ improvement in Safety

70%+ improvement in Quality

30%+ improvement in Lead Time

25% INCREASE IN EFFICIENCY
Lean in action

**Electronics Manufacturing COE ...**
sourcing and rationalizing electronic builds

**From**
Product line focused ... rugged electronic manufacturing

**To**
Insourcing ... integrating 3rd party builds into COE system

≈30% Labor Savings Opportunity

5+ Additional Product Lines Insourced

>75% Factory Utilization (over last 5 years)

30 Days Customer Lead Time Reduction
Scalable model driving continuous improvement

Accelerating Lean

Building flexibility

Driving transformation

Lean manufacturing delivering operational efficiency

OPERATIONAL TARGETS

5% ↓
MANUFACTURING COST PRODUCTIVITY

15% ↓
MANUFACTURING FOOTPRINT

3% ↓
MATERIAL COST DEFLATION
Transit Segment
Lilian Leroux
Focused on driving safety, efficiency and passenger comfort

**Business**
- $3.5B in backlog
- **Sales** up 6%
- $92B addressable new and Services rolling stock market
- > 60 service centers

**Customers**
- > 900 customers
- Partner with train manufacturers on strategic projects
- Drive outcomes for transit operators via aftermarket

**Products**
- Largest Transit portfolio in the industry
- >75% of portfolio focused on 5 core product areas
- Equipment with high engineering added value

#1 or #2
IN KEY PRODUCT CATEGORIES (ACROSS GLOBAL ACCESSIBLE MARKETS)

NEW PRODUCTS INTRODUCED TO MARKET IN 2019

23

ALSTOM

SIEMENS

NEW YORK CITY TRANSIT

TRENITALIA

GROUPO FERROVIE DELLO STATO

Wabtec 2020 INVESTOR CONFERENCE
Transit reset ... turnaround underway

**Stabilize the portfolio**
Prudent project selection & improved risk management.

**Drive lean culture**
Leverage integration to drive best cost footprint; continuous improvement mindset.

**Capture profitable growth**
Expand in attractive end markets. Win share of global growth & shift to green opportunities.

>100bps margin improvement in 2020

---

**Turnaround scorecard**

<table>
<thead>
<tr>
<th></th>
<th>2019 ACTUAL</th>
<th>2020 GOAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>COST OF POOR QUALITY</td>
<td>(6%)</td>
<td>(5%)-(10%)</td>
</tr>
<tr>
<td>ON-TIME DELIVERY</td>
<td>+3 PTS</td>
<td>+2-3 PTS</td>
</tr>
<tr>
<td>MATERIAL DEFLATION</td>
<td>2%</td>
<td>&gt;2%</td>
</tr>
</tbody>
</table>
Stabilizing portfolio & driving lean culture

Prudent project selection & improved risk management

- Reinforced project selection governance, 75% of UK refurbishment projects completed
- Stronger supply chain and project management capabilities, new leaders appointed

Leverage integration to drive best cost footprint; continuous lean improvement

- Increasing to >30% manufacturing and engineering into best cost countries
- Optimize fixed cost structure to deliver year-over-year OpEx savings

Design and validation of new couplers for Transit to significantly improve comfort on board of coaches

Leveraging Wabtec India’s Technology & Engineering Center

Significant reduction of refurbishment backlog, in favor of more attractive segments

$3.5B BACKLOG
Strategy in action: best cost footprint & lean

**Transforming Transit Brakes operations**

- Driving manufacturing into best cost countries
- Strong make or buy actions to improve material cost
- Total product cost reduction initiative
- Digitizing operations
- Optimizing fixed cost structure to deliver OpEx savings

2019 achievements:

- ~45% HOURS IN BEST COST COUNTRIES
- ~$(15)$% COST OF POOR QUALITY OVER 2 YEARS
- >85% ON-TIME DELIVERY +8PT

Continuous improvement and focus on best cost countries
Growing the portfolio in attractive markets

10-15% growth in profitable end markets

GROWTH THROUGH BROADER AFTERMARKET OFFERING
✓ Condition based maintenance initiative ... 5 projects started in 2019
✓ Deployment of digital spare part catalogue
✓ Integration of advanced analytics and 3D printing

INCREASED DEMAND FOR MODERN EQUIPMENT FOR EXISTING TRAIN
✓ Growth of Passenger Information Systems
✓ In need of technical upgrade of all Wabtec onboard equipment
Expanding product offerings to support the Shift to Green

Capture profitable, growing demand & shift to green opportunities

**Market drivers**
- Shift to green: New global trend for Transit
  - In political agenda and funding decisions
- Economic factors
  - GDP, demography, urbanization
- Technology
  - Energy efficiency, lightweight, automatization, digitization

**Our response**
- Energy management
- Weight reduction
- Dust reduction
- Charging solutions
- CO2 reduction

**Strategy in action**
- **(100kg)** per car with newest MetroFlexx brake control & brake station
  - Up to 10x fewer micro-particles for friction braking
- Up to 30% energy savings in HVAC
Russia / CIS / MENAT

Gokhan Bayhan
Wabtec in Russia / CIS / MENAT today

<table>
<thead>
<tr>
<th>3-4% Freight Growth</th>
<th>~300 Employees Across Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>WITH AGING FLEET OF 40K LOCOMOTIVES &amp; 1.3M RAILCARS</td>
<td>OPERATIONAL FOOTPRINT</td>
</tr>
<tr>
<td>$3.5B</td>
<td>&gt;770K ft²</td>
</tr>
<tr>
<td>’20 OPENING BACKLOG</td>
<td>OPERATIONAL FOOTPRINT</td>
</tr>
</tbody>
</table>

Double digit revenue growth through the long-term plan
Leveraging local presence to overcome high barriers to entry

Wabtec Advantage

- State-of-the-art technology
- Localization & partnership
- Service/supply chain infrastructure
- Financing solutions

LOCOMOTIVES IN OPERATION
1,500+ locos in operation

SERVICE
50+% fleet under long term service agreements

ENGINES IN OPERATION
300+ engines in operation on other OE locos

8X fleet growth since 2005

#2 Largest diesel locomotive market outside of North America
Strategy in action

Fueling Egypt’s rail infrastructure

100 fuel-efficient new locomotives

80 locomotive rehabs

15-year sole source parts and technical support agreement for 180 locos (new and current fleet)

International / complex full project financing package

ENR goal to increase freight market share from 1% → 10% ... creating demand for 200-300 additional locos
Leverage Wabtec advantage to expand portfolio

**Local Presence**
Utilize established operational infrastructure and deep relationship with customers, build partners & stake holder

**Customer Solutions**
Expanded product and services portfolio offering customers integrated & complete solutions

**Team**
Alignment & cooperation of key account managers with business units... single face to the customer

- **Passenger coaches & metro**
  - Brake systems, friction, HVAC and doors
- **Electric locomotives**
  - Brake systems, HVAC, pantograph
- **Freight wagons**
  - Bogie frames, brake systems

4X total market opportunity post merger
Building a $1B* enterprise in India over 5 years

#1
ROLLING STOCK & RAIL EQUIPMENT COMPANY IN INDIA

$450M+
RAPID GROWTH FROM LOCO, TRANSIT BRAKES, METRO

~1M ft²
OPERATIONAL FOOTPRINT

~2,750
EMPLOYEES ACROSS REGION

~1,200
WABTEC INDIA ENGINEERING

* Includes intercompany sales
Wabtec’s leading advantage

MARKET

TALENT

COSTS

MAKE IN INDIA
Leverage the market

**4th Largest rail network in the world**

<table>
<thead>
<tr>
<th>68,000 km</th>
<th>Rail route</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>22,700</th>
<th>Trains running every day</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>23M</th>
<th>Passengers per day</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>3M Tons</th>
<th>Freight per day</th>
</tr>
</thead>
</table>

**TRANSIT & FREIGHT**

**Protect the profitable core**
- Transit brakes
- IR locomotive project

**Build new business**
- Drive aftermarket service growth
- Introduce new products and services
- Compete in metro products

**DIGITAL ELECTRONICS**

- Business development & concept selling
- Wabtec advantage
  - Current RM&D capability
  - Global Engineering center in India
  - Extensive global portfolio
Leverage the talent

1.5M
# Engineers in India

1 in 10
Analytics professionals worldwide from India

~2,000+
Startups

India produces more engineering grads than US + Europe

India has ~90,000+ analytics professionals

Working in the B2B space, out of which 700+ work with deep technology

WABTEC INDIA TECHNOLOGY & ENGINEERING CENTER
• 4 groups / sites → 1 team
• ~1,200 Engineering & IT team
• Maximize synergy & utilization

GLOBAL COE
• World-class competitiveness
• Established global design teams for Freight, Transit and signaling
• Develop product/solution building capability
Leverage the cost

Lower operational costs
Commodity, overhead & labor costs

Supply ecosystem
Entrenched automotive and railway suppliers

India financial reforms
Make in India

Drive global sourcing to drive Wabtec profitability

World-class factories through Industry 4.0

A global hub for manufacturing of Transit & Freight solutions
Financials
Patrick Dugan
Delivering results through the cycles via **world-class technology and innovation** while leveraging significant installed base

Focused on **continuous operational improvement** and margin expansion

**Lean operations** driving **strong cash flow** with disciplined capital allocation

Building a stronger and better Wabtec with a **purpose-focused culture of accountability**
2019 adjusted pro-forma results\(^{(1)}\)

\(\text{($ in billions, except per share amounts)}\)

<table>
<thead>
<tr>
<th>FY19 GAAP(^{(2)})</th>
<th>FY19 non GAAP</th>
<th>Policy harmonization(^{(3)})</th>
<th>Partial year pro-forma(^{(4)})</th>
<th>Recurring PPA(^{(5)})</th>
<th>FY19 adj. pro-forma</th>
<th>FY20 adj. guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$8.2</td>
<td>$(0.1)</td>
<td>$0.5</td>
<td>-</td>
<td>$8.7</td>
<td>$8.7</td>
</tr>
<tr>
<td>Income from Operations</td>
<td>$0.7</td>
<td>$(0.1)</td>
<td>$(0.1)</td>
<td>$0.3</td>
<td>$1.3</td>
<td>$1.4</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$1.1</td>
<td>$(0.1)</td>
<td>$(0.0)</td>
<td>-</td>
<td>$1.5</td>
<td>$1.6</td>
</tr>
<tr>
<td>Cash from Operations</td>
<td>$1.0</td>
<td>-</td>
<td>$(0.3)</td>
<td>-</td>
<td>$0.8</td>
<td>$0.9</td>
</tr>
<tr>
<td>EPS (177M shares)</td>
<td>$1.84</td>
<td>$(0.39)</td>
<td>$(0.37)</td>
<td>$1.19</td>
<td>$4.60</td>
<td>N/A</td>
</tr>
<tr>
<td>EPS (192M shares)</td>
<td>$1.70</td>
<td>$(0.36)</td>
<td>$(0.34)</td>
<td>$1.10</td>
<td>$4.26</td>
<td>$4.50-$4.80</td>
</tr>
</tbody>
</table>

\(^{(1)}\) FY 2019 adjusted pro forma financial results give effect to the GE Transportation merger as if it had occurred on January 1, 2019. The FY 2019 pro forma financial results are not presented in accordance with Article 11 of Regulation S-X, and are presented here for illustrative purposes only and are not indicative of the results of operations that would have actually occurred had the GE Transportation merger occurred on January 1, 2019.

\(^{(2)}\) The GE Transportation merger closed on February 25, 2019. Accordingly, Wabtec's FY 2019 results do not include results attributable to GE Transportation for January and February of 2019.

\(^{(3)}\) Represents the impact of non-cash accounting policy harmonization, which is included in GAAP results; policy harmonization will no longer be treated as a non-GAAP addback in 2020 results.

\(^{(4)}\) Represents 2 months of GE Transportation performance, interest expense, additional amortization and PPE expenses, and impact from intercompany sales.

\(^{(5)}\) This represents intangible amortization amounts which will be excluded from non-GAAP EPS calculations.
## 2020 outlook

<table>
<thead>
<tr>
<th></th>
<th>‘19 GAAP</th>
<th>‘19 Adj. Pro-Forma</th>
<th>‘20 Adj. Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>$8.2B</td>
<td>$8.7B</td>
<td>~$8.7B</td>
</tr>
<tr>
<td><strong>EBIT %</strong></td>
<td>8%</td>
<td>15%</td>
<td>~16%</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>$1.84</td>
<td>$4.26</td>
<td>~$4.50 to ~$4.80</td>
</tr>
<tr>
<td><strong>Cash from Ops</strong></td>
<td>$1.1B</td>
<td>$0.8B</td>
<td>~$0.9B</td>
</tr>
</tbody>
</table>

### What we are expecting

- **Sales**
  - Softening NAM Freight (loco, freight car, services)
  - Moderate growth in mods, int’l services, & Transit
  - Digital Electronics growth

- **EBIT %**
  - ~$100 outflow for prior year 1x charges
  - Working capital drag due to timing
  - GE Tax payment benefit

- **EPS**
  - Moderate growth in mods, int’l services, & Transit
  - Digital Electronics growth

- **Cash from Ops**
  - ~$100 outflow for prior year 1x charges
  - Working capital drag due to timing
  - GE Tax payment benefit

---

**Delivering in challenging environment**
## Diversified & global sales portfolio

<table>
<thead>
<tr>
<th>Freight</th>
<th>’19 sales GAAP</th>
<th>’19 sales Adj. pro-forma</th>
<th>’20 outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$1.7B</td>
<td>$1.9B</td>
<td>▼ NAM carload volume flat to down ... NAM loco volume partially offset by international</td>
</tr>
<tr>
<td>Components</td>
<td>$1.1B</td>
<td>$1.1B</td>
<td>▼ Lower freight car build @ ~40K</td>
</tr>
<tr>
<td>Services</td>
<td>$2.0B</td>
<td>$2.2B</td>
<td>← Loco parkings remain @ ’19 ending levels ... NAM offset by int’l &amp; slight mods growth</td>
</tr>
<tr>
<td>Digital Electronics</td>
<td>$0.7B</td>
<td>$0.7B</td>
<td>→ Growing product offerings aligned to customer needs</td>
</tr>
</tbody>
</table>

### Transit

<table>
<thead>
<tr>
<th>Transit</th>
<th>’19 sales GAAP</th>
<th>’19 sales Adj. pro-forma</th>
<th>’20 outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit OE</td>
<td>$1.3B</td>
<td>$1.3B</td>
<td>→ Low single digits growth</td>
</tr>
<tr>
<td>Transit AM</td>
<td>$1.5B</td>
<td>$1.5B</td>
<td>→ Low single digits growth</td>
</tr>
</tbody>
</table>

**Total:** $8.2B $8.7B
Significant synergy opportunities

**Net cumulative synergy $s**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>BEFORE 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$30M</td>
<td>$150M</td>
<td>$250M</td>
</tr>
</tbody>
</table>

**SG&A**
- Shared services
- Corporate costs
- LCC optimization

**Facility consolidation**
- Exit co-located facilities
- Office consolidations
- Mfg. footprint optimization

**Sourcing**
- MRO spend
- Direct material spend
- Indirect spend

**IT savings**
- Exit GE shared services
- System rationalization
- Network standardization

**Revenue**
- Digital/Electronics
- Sales cross-selling

On-track to achieve $250MM run-rate synergies before 2022
Continuing to drive margin expansion

Adjusted EBIT margins

<table>
<thead>
<tr>
<th></th>
<th>2019 ADJ PRO-FORMA</th>
<th>FREIGHT</th>
<th>TRANSIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight</td>
<td>~18.5%</td>
<td>~15%</td>
<td></td>
</tr>
<tr>
<td>Transit</td>
<td>~9.0%</td>
<td></td>
<td>~10.0%</td>
</tr>
</tbody>
</table>

Key drivers

- Proven ability to achieve synergies
- Culturally engrained lean efforts
- $22B backlog
- Significant installed base with ~60% aftermarket revenues
- Globally diverse portfolio
- Pockets of growth offsetting NAM freight slowdown
Cash tax benefit driven by transaction

~$150M
ANNUAL BENEFIT

Tax step-up associated with the transaction drives average annual cash tax benefits of ~$150M for the next 15 years

~$470M
BENEFIT TO BE PAID TO GE

First $470M of gross cash tax benefits ($440 NPV) to be paid to GE by Wabtec (expected to be realized during first 3-4 years)

~$1.1B
NPV BENEFIT TO WABTEC

Remaining cash tax benefits accrue to Wabtec (net present value of ~$1.1B)
Continuing to drive strong cash generation

**Key drivers**

- EBIT growth driven by synergy execution, lean actions
- Lower interest expense on lower debt
- GE Tax benefit ~flat versus ’19; effective tax rate slightly up
- Working capital pressure due to timing ... significant focus area to improve
- Cash outflows of ~$100M driven by payments of ’19 1x charges treated as non-GAAP adjustments

**Cash from operations**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT growth</td>
<td>$1.0B</td>
<td>~$0.9B</td>
</tr>
<tr>
<td>Lower interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GE tax benefit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Higher tax rate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working capital timing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019 1x charges</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Committed to goal of >90% cash conversion
## Capital allocation strategy

<table>
<thead>
<tr>
<th>Invest organically</th>
<th>Consistent R&amp;D and CapEx investments in new products, aftermarket &amp; recurring revenue streams, &amp; digitization</th>
<th>~5% TECHNOLOGY % SALES</th>
<th>~2% CAPEX % SALES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grow through acquisitions</td>
<td>Strategic bolt-on acquisitions that enhance growth strategy ... grow aftermarket, product offerings, and new markets</td>
<td>&gt; cost of capital TARGET RETURN ON INVESTMENT</td>
<td></td>
</tr>
<tr>
<td>Return capital</td>
<td>Maintain stable dividend policy ... recently announced share repurchase authorization to be used opportunistically when returns exceed other alternatives, providing a return exceeding cost of capital</td>
<td>Excess cash RETURN TO SHAREHOLDERS</td>
<td></td>
</tr>
</tbody>
</table>
### 5-year financial plan

<table>
<thead>
<tr>
<th><strong>Sales growth</strong></th>
<th>Strong recurring revenue base &amp; deep partnerships in long-cycle business enabling growth through the cycle</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBIT margin improvement</strong></td>
<td>Significant synergy opportunities driven by business combination; Transit stabilizing &amp; delivering accretive growth</td>
</tr>
<tr>
<td><strong>Cash generation</strong></td>
<td>Proven ability to execute strong working capital management; deal structure unlocking ~15 year tax benefit</td>
</tr>
<tr>
<td><strong>Focused capital allocation</strong></td>
<td>Invest in the company; free up capital for strategic M&amp;A and share buy-back</td>
</tr>
</tbody>
</table>

---

**Mid-single digits**

**ORGANIC GROWTH**

**300+ bps**

**MARGIN EXPANSION OVER NEXT 5 YEARS**

**>90%**

**CASH FLOW CONVERSION**

**>10%**

**EPS CAGR**

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Long-term value creation will average double-digit EPS growth
Key takeaways

- Portfolio is uniquely positioned to deliver strong results
- Leading technologies positioning Wabtec to build further momentum on its track record with customers
- Lean transformation and global capabilities are making Wabtec stronger and enabling significant synergies and margin expansion
- Strong cash generation enabling capital deployment strategy to grow shareholder value
- Confident in long-term business fundamentals and ability to execute in dynamic environment

Positioned to outperform
Speaker Biographies
Rafael Santana is President and CEO of Wabtec where he brings roughly 25 years of commercial, product management and executive leadership experience to this post, including more than 10 years in the transportation industry. He has a proven track record of transforming businesses, while delivering top- and bottom-line growth.

Most recently, he served as President and CEO of GE Transportation, a unit of General Electric company, where he significantly expanded the company’s regional footprint and built strong overhaul and modernization capabilities and backlog through multi-year programs. Prior to that role, he was president & CEO of GE in Latin America, where he helped transform the market into one of GE’s largest and fastest-growing regions. A respected global and business executive, Santana also served as president and CEO of the Turbomachinery Solutions Business of GE Oil & Gas, where he drove significant margin improvement and growth in a contracting marketplace. Prior to joining GE in 2000, Santana worked for six years at ExxonMobil and British American Tobacco.

A native of Brazil, Santana has a degree in Engineering from the Universidade Federal de Minas Gerais in Brazil. He currently serves on Wabtec’s Board of Directors.
Gokhan Bayhan is General Manager for Wabtec’s Russia/CIS, Europe, M. East and N. Africa region. Prior to the merger of GE Transportation and Wabtec, Bayhan joined GE in 1997 and held multiple roles including Regional Sales Manager Russia, CIS & Turkey, Global Locomotive Strategic Marketing Manager, and Strategic Marketing Leader, Pricing.

On December 2009 he was named the General Manager of Russia, CIS and South East Europe and on December 2012 his region was expanded to cover Europe, Middle East and Europe. After the February 2019 Wabtec Corporation acquisition of GE Transportation, he was named the regional leader for the same territory for Wabtec.

Bayhan holds a Bachelors of Science in Electrical Engineering from Gannon University, and MBA in Finance from the Katz School of Business at the University of Pittsburgh, and a Masters of Science in Electrical Engineering from Gannon University.
Bob Bourg
Vice President for Core Electronics & Data Analytics

Bob Bourg is Vice President for Core Electronics & Data Analytics at Wabtec Corporation. He has P&L responsibility for a portfolio of products and systems including locomotive electronics, braking systems, event recorders, IoT platforms, and digital solutions for the mining industry.

In prior positions with Wabtec, Bourg led strategy & growth initiatives, managed multiple product and services business units, and led efforts for the design and implementation of Positive Train Control systems mandated by the Rail Safety Improvement Act of 2008. Before joining Wabtec, Bourg worked in the instrumentation and controls industry, and he began his career in the U.S. Navy where he helped develop microprocessor-based equipment used in naval nuclear instrumentation and control applications.

Bourg holds a BSE degree in Electrical Engineering from Duke University and an MS degree in Computer Science from George Washington University.
Patrick Dugan
Chief Financial Officer & Executive Vice President

Patrick Dugan is Chief Financial Officer (CFO) and Executive Vice President At Wabtec, where he is responsible for all aspects of Investor Relations, Accounting, Tax and Finance, and Information Technology.

Dugan joined Wabtec in 2003, and has been a key member of the management team focused on delivering growth through new product development, international expansion and acquisitions. As CFO, Wabtec has grown from ~$2.5B in revenues to nearly ~$9B in revenues, driven largely by the strategic acquisitions of Faiveley Transport and GE Transportation. During those critical combinations, Dugan was instrumental in executing the strategy and business structure, debt and equity financing, as well as integration of these investments. Prior to this role, he was Wabtec’s Corporate Controller and Vice President of Finance.

Before joining the company, Dugan was Vice President and CFO at CWI International, Inc., where he helped transform a local chemical operations into a supplier of advanced oilfield technologies, through M&A, product development and international expansion. He also helped guide the start up to acquisition by Weatherford International.

Dugan began his career with PWC providing business assurance and advisory services, serving middle market growth companies focused on transformational transactions including M&A, recapitalizations and initial public offerings.

He holds an MBA from the Joseph M. Katz Graduate School of Business at the University of Pittsburgh, a Bachelor of Science in Accounting from The Pennsylvania State University, and is a Certified Public Accountant.
Alicia Hammersmith is Vice President of Operations for the Transit segment. She brings 29 years of manufacturing operations expertise spanning three large industrial, technically advanced segments of Aviation, Transportation and Oil & Gas. Hammersmith is skilled in acquisitions, divestitures, consolidations, start-ups, system implementations and tech transfers.

Most recently, she was the Materials Leader for GE Aviation responsible for $4.5 billion in inventory across 80+ sites leading demand forecasting, master scheduling, planning, configuration management, fulfillment, distribution and logistics for new equipment and services. Prior to that role, she was the Global Operations Leader for GE Oil & Gas on four-year assignment in Germany managing 10 acquisition sites in five countries in addition to providing operational oversight for European sales and service locations. Hammersmith has eight years in the transportation industry in operations and materials.

Hammersmith has a degree in Engineering from the University of Pittsburgh and a Masters in Business from Xavier University.
Kristine Kubacki is Vice President of Investor Relations. She brings 14 years of experience as a sell-side analyst covering industrials.

Kubacki previously served as executive director and senior analyst for the transportation, logistics and equipment sector at Mizuho Securities USA. Prior to this role, she was vice president of market strategy for Wells Fargo’s commercial vehicle group, as well as director of equity research for the global industrial equipment industry at CLSA. Kubacki spent nearly nine years covering the industrial sector at Avondale, and held analyst roles at A.G. Edwards, as well as operations management, process design and supply chain management positions at Procter and Gamble.

Kubacki earned her MBA from Washington University, Bachelor of Science degree in chemical engineering from Washington University, and Bachelor of Science in mathematics from Webster University. Kubacki is also a CFA charterholder.
Lilian Leroux has been the president of Wabtec’s Transit business since 2019 and has spent most of his 25 years career in a variety of leadership, commercial and project management roles across the railway sector. After various positions within industrial and railway companies such as the French national railway operator SNCF, Leroux joined Faiveley Transport in 2001 as Project Manager and then Key Account Manager. From 2004 to 2009, he worked successively as Faiveley Transport Managing Director in Tamworth (U.K.) and then U.K. Managing Director. Following the acquisition of SAB WABCO, he took full P&L responsibility of the region.

Leroux was subsequently appointed Services President, a division supporting rail operators and maintainers with the maintenance and optimization operations of original equipment throughout their lifespan. In 2014, Leroux was appointed Brakes & Safety Group President where he was responsible for all Transit Brakes, Couplers, and Friction Product Lines worldwide. He was instrumental in driving growth and successful integration of the two compagnies’ brakes product portfolios when Faiveley Transport was acquired by Wabtec in 2016.

Lilian has worked and lived in France, UK, Italy & Germany. He holds the Science Degree in Engineering from INSA Lyon, a leading engineering school in France, and is graduate of INSEAD.
Dominique Malenfant is the Global Technology Officer & Senior Vice President Engineering for Wabtec. In this role, he is responsible for the overall global technology strategy and engineering organization for the company.

Malenfant previously served as the Vice president Global Technology & Chief Technology Officer for GE Transportation for 4.5 years where he lead GE Transportation’s overall global technology strategy. Prior to GET, he served as Vice President of Product and Engineering for the Transport Propulsion and Control Business at Bombardier Transport, overseeing 1,200 professionals across eight different countries. Through his 24 with Bombardier, he managed Bombardier Transport’s North American division where he was responsible for product management, engineering and supply management. He also led the Center of Expertise R&D group, and has experience in plant management, engineering quality assurance, systems engineering and project management.

Malenfant graduated from Laval University in Quebec City with a bachelor’s degree in Electrical Engineering.
Sujatha Narayan joined Wabtec in August 2017 and in her 2.5 years as Managing Director of Transit business in India, she has led the company through a period of unprecedented profitable growth with a passionate focus on customer satisfaction, operational efficiency, compliance, profitability and employee well-being. In 2019, under her leadership, the Wabtec Transit business was certified as a “Great Place to Work” by Great Place To Work Institute.

Prior to her current role, Naryan was the Vice President & General Manager leading the Commercial Solutions Business at 3M India Limited. In the United States, Narayan worked for Rogers Corporation managing R&D & Commercialization of new products in the electronics, industrial and consumer markets.

Narayan holds a Masters & PhD in Polymer Science & Engineering from Georgia Institute of Technology, USA and BTech Degree from Indian Institute of Technology, Delhi. She originally hails from Chennai, India.
Pascal Schweitzer is Group President, Wabtec’s Freight Services business, which helps customers maximize the value of their existing assets, over their entire lifecycle, through innovative technologies and business models. In this role, Schweitzer is responsible for improving critical customer outcomes in the areas of product reliability, asset use, velocity, fuel consumption, operating expenses and railcar dwell time. His organization oversees maintenance agreements for part sales, asset maintenance, global remanufacturing, fulfillment and the development of advanced software and analytics.

Before the merger with Wabtec, Schweitzer served as GE Transportation’s Vice President, Global Services Organization and prior to that was GE Power’s Services Leader for Europe, where he was responsible for developing and delivering a regional services strategy, while leading the company’s transformation following the acquisition of Alstom. Prior to this, he ran the Gas Turbine Service business for Alstom globally. Before joining Alstom, he was the strategy manager in charge of strategy and IPO projects at Rexel in Paris.

Schweitzer received a master’s degree with specialization in finance from the HEC Business School in Paris.
Peter Thomas is the Chief Commercial Officer in the Americas for Wabtec’s Digital Electronics business where he and his team are charged with developing a winning commercial strategy and driving customer focused, outcome oriented commercialization efforts for the company’s suite of software and digital technologies to the rail, port and shipper segments.

In his previous role, Thomas was the General Manager for GE Transportation’s Optimization Solutions business and President of RMI. He joined GE Transportation in 2004 as the Marketing Leader for Global Signaling. In 2005, he was promoted to the role of International Sales Leader for Global Signaling and Global Rail Operations and was based in Florence, Italy. He subsequently served as General Manager of Sales for the Middle East/Africa region and was based in Dubai, UAE before being named Chief Marketing Officer for GE Transportation in 2009.

Prior to joining GE Transportation, Thomas spent eight years with the GE Fanuc Automation business where he held positions of increasing responsibility in sales, marketing, and operational leadership. Peter is a certified Six Sigma Master Blackbelt and holds both a Bachelor of Science in Marketing and a Master of Business Administration from the University of Alabama at Birmingham.
Appendix
## EPS and Non-GAAP Reconciliation

Set forth below is the calculation of the non-GAAP performance measures. 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.

<table>
<thead>
<tr>
<th>Wabtec Corporation</th>
<th>2019 Full Year Results</th>
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<tbody>
<tr>
<td><strong>Reported Results</strong></td>
<td><strong>Gross Operating Income from Interest &amp; Tax</strong></td>
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<tr>
<td>Net Sales</td>
<td>$8,200.0</td>
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<tr>
<td>Restructuring, Transaction, &amp; Litigation costs</td>
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<tr>
<td>One-time PPA</td>
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<td>Policy Harmonization</td>
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<tr>
<td>Tax on Transaction Costs</td>
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<tr>
<td><strong>Adjusted Results</strong></td>
<td><strong>$8,323.0</strong></td>
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**Fully Diluted Shares Outstanding**

177.3
EBITDA Reconciliation

Set forth below is the calculation of the non-GAAP performance measures. 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.

<table>
<thead>
<tr>
<th>Wabtec Corporation</th>
</tr>
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<tbody>
<tr>
<td>2019 Full Year EBITDA Reconciliation</td>
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<tr>
<td>(in millions)</td>
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<table>
<thead>
<tr>
<th></th>
<th>Income from Operations</th>
<th>Depreciation</th>
<th>Amortization</th>
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<tbody>
<tr>
<td>Consolidated 2019 Actual Results As Reported</td>
<td>$ 663.1</td>
<td>$ 157.8</td>
<td>$ 238.4</td>
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<tr>
<td>Restructuring, Transaction, &amp; Litigation costs</td>
<td>229.8</td>
<td>-</td>
<td>-</td>
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<tr>
<td>One-time PPA Charges</td>
<td>185.0</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Policy Harmonization</td>
<td>91.6</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Adjusted Results</td>
<td>$ 1,169.5</td>
<td>$ 157.8</td>
<td>$ 238.4</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>EBITDA (Income from Operations plus Depreciation &amp; Amortization)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidaed 2019 Actual Results As Reported</td>
<td>$ 1,059.3</td>
</tr>
<tr>
<td>Restructuring, Transaction, &amp; Litigation costs</td>
<td>229.8</td>
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<tr>
<td>One-time PPA Charges</td>
<td>185.0</td>
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<tr>
<td>Policy Harmonization</td>
<td>91.6</td>
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<tr>
<td>Adjusted Results</td>
<td>$ 1,565.7</td>
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