

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 21, 2004

WESTINGHOUSE AIR BRAKE TECHNOLOGIES
CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-13782
(Commission
File Number)

25-1615902
(IRS Employer
Identification No.)

1001 Airbrake Avenue
Wilmerding, Pennsylvania
(Address of Principal Executive Offices)

15148
(Zip Code)

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

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

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

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

Item 2.02. Results of Operations and Financial Condition.

The following information is being furnished pursuant to Item 2.02 of Form 8-K, “Results of Operations and Financial Condition”. This information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

On October 21, 2004, Westinghouse Air Brake Technologies Corporation (the “Company”) issued a press release reporting the Company’s financial results for the quarter ended September 30, 2004. A copy of the press release is attached to this report as Exhibit 99.1 and incorporated herein by reference.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

The following exhibit is furnished with this report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated October 21, 2004

SIGNATURE

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

WESTINGHOUSE AIR BRAKE TECHNOLOGIES
CORPORATION

By: /s/ ALVARO GARCIA-TUNON
Alvaro Garcia-Tunon
Chief Financial Officer

Date: October 22, 2004

EXHIBIT INDEX

<u>Number</u>	<u>Description</u>	<u>Method of Filing</u>
99.1	Press release dated October 21, 2004	Filed herewith

[GRAPHIC]

1001 Air Brake Avenue
Wilmerding, PA 15148
Phone: 412.825.1543
Fax: 412.825.1789

Press
Release

Contact: Tim Wesley at (412) 825-1543

Wabtec Reports Improved Earnings In 2004 Third Quarter;

Affirms 2004 Annual Guidance

WILMERDING, Pa., Oct. 21, 2004 — Wabtec Corporation (NYSE: WAB) today reported improved earnings in the 2004 third quarter and affirmed its earnings guidance for the rest of the year.

In the 2004 third quarter, Wabtec had earnings per diluted share of 20 cents, 54 percent higher than the 13 cents the company reported in the year-ago quarter. The earnings growth resulted primarily from higher sales and a favorable tax benefit, partially offset by several non-manufacturing expense items.

The company also affirmed its previous guidance for 2004 earnings per diluted share of about 70 cents, which would be a growth rate of about 35 percent compared to 2003.

“During the quarter we continued to benefit from increasing activity in the North American freight and transit rail markets,” said William E. Kassling, Wabtec’s chairman, president and chief executive officer. “We expect to finish the year strongly, as it appears that railroad traffic volumes will continue to grow. In addition, we were encouraged by the industry’s third-quarter freight car order rate of slightly more than 20,000 units, which puts the backlog at just over 61,000 units, its highest level since 1998. We believe this is a sign that freight car production will continue to ramp up during the next few quarters.

“We are now developing our operating plan for 2005 and, although it’s too soon to be specific, we are optimistic about the company’s future growth prospects and our ability to take advantage of the improving conditions in our core North American markets. In addition, we continue to be encouraged by our international growth opportunities, including the acquisition of the assets of Rutgers Rail, which is scheduled to close this quarter.”

2004 Third Quarter Results

Sales increased 21 percent compared to the prior-year quarter. Freight Group sales increased mainly from higher sales of freight car and locomotive components. Sales in the Transit Group increased primarily due to increased aftermarket activity. Gross margin was 24.6 percent compared to 26 percent, primarily due to higher steel prices, the negative impact of foreign currency exchange rates on the company’s Canadian operations and the establishment of a \$1 million reserve for future environmental monitoring costs at a plant.

“During the quarter, we took actions to improve future margins, such as the restructuring of our electronics unit,” Kassling said. “We are continuing to evaluate action plans to improve our cost position in the near term.”

Selling, general and administrative expenses increased in part due to charges of \$4.3 million, primarily for restructuring costs at the company's electronics unit and an unfavorable litigation ruling, which the company is appealing. Engineering expenses were 8 percent higher because the company capitalized non-recurring design engineering costs for a New York City transit contract in the year-ago quarter.

Interest expense increased by \$503,000 due to the company's sale of senior notes in August 2003, which enabled Wabtec to convert short-term, variable-rate debt into fixed-rate debt at an attractive, long-term interest rate. In the quarter, Wabtec recorded a favorable tax benefit of \$4.9 million, following the successful resolution of certain outstanding tax issues from prior years.

At Sept. 30, 2004, the company had debt, net of cash, of \$93 million (25 percent of total capital), compared to \$120 million (33 percent of total capital) at Dec. 31, 2003. With a year-to-date reduction in net debt of \$27 million, Kassling said he expects Wabtec to continue to generate free cash in excess of net income.

Wabtec Corporation (www.wabtec.com) is one of North America's largest providers of value-added, technology-based products and services for the rail industry.

This release contains forward-looking statements, such as statements regarding the company's expectations about future earnings and market conditions. Actual results could differ materially from the results suggested in any forward-looking statement. Factors that could cause or contribute to these material differences include, but are not limited to, a slowdown in the North American economy; lower-than-expected orders for new rolling stock; and other factors contained in the company's regulatory filings, which are herein incorporated by reference. The company assumes no obligation to update these forward-looking statements or advise of changes in the assumptions on which they were based.

The company will conduct a conference call with analysts at 1 p.m., eastern time, today. To listen to the call via webcast, please go to www.wabtec.com/corp/whats_new.asp

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WABTEC CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2004 AND 2003
(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Third Quarter 2004	Third Quarter 2003	For the Nine Months 2004	For the Nine Months 2003
Net sales	\$ 202,894	\$ 167,189	\$ 597,630	\$ 511,568
Cost of sales	(152,990)	(123,764)	(447,555)	(375,305)
Gross profit	49,904	43,425	150,075	136,263
Selling, general and administrative expenses	(31,114)	(24,097)	(83,144)	(72,890)
Engineering expenses	(8,381)	(7,746)	(25,450)	(24,260)
Amortization expense	(771)	(1,084)	(2,299)	(3,129)
Total operating expenses	(40,266)	(32,927)	(110,893)	(100,279)
Income from operations	9,638	10,498	39,182	35,984
Interest expense	(3,136)	(2,633)	(9,462)	(7,803)
Other income (expense), net	658	875	(875)	(1,904)
Income from continuing operations before income taxes	7,160	8,740	28,845	26,277
Income tax benefit (expense)	2,268	(3,190)	(5,647)	(9,591)
Income from continuing operations	9,428	5,550	23,198	16,686
Discontinued operations				
Income from discontinued operations (net of tax)	—	53	—	126
Net income	\$ 9,428	\$ 5,603	\$ 23,198	\$ 16,812
Earnings Per Common Share				
Basic				
Income from continuing operations	\$ 0.21	\$ 0.13	\$ 0.52	\$ 0.39
Income from discontinued operations	—	—	—	—
Net income	\$ 0.21	\$ 0.13	\$ 0.52	\$ 0.39
Diluted				
Income from continuing operations	\$ 0.20	\$ 0.13	\$ 0.51	\$ 0.38
Income from discontinued operations	—	—	—	—
Net income	\$ 0.20	\$ 0.13	\$ 0.51	\$ 0.38
Weighted average shares outstanding				
Basic	45,503	43,553	44,844	43,480
Diluted	46,276	44,175	45,577	43,813
Sales by Segment				
Freight Group	\$ 146,148	\$ 124,412	\$ 426,638	\$ 375,624
Transit Group	56,746	42,777	170,992	135,944
Total	\$ 202,894	\$ 167,189	\$ 597,630	\$ 511,568
EBITDA Reconciliation				
Net income	\$ 9,428	\$ 5,603	\$ 23,198	\$ 16,812
Interest expense	3,136	2,633	9,462	7,803
Income tax expense	(2,268)	3,190	5,647	9,591
Depreciation	5,892	5,404	16,726	15,208
Amortization	771	1,084	2,299	3,129
EBITDA	\$ 16,959	\$ 17,914	\$ 57,332	\$ 52,543