

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): April 26, 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, \$0.01 par value per share	WAB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

On April 26, 2023, Westinghouse Air Brake Technologies Corporation (the "Company") issued a press release reporting, among other things, the Company's 2023 first quarter results. A copy of this press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated into this Item 2.02 by reference. The Company is also furnishing an investor presentation relating to its first quarter of 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.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 2.02 in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 7.01 Regulation FD Disclosure

On April 26, 2023, the Company issued a press release reporting, among other things, the Company's 2023 first quarter results. A copy of the press release is attached to this report as Exhibit 99.1 and is incorporated into this Item 7.01 by reference. The Company also furnished a Presentation relating to its first 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	Press release dated April 26, 2023
99.2	Wabtec Earnings Presentation, First Quarter 2023
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, 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 severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets 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.

SIGNATURES

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

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION

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

(Duly Authorized Officer and Principal Financial Officer)

DATE: April 26, 2023

News Release

Wabtec Reports Strong First Quarter 2023 Results

- Sales Growth of 13.9% to \$2.19 Billion; Sales Up 16.8% Excluding Impacts of Foreign Currency Exchange
- First Quarter Reported GAAP Earnings Per Share of \$0.93; Adjusted Earnings Per Share Up 13.3% to \$1.28
- Returned \$209 Million to Shareholders via Dividends and Share Repurchases
- Strong Visibility From \$22.3 Billion Multi-Year Backlog

PITTSBURGH, April 26, 2023 – Wabtec Corporation (NYSE: WAB) today reported first quarter 2023 GAAP earnings per diluted share of \$0.93, up 16.3% versus the first quarter of 2022. Adjusted earnings per diluted share were \$1.28, up 13.3% versus the same quarter a year ago. First quarter sales were \$2.19 billion driven by strong sales across the portfolio.

“The Wabtec team delivered a strong start to 2023 demonstrating continued momentum across both our Freight and Transit segments supporting a double-digit percentage increase in earnings per share,” said Rafael Santana, Wabtec’s President and CEO. “We remained resilient in the face of considerable macro-economic challenges by focusing on operational excellence as we continued to deliver for our customers and shareholders. The underlying business fundamentals strengthened in the first quarter despite a challenging environment.”

“Looking forward, Wabtec is well-positioned to navigate the current economic environment, and we remain confident in our ability to execute against our strategic growth plans as we deliver for our customers. Our differentiated portfolio of products and technologies, expansive global installed base, and multi-year backlog position us to remain highly resilient and drive long-term profitable growth for our shareholders.”

2023 First Quarter Consolidated Results

Wabtec Corporation Consolidated Financial Results

	First Quarter		
	2023	2022	Change
<small>\$ in millions except earnings per share and percentages; margin change in percentage points (pts)</small>			
Net Sales	\$2,194	\$1,927	13.9 %
GAAP Gross Margin	30.3 %	30.9 %	(0.6 pts)
Adjusted Gross Margin	30.5 %	31.1 %	(0.6 pts)
GAAP Operating Margin	12.6 %	12.4 %	0.2 pts
Adjusted Operating Margin	16.4 %	16.5 %	(0.1 pts)
GAAP Diluted EPS	\$0.93	\$0.80	16.3 %
Adjusted Diluted EPS	\$1.28	\$1.13	13.3 %
Cash Flow from Operations	\$(25)	\$161	\$(186)
Operating Cash Flow Conversion	(8)%	59 %	

- Sales increased 13.9% compared to the year-ago quarter driven by significantly higher Freight segment sales and increased Transit segment sales. On a constant currency basis, consolidated sales were up 16.8%.
- GAAP operating margin was slightly higher than prior year at 12.6% and adjusted operating margin was slightly lower at 16.4%.
- GAAP EPS and adjusted EPS increased from the year-ago quarter primarily due to higher sales, partially offset by higher interest expense.

2023 First Quarter Freight Segment Results

Wabtec Corporation Freight Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	First Quarter		
	2023	2022	Change
Net Sales	\$1,566	\$1,322	18.5 %
GAAP Gross Margin	30.6 %	32.1 %	(1.5 pts)
Adjusted Gross Margin	30.7 %	32.2 %	(1.5 pts)
GAAP Operating Margin	14.5 %	14.3 %	0.2 pts
Adjusted Operating Margin	19.0 %	19.6 %	(0.6 pts)

- Freight segment sales for the first quarter were up across all product lines, with very strong growth in Equipment, Components and Digital Intelligence. On a constant currency basis, Freight segment sales were up 20.0%.
- Both GAAP and adjusted operating margins benefited from higher sales and operational efficiencies, offset by unfavorable sales mix between business groups and higher next generation product development costs in our Digital Intelligence business.

2023 First Quarter Transit Segment Results

Wabtec Corporation Transit Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	First Quarter		
	2023	2022	Change
Net Sales	\$628	\$605	3.8 %
GAAP Gross Margin	29.5 %	28.2 %	1.3 pts
Adjusted Gross Margin	29.9 %	28.7 %	1.2 pts
GAAP Operating Margin	11.0 %	10.7 %	0.3 pts
Adjusted Operating Margin	13.1 %	12.3 %	0.8 pts

- Transit segment sales for the first quarter were up due to strong aftermarket sales partially offset by unfavorable foreign currency exchange. On a constant currency basis, Transit segment sales were up 9.6%.
- GAAP and adjusted operating margins were up as a result of higher sales and Integration 2.0 savings.

Backlog

Wabtec Corporation Consolidated Backlog Comparison

Backlog \$ in millions	March 31,		
	2023	2022	Change
12-Month Backlog	\$6,925	\$6,631	4.4 %
Total Backlog	\$22,334	\$22,759	(1.9) %

The Company's multi-year backlog continues to provide strong visibility. At March 31, 2023 the 12-month backlog was \$294 million higher than March 31, 2022. At March 31, 2023, the multi-year backlog was \$425 million lower than March 31, 2022 and excluding unfavorable foreign currency exchange, the multi-year backlog decreased \$101 million, down 0.4%.

Cash Flow and Liquidity Summary

- During the first quarter, cash used for operations was \$25 million versus cash provided from operations of \$161 million in the year ago period due primarily to higher working capital.
- At the end of the quarter, the Company had cash, cash equivalents and restricted cash of \$417 million and total debt of \$4.16 billion. At March 31, 2023 the Company's total available liquidity was \$2.01 billion, which includes cash, cash equivalents and restricted cash plus \$1.59 billion available under current credit facilities.
- During the first quarter, the Company repurchased \$178 million of shares and raised the regular quarterly common dividend by 13% to 17 cents per share.

2023 Financial Guidance

- Wabtec's 2023 financial guidance continues with sales expected to be in a range of \$8.7 billion to \$9.0 billion and adjusted earnings per diluted share to be in a range of \$5.15 to \$5.55.
- For full year 2023, Wabtec expects strong cash flow generation with operating cash flow conversion of greater than 90 percent.

Conference Call Information

Wabtec will host a call with analysts and investors at 8:30 a.m., ET, today. To listen via webcast, go to Wabtec's new website at www.WabtecCorp.com and click on "Events & Presentations" in the "Investor Relations" section. Also, an audio replay of the call will be available by calling 1-877-344-7529 or 1-412-317-0088 (access code: 4647602).

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

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 is not presenting a quantitative reconciliation of our forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share as we are unable to predict with reasonable certainty and without unreasonable effort the impact and timing of restructuring-related and other charges, including acquisition-related expenses and the outcome of certain regulatory, legal and tax matters. The financial impact of these items is uncertain and is dependent on various factors, including timing, and could be material to our Consolidated Statements of Earnings. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost amortization. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this release have inherent material limitations as performance measures because they add back certain expenses incurred by the Company to GAAP financial measures, resulting in those expenses not being taken into account in the applicable non-GAAP financial measure. Because not all companies use identical calculations, Wabtec's presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Included in this release are reconciliation tables that provide details about how adjusted results relate to GAAP results.

This communication contains “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the impact of acquisitions by Wabtec, statements regarding Wabtec’s expectations about future sales and earnings, and statements about the impact of evolving global conditions on Wabtec’s business. All statements, other than historical facts, including statements regarding synergies and other expected benefits from acquisitions; statements regarding Wabtec’s plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) 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 severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets 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.

Wabtec Investor Contact

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Wabtec Media Contact

Tim Bader / Tim.Bader@wabtec.com / 682-319-7925

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended March 31,	
	2023	2022
Net sales	\$ 2,194	\$ 1,927
Cost of sales	(1,529)	(1,332)
Gross profit	665	595
<i>Gross profit as a % of Net Sales</i>	30.3 %	30.9 %
Selling, general and administrative expenses	(263)	(238)
Engineering expenses	(51)	(45)
Amortization expense	(75)	(73)
Total operating expenses	(389)	(356)
<i>Operating expenses as a % of Net Sales</i>	17.7 %	18.4 %
Income from operations	276	239
<i>Income from operations as a % of Net Sales</i>	12.6 %	12.4 %
Interest expense, net	(48)	(43)
Other income, net	5	4
Income before income taxes	233	200
Income tax expense	(60)	(50)
<i>Effective tax rate</i>	25.5 %	25.1 %
Net income	173	150
Less: Net income attributable to noncontrolling interest	(4)	(1)
Net income attributable to Wabtec shareholders	\$ 169	\$ 149
Earnings Per Common Share		
Basic		
Net income attributable to Wabtec shareholders	\$ 0.94	\$ 0.80
Diluted		
Net income attributable to Wabtec shareholders	\$ 0.93	\$ 0.80
Weighted average shares outstanding		
Basic	179.9	184.5
Diluted	180.6	185.0

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (CONTINUED)
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended		
	March 31,		
Segment Information	2023	2022	
Freight Net sales	\$ 1,566	\$	1,322
Freight Income from operations	\$ 227	\$	189
Freight Operating margin	14.5 %		14.3 %
Transit Net sales	\$ 628	\$	605
Transit Income from operations	\$ 69	\$	65
Transit Operating margin	11.0 %		10.7 %
Backlog Information (Note: 12-month is a sub-set of total)	March 31, 2023	December 31, 2022	March 31, 2022
Freight Total	\$ 18,362	\$ 18,641	\$ 19,024
Transit Total	3,972	3,800	3,735
Wabtec Total	\$ 22,334	\$ 22,441	\$ 22,759
Freight 12-month	\$ 4,978	\$ 4,901	\$ 4,812
Transit 12-month	1,947	1,859	1,819
Wabtec 12-month	\$ 6,925	\$ 6,760	\$ 6,631

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

<u><i>In millions</i></u>	March 31, 2023	December 31, 2022
Cash, cash equivalents and restricted cash	\$ 417	\$ 541
Receivables, net	1,576	1,519
Inventories, net	2,228	2,034
Other current assets	275	233
Total current assets	4,496	4,327
Property, plant and equipment, net	1,422	1,429
Goodwill	8,540	8,508
Other intangible assets, net	3,333	3,402
Other noncurrent assets	878	850
Total Assets	\$ 18,669	\$ 18,516
Current liabilities	\$ 4,165	\$ 3,467
Long-term debt	3,189	3,751
Other long-term liabilities	1,181	1,151
Total Liabilities	8,535	8,369
Shareholders' equity	10,085	10,102
Noncontrolling interest	49	45
Total Equity	10,134	10,147
Total Liabilities and Equity	\$ 18,669	\$ 18,516

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

<i>In millions</i>	Three Months Ended March 31,	
	2023	2022
Operating activities		
Net income	\$ 173	\$ 150
Non-cash expense	124	122
Receivables	(51)	93
Inventories	(188)	(137)
Accounts payable	47	48
Other assets and liabilities	(130)	(115)
Net cash (used for) provided by operating activities	(25)	161
Net cash used for investing activities	(32)	(18)
Net cash used for financing activities	(72)	(133)
Effect of changes in currency exchange rates	5	5
(Decrease) increase in cash	(124)	15
Cash, cash equivalents and restricted cash, beginning of period	\$ 541	\$ 473
Cash, cash equivalents and restricted cash, end of period	417	488

Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
	First Quarter 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	\$ 2,194	\$ 665	\$ (389)	\$ 276	\$ (43)	\$ (60)	\$ 173	\$ (4)	\$ 169	\$ 0.93
Restructuring costs	—	4	5	9	—	(2)	7	—	7	\$ 0.04
Non-cash Amortization expense	—	—	75	75	—	(20)	55	—	55	\$ 0.31
Adjusted Results	<u>\$ 2,194</u>	<u>\$ 669</u>	<u>\$ (309)</u>	<u>\$ 360</u>	<u>\$ (43)</u>	<u>\$ (82)</u>	<u>\$ 235</u>	<u>\$ (4)</u>	<u>\$ 231</u>	<u>\$ 1.28</u>
Fully Diluted Shares Outstanding										<u>180.6</u>

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
	First Quarter 2022 Actual Results									
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
Reported Results	\$ 1,927	\$ 595	\$ (356)	\$ 239	\$ (39)	\$ (50)	\$ 150	\$ (1)	\$ 149	\$ 0.80
Restructuring costs	—	5	2	7	—	(2)	5	—	5	\$ 0.03
Non-cash Amortization expense	—	—	73	73	—	(18)	55	—	55	\$ 0.30
Adjusted Results	<u>\$ 1,927</u>	<u>\$ 600</u>	<u>\$ (281)</u>	<u>\$ 319</u>	<u>\$ (39)</u>	<u>\$ (70)</u>	<u>\$ 210</u>	<u>\$ (1)</u>	<u>\$ 209</u>	<u>\$ 1.13</u>
Fully Diluted Shares Outstanding										<u>185.0</u>

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											
First Quarter 2023 EBITDA Reconciliation											
(in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 276		\$ 5		\$ 121		\$ 402		\$ 6		\$ 408

Wabtec Corporation											
First Quarter 2022 EBITDA Reconciliation											
(in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 239		\$ 4		\$ 121		\$ 364		\$ 7		\$ 371

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

<u><i>In millions</i></u>	Three Months Ended March 31,	
	2023	2022
Freight Segment		
Services	\$ 707	\$ 666
Equipment	393	274
Components	279	229
Digital Intelligence	187	153
Total Freight Segment	\$ 1,566	\$ 1,322
Transit Segment		
Original Equipment Manufacturer	\$ 282	\$ 292
Aftermarket	346	313
Total Transit Segment	\$ 628	\$ 605

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

<i>In millions</i>	Three Months Ended March 31,					
	2023			2022		
	<u>Gross Profit</u>	<u>Income from Operations</u>		<u>Gross Profit</u>	<u>Income from Operations</u>	
Freight Segment Reported Results	\$ 480	\$ 227		\$ 424	\$ 189	
<i>Freight Segment Reported Margin</i>	<i>30.6 %</i>	<i>14.5 %</i>		<i>32.1 %</i>	<i>14.3 %</i>	
Restructuring costs	1	2		2	2	
Non-cash Amortization expense	—	68		—	68	
Freight Segment Adjusted Results	\$ 481	\$ 297		\$ 426	\$ 259	
<i>Freight Segment Adjusted Margin</i>	<i>30.7 %</i>	<i>19.0 %</i>		<i>32.2 %</i>	<i>19.6 %</i>	
Transit Segment Reported Results	\$ 185	\$ 69		\$ 171	\$ 65	
<i>Transit Segment Reported Margin</i>	<i>29.5 %</i>	<i>11.0 %</i>		<i>28.2 %</i>	<i>10.7 %</i>	
Restructuring costs	3	7		3	4	
Non-cash Amortization expense	—	7		—	5	
Transit Segment Adjusted Results	\$ 188	\$ 83		\$ 174	\$ 74	
<i>Transit Segment Adjusted Margin</i>	<i>29.9 %</i>	<i>13.1 %</i>		<i>28.7 %</i>	<i>12.3 %</i>	

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

<i>In millions</i>	Three Months Ended March 31,		
	Freight	Transit	Consolidated
2022 Net Sales	\$ 1,322	\$ 605	\$ 1,927
Acquisitions	21	—	21
Foreign Exchange	(21)	(35)	(56)
Organic	244	58	302
2023 Net Sales	\$ 1,566	\$ 628	\$ 2,194
<i>Change (\$)</i>	<i>244</i>	<i>23</i>	<i>267</i>
<i>Change (%)</i>	<i>18.5 %</i>	<i>3.8 %</i>	<i>13.9 %</i>

Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation					
2023 First Quarter Cash Conversion Calculation					
(in millions)					
	Reported Cash from Operations	÷	(Net Income + Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$25		\$173		(8)%

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



FIRST 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 severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets 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 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. 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 item 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 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

1Q 2023 overview

1Q 2023 HIGHLIGHTS

SALES	\$2.19B	Up 13.9% YoY	Increased sales were driven by strong Freight segment growth ... excluding impacts of FX, sales were up 16.8% YoY
OPERATING MARGIN	12.6% GAAP	16.4% Adjusted ⁽²⁾	Operating margin benefited from higher sales growth and lower SG&A as a percentage of sales
EARNINGS PER SHARE	\$0.93 GAAP	\$1.28 Adjusted ⁽²⁾	GAAP EPS up 16.3% ... Adjusted EPS up 13.3% from higher Freight sales
CASH FLOW FROM OPERATIONS⁽¹⁾	(\$25M)		Operating cash flow was impacted by seasonal cash generation quarter and higher working capital
MULTI-YEAR BACKLOG	\$22.33B		Backlog provides improved multi-year visibility . 12-month backlog up 4.4% to a new high of \$6 billion

STRONG UNDERLYING MOMENTUM DESPITE MACRO VOLATILITY

4 (1) Year-over-year 1st quarter cash flow impact from securitization of accounts receivable was unfavorable \$10 million
(2) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliation

2023 Market Expectations

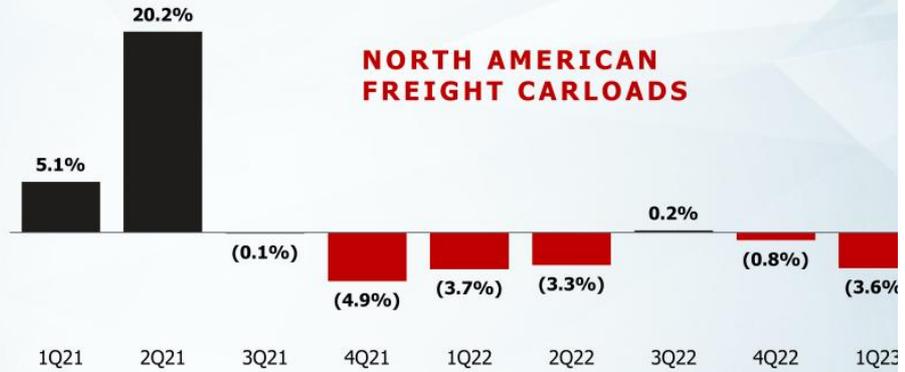
FREIGHT

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

TRANSIT

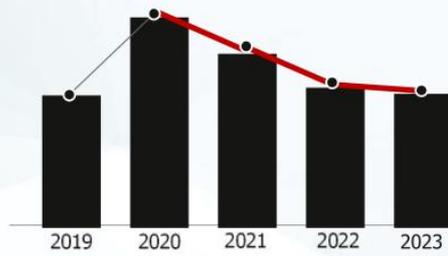
Infrastructure Investment	+
Global Ridership	+ / ↔

NORTH AMERICAN FREIGHT CARLOADS



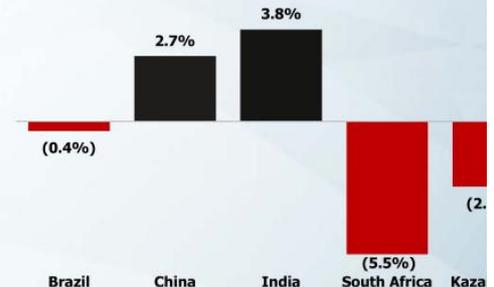
Source: Association of American Railroads

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

RECEIVED

Signed strategic order with VLI in Brazil for new locomotives

Secured key order for mining drive systems in high altitude applications

Moody's upgrade of senior unsecured debt ... reflects resiliency of the business, balance sheet strength and strong cash generation

Delivered 500th locomotive to Indian Railways ... significant milestone in 10-year contract

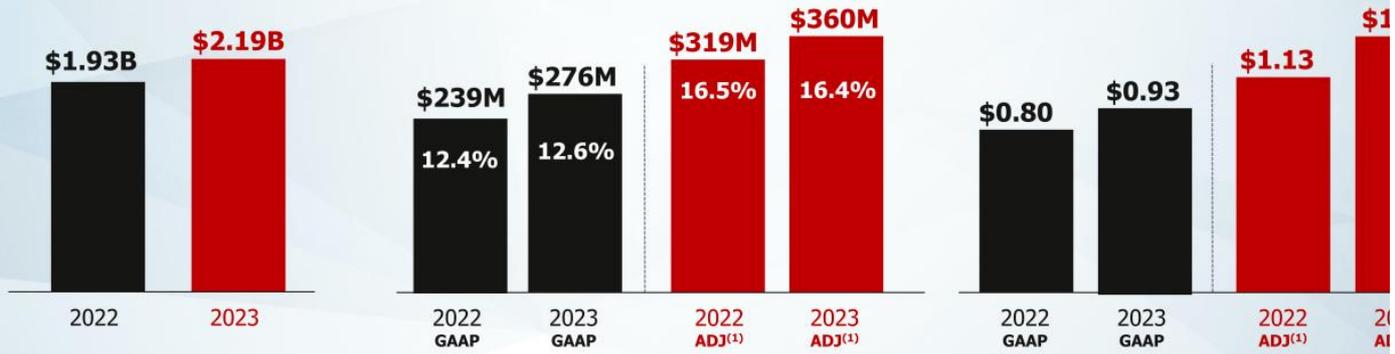
1Q 2023 financial summary

STRONG SALES GROWTH DESPITE DISRUPTIONS AND MACRO VOLATILITY

SALES

OP INCOME/OP MARGIN

EPS



13.9% INCREASE
(16.8% INCREASE EX-CURRENCY)

(1) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations 7

WABTEC

1Q 2023 sales



(\$ in millions)

PRODUCT LINE	1Q23	YOY
Equipment	\$393	43.4%
Components	\$279	21.8%
Digital Intelligence	\$187	22.2%
Services	\$707	6.2%
Freight Segment	\$1,566	18.5%
Transit Segment	\$628	3.8%
TOTAL SALES	\$2,194	13.9%

1Q KEY DRIVERS

EQUIPMENT

Higher international locomotives sales

COMPONENTS

Higher due to improving OE railcar build, more railcars in operation and increased demand for industrial products

DIGITAL INTELLIGENCE

Higher demand for on-board locomotive and mining solutions, international PTC and acquisitions of Beena Vision and ARINC (10% YoY growth excluding acquisitions)

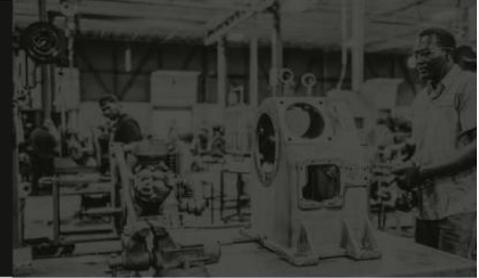
SERVICES

Increased sales from larger active locomotive fleet

TRANSIT

Strong aftermarket sales, partially offset by unfavorable foreign currency exchange ... sales up 9.6% on constant currency basis

1Q 2023 consolidated gross profit



(\$ in millions)

	GAAP	Adjusted ⁽¹⁾
2022 GROSS PROFIT	\$595	\$600
<i>% Gross Profit Margin</i>	<i>30.9%</i>	<i>31.1%</i>
Volume	↑↑	↑↑
Mix/Pricing	↔	↔
Raw Materials	↔	↔
Currency	↓	↓
Manufacturing/Other	↓	↓
2023 GROSS PROFIT	\$665	\$669
<i>% Gross Profit Margin</i>	<i>30.3%</i>	<i>30.5%</i>

1Q KEY DRIVERS

VOLUME

Freight segment sales growth of 18.5%

MIX/PRICING

Less rich mix of products between business groups (Equipment and Services), offset by price

RAW MATERIALS

Largely flat input costs

CURRENCY

Unfavorable foreign exchange impacted gross profit \$14M (operating income negatively impacted by \$8M)

MANUFACTURING/OTHER

Favorable productivity/absorption and benefits of Integration offset by higher digital development costs

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

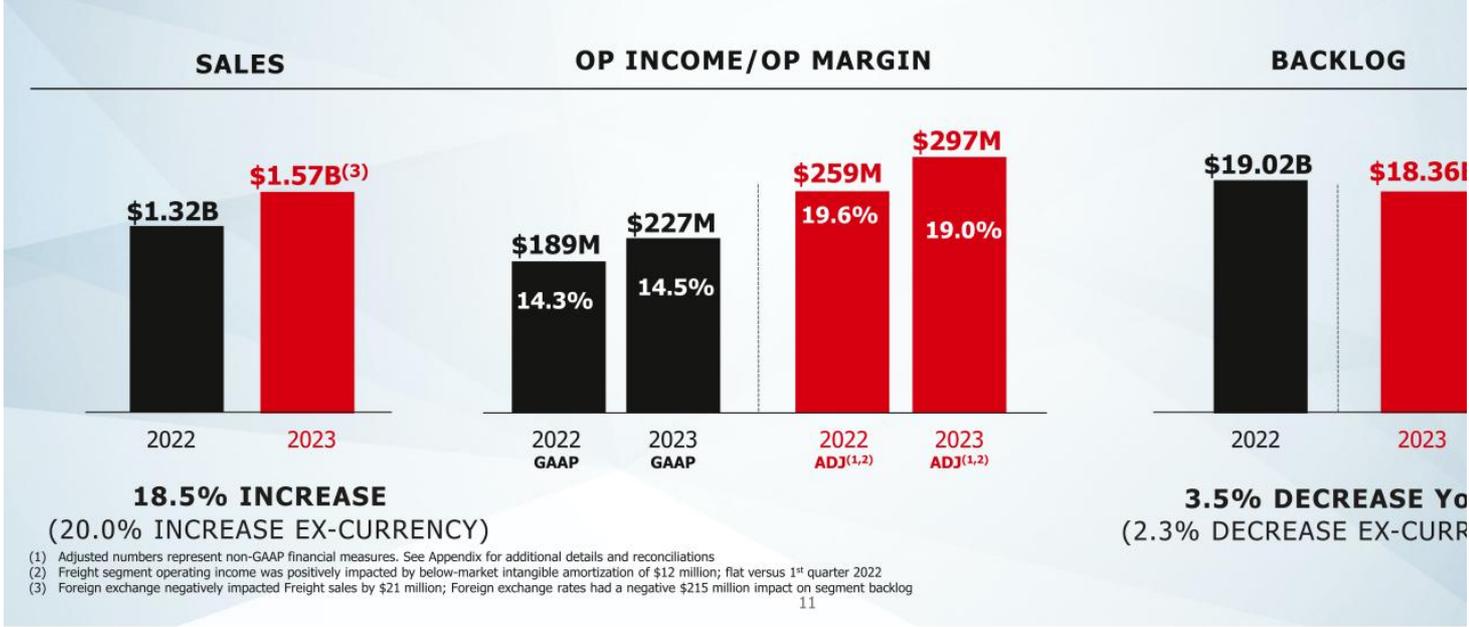
1Q 2023 consolidated operating income

(\$ in millions)	GAAP	Adjusted ⁽¹⁾
2022 OP INCOME	\$239	\$319
<i>% Operating Margin</i>	<i>12.4%</i>	<i>16.5%</i>
Gross Profit	70	69
SG&A	(25)	(22)
Engineering	(6)	(6)
Amortization	(2)	-
2023 OP INCOME	\$276	\$360
<i>% Operating Margin</i>	<i>12.6%</i>	<i>16.4%</i>

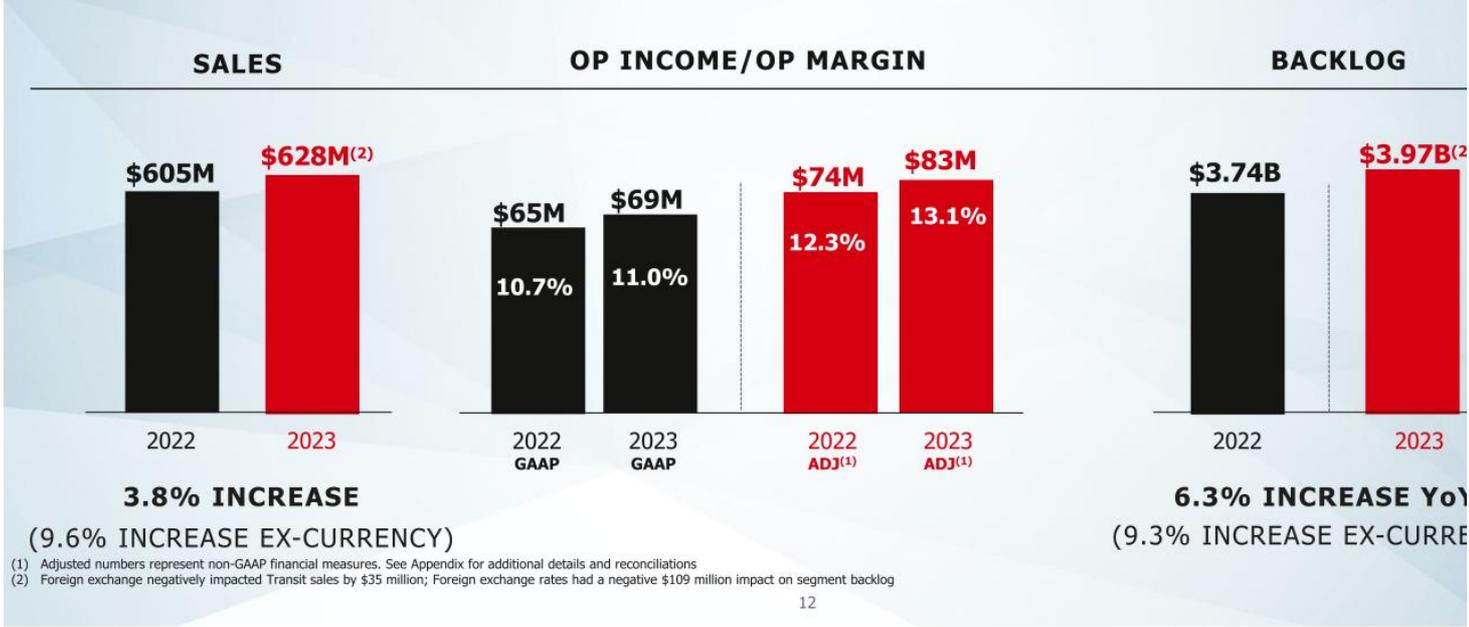
OP MARGIN BENEFITED FROM HIGHER SALES AND LOWER SG&A AS PERCENTAGE OF SALES

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

1Q 2023 Freight segment performance



1Q 2023 Transit segment performance



Resilient business allows for execution on financial priorities

FOCUSED ON CASH CONVERSION⁽¹⁾ CASH FROM OPS



YoY cash generation impacted by higher working capital investment ... in particular, higher receivables and inventory

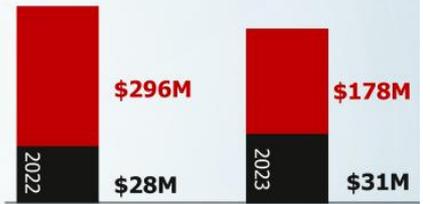
STRONG FINANCIAL POSITION LEVERAGE



Debt leverage⁽²⁾ improved ... Upgraded by Moody's

Strengthening balance sheet ... strong liquidity of \$2.01B⁽³⁾

RETURN CAPITAL TO SHAREHOLDERS



Returning capital to shareholders ... **\$209M returned through share repurchases and dividends**

STRONG FINANCIAL POSITION; INVESTING IN FUTURE 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 March 31, 2023, the Company's total available liquidity was \$2.01 billion, which includes cash, cash equivalents and restricted cash of \$0.42 billion plus \$1.59 billion available under current credit facilities

WABTEC

2023 outlook and guidance

REVENUES

\$8.7B to \$9.0B

ADJUSTED EPS

\$5.15 to \$5.55

CASH CONVERSION ⁽¹⁾

>90%

STRONG MOMENTUM ACROSS THE PORTFOLIO

EQUIPMENT

Higher deliveries of locomotives

COMPONENTS

Higher railcar build and improved demand for industrial components

SERVICES

Continued demand for reliable, efficient power and higher deliveries of MODs ... partial offset by uptick in locomotive parkings

DIGITAL ELECTRONICS

Growth driven by next gen technologies, international expansion and 2022 acquisitions

TRANSIT

Increased global infrastructure investment

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 ~2% of sales

(1) Cash from operations conversion % is defined as GAAP cash from operations c
GAAP net income plus depreciation and amortization including deferred debt cost ;

Key takeaways

5-YEAR OUTLOOK⁽¹⁾

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 performance to start the year despite significant macro volatility
- 02** Productivity driven by continuous cost improvement combined with initial realization of Integration 2.0 savings
- 03** Well-positioned to drive profitable growth with strong momentum across the portfolio and increased multi-year visibility
- 04** Strong long-term business fundamentals driving higher returns and maximizing long-term value creation for shareholders

Income statement

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
 (AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
 (UNAUDITED)

Appendix A (1 of 2)

	Three Months Ended	
	March 31,	
	2023	2022
Net sales	\$ 2,194	\$ 1,927
Cost of sales	(1,529)	(1,332)
Gross profit	665	595
<i>Gross profit as a % of Net Sales</i>	30.3%	30.9%
Selling, general and administrative expenses	(263)	(238)
Engineering expenses	(51)	(45)
Amortization expense	(75)	(73)
Total operating expenses	(389)	(356)
<i>Operating expenses as a % of Net Sales</i>	17.7%	18.4%
Income from operations	276	239
<i>Income from operations as a % of Net Sales</i>	12.6%	12.4%
Interest expense, net	(48)	(43)
Other income, net	5	4
Income before income taxes	233	200
Income tax expense	(60)	(50)
<i>Effective tax rate</i>	25.5%	25.1%
Net income	173	150
Less: Net income attributable to noncontrolling interest	(4)	(1)
Net income attributable to Wabtec shareholders	<u>\$ 169</u>	<u>\$ 149</u>
Earnings Per Common Share		
Basic		
Net income attributable to Wabtec shareholders	<u>\$ 0.94</u>	<u>\$ 0.80</u>
Diluted		
Net income attributable to Wabtec shareholders	<u>\$ 0.93</u>	<u>\$ 0.80</u>
Basic	<u>179.9</u>	<u>184.5</u>
Diluted	<u>180.6</u>	<u>185.0</u>



Income statement (cont.)

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended		
	March 31,		
	2023	2022	
Segment Information			
Freight Net Sales	\$ 1,566	\$ 1,322	
Freight Income from Operations	\$ 227	\$ 189	
Freight Operating Margin	14.5%	14.3%	
Transit Net Sales	\$ 628	\$ 605	
Transit Income from Operations	\$ 69	\$ 65	
Transit Operating Margin	11.0%	10.7%	
Backlog Information (Note: 12-month is a sub-set of total)			
	March 31, 2023	December 31, 2022	March 31, 2022
Freight Total	\$ 18,362	\$ 18,641	\$ 19,024
Transit Total	3,972	3,800	3,735
Wabtec Total	\$ 22,334	\$ 22,441	\$ 22,759
Freight 12-Month	\$ 4,978	\$ 4,901	\$ 4,812
Transit 12-Month	1,947	1,859	1,819
Wabtec 12-Month	\$ 6,925	\$ 6,760	\$ 6,631



Balance sheet

Appendix B

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

<i>In millions</i>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
Cash, cash equivalents and restricted cash	\$ 417	\$ 541
Receivables, net	1,576	1,519
Inventories	2,228	2,034
Other current assets	275	233
Total current assets	<u>4,496</u>	<u>4,327</u>
Property, plant and equipment, net	1,422	1,429
Goodwill	8,540	8,508
Other intangible assets, net	3,333	3,402
Other noncurrent assets	878	850
Total assets	<u>\$ 18,669</u>	<u>\$ 18,516</u>
Current liabilities	\$ 4,165	\$ 3,467
Long-term debt	3,189	3,751
Long-term liabilities - other	1,181	1,151
Total liabilities	<u>8,535</u>	<u>8,369</u>
Shareholders' equity	10,085	10,102
Noncontrolling interest	49	45
Total shareholders' equity	<u>10,134</u>	<u>10,147</u>
Total Liabilities and Shareholders' Equity	<u>\$ 18,669</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>	Three Months Ended March 31,	
	<u>2023</u>	<u>2022</u>
<i>Operating activities</i>		
Net income	\$ 173	\$ 150
Non-cash expense	124	122
Receivables	(51)	93
Inventories	(188)	(137)
Accounts Payable	47	48
Other assets and liabilities	(130)	(115)
Net cash (used for) provided by operating activities	(25)	161
Net cash used for investing activities	(32)	(18)
Net cash used for financing activities	(72)	(133)
Effect of changes in currency exchange rates	5	5
(Decrease) increase in cash	(124)	15
Cash, cash equivalents and restricted cash, beginning of period	541	473
Cash, cash equivalents and restricted cash, end of period	\$ 417	\$ 488



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 evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)									
	First Quarter 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	\$ 2,194	\$ 665	\$ (389)	\$ 276	\$ (43)	\$ (60)	\$ 173	\$ (4)	\$ 169
Restructuring costs	-	4	5	9	-	(2)	7	-	7
Non-cash Amortization expense	-	-	75	75	-	(20)	55	-	55
Adjusted Results	\$ 2,194	\$ 669	\$ (309)	\$ 360	\$ (43)	\$ (82)	\$ 235	\$ (4)	\$ 231
Fully Diluted Shares Outstanding									

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



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 Q1 EBITDA Reconciliation (in millions)										
	<u>Reported Income from Operations</u>	+	<u>Other Income (Expense)</u>	+	<u>Depreciation & Amortization</u>	= <u>EBITDA</u>	+	<u>Restructuring Costs</u>	=	<u>Adjusted EBITDA</u>
Consolidated Results	\$276		\$5		\$121	\$402		\$6		\$408

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



Sales by product line

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

<i>In millions</i>	Three Months Ended March 31,	
	<u>2023</u>	<u>2022</u>
Freight Segment		
Equipment	\$ 393	\$ 274
Components	279	229
Digital Intelligence	187	153
Services	707	666
Total Freight Segment	<u>\$ 1,566</u>	<u>\$ 1,322</u>
Transit Segment		
Original Equipment Manufacturer	\$ 282	\$ 292
Aftermarket	346	313
Total Transit Segment	<u>\$ 628</u>	<u>\$ 605</u>



Segment gross margin & operating margin reconciliation

Appen

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

<i>In millions</i>	Three Months Ended March 31,			
	2023		2022	
	Gross Profit	Income from Operations	Gross Profit	Income from Operations
Freight Segment Reported Results	\$ 480	\$ 227	\$ 424	\$ 189
<i>Freight Segment Reported Margin</i>	30.6%	14.5%	32.1%	14.3%
Restructuring costs	1	2	2	2
Non-cash Amortization expense	-	68	-	68
Freight Segment Adjusted Results	\$ 481	\$ 297	\$ 426	\$ 259
<i>Freight Segment Adjusted Margin</i>	30.7%	19.0%	32.2%	19.6%
Transit Segment Reported Results	\$ 185	\$ 69	\$ 171	\$ 65
<i>Transit Segment Reported Margin</i>	29.5%	11.0%	28.2%	10.7%
Restructuring costs	3	7	3	4
Non-cash Amortization expense	-	7	-	5
Transit Segment Adjusted Results	\$ 188	\$ 83	\$ 174	\$ 74
<i>Transit Segment Adjusted Margin</i>	29.9%	13.1%	28.7%	12.3%



Segment sales reconciliation

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

	Three Months Ended March 31,		
	Freight	Transit	Consolidated
2022 Net Sales	\$ 1,322	\$ 605	\$ 1,927
Acquisitions	21	-	21
Foreign Exchange	(21)	(35)	(56)
Organic	244	58	302
2023 Net Sales	\$ 1,566	\$ 628	\$ 2,194
Change (\$)	244	23	267
Change (%)	18.5%	3.8%	13.9%



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 Q1 Cash Conversion Calculation (in millions)							
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income)</u>	+	<u>Depreciation & Amortization</u>	=	<u>Cash Conversion</u>
Consolidated Results	(\$25)		\$173		\$123		(8%)

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



