

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): February 16, 2022 (February 16, 2022)

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation or organization)

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

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

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

Not Applicable  
(Former name, former address and former fiscal year, if changed since last report)

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

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

Securities registered pursuant to Section 12(b) of the Act:

Class

Trading Symbol(s)

Name of each exchange on which registered

Common Stock, \$.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 February 16, 2022, Westinghouse Air Brake Technologies Corporation (the “Company”) issued a press release reporting, among other things, the Company’s 2021 fourth 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 fourth quarter of 2021 (the “Presentation”), which will be used by the management team for presentations to investors and others. A copy of the Presentation is attached hereto as Exhibit 99.2 and incorporated into this Item 2.02 by reference. The Presentation is also available on the Company’s web site at [www.wabteccorp.com](http://www.wabteccorp.com).

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

**Item 7.01 Regulation FD Disclosure**

On February 16, 2022, the Company issued a press release which, among other things, provided earnings guidance for fiscal year 2022. A copy of the press release is attached to this report as Exhibit 99.1 and the paragraph under the heading “2022 Financial Guidance” which discusses 2022 guidance is incorporated into this Item 7.01 by reference. The Company also furnished a Presentation relating to its fourth quarter of 2021, 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 8.01. Other Events**

On February 10, 2022, the Board of Directors of the Company authorized an increase of the amount available under its existing share repurchase program such that \$750 million is available to purchase outstanding shares of the Company’s common stock. Under the share repurchase program, the Company intends to repurchase shares through the open market or otherwise, including, without limitation, through an accelerated share repurchase, pursuant to the terms of a Rule 10b5-1 plan, in privately negotiated transactions and round lot or block transactions.

Also on February 10, 2022, the Board of Directors of the Company declared a dividend payable on February 28, 2022 to holders of record on February 25, 2022. Additionally, the Company announced that the dividend will be increased by 25% to 15 cents per quarter per share.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits.

The following exhibits are furnished with this report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press release dated February 16, 2022</a>
99.2	<a href="#">Wabtec Earnings Presentation, Fourth Quarter 2021</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**Caution Concerning Forward-Looking Statements**

This communication contains “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the “GE Transportation merger”) and Nordco, statements regarding Wabtec’s expectations about future sales and earnings, and statements about the impact of evolving global conditions on Wabtec’s business. All statements, other than historical facts, including statements regarding synergies and other expected benefits from acquisitions; statements regarding

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Wabtec's plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including the GE Transportation merger, including as a result of integrating acquired targets into Wabtec; (4) Wabtec's ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, supply chain disruptions, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, 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 new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

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**SIGNATURES**

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

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION

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

(Duly Authorized Officer and Principal Financial Officer)

DATE: February 16, 2022

**Wabtec Reports Strong 4th Quarter 2021 Results  
Issues 2022 Financial Guidance**

- **Fourth Quarter Reported GAAP Earnings Per Share of \$1.02; Adjusted Earnings Per Share Up 20.4% to \$1.18**
- **Sales Growth of 2.4% to \$2.07 Billion; GAAP Operating Margin of 12.7%; Adjusted Operating Margin Up 210 bps to 16.1%**
- **Full-Year Cash Flow from Operations up 36.9% to \$1.07 Billion; 102% Full-Year Operating Cash Flow Conversion**
- **Repurchased 1.05 Million Shares During the Fourth Quarter for \$100 Million; Total Full-Year Repurchased of \$300 Million**
- **Announced \$750 Million Share Buyback Reauthorization and 25% Increase in Quarterly Dividend**

**PITTSBURGH, February 16, 2022** – Wabtec Corporation (NYSE: WAB) today reported fourth quarter 2021 GAAP earnings per diluted share of \$1.02, up 121.7% versus the fourth quarter of 2020. Adjusted earnings per diluted share were \$1.18, up 20.4% versus the same quarter a year ago. Fourth quarter sales were \$2.07 billion and cash from operations was \$314 million. Full year 2021 earnings per diluted share was \$2.96, up 36.4% versus full year 2020. Full year adjusted earnings per diluted share were \$4.26, up 12.4% versus full year 2020. Total 2021 sales were \$7.82 billion and cash from operations was a record high of \$1.07 billion.

"The Wabtec team delivered strong execution to close out the year, providing us with momentum into 2022," said Rafael Santana, Wabtec's President and CEO. "Our productivity initiatives, realization of synergies and positive mix drove improvement in segment margins for both the fourth quarter and full year despite growing supply chain disruptions and higher costs. Our strong performance in 2021 was complemented by disciplined capital allocation including \$300 million in share repurchases, \$92 million in dividends and two strategic bolt-on acquisitions that enhance our business with attractive end-market opportunities.

"Wabtec delivered significant progress against our strategic initiatives that will create value for our customers and shareholders. Wabtec's FLXdrive battery electric locomotive is gaining traction with our customers as they seek solutions that reduce emissions and improve efficiencies.

"Looking forward, we see mixed market conditions improving throughout the year. The breadth of our product portfolio combined with our multi-year backlog provides us with a solid foundation for growth in 2022. Our announced \$750 million share buyback reauthorization and 25% increase in the dividend underscore our confidence on continued strong earnings and cash flow generation. We believe we are well-positioned to deliver top-line growth, margin expansion and increased earnings in 2022."

## 2021 Fourth Quarter Consolidated Results

Wabtec Corporation Consolidated Financial Results

\$ in millions except earnings per share and percentages; margin change in percentage points (pts)	Fourth Quarter		
	2021	2020	Change
Net Sales	\$ 2,073	\$ 2,024	2.4%
GAAP Gross Margin	31.5%	25.0%	6.5 pts
Adjusted Gross Margin	31.7%	26.0%	5.7 pts
GAAP Operating Margin	12.7%	8.0%	4.7 pts
Adjusted Operating Margin	16.1%	14.0%	2.1 pts
GAAP Diluted EPS	\$1.02	\$0.46	121.7%
Adjusted Diluted EPS	\$1.18	\$0.98	20.4%
Cash Flow from Operations	\$314	\$326	(3.7)%
Operating Cash Flow Conversion	99%	158 %	

- Sales increased compared to the year-ago quarter driven by higher Freight segment sales, partially offset by lower Transit segment sales. During the quarter, we estimate that sales results were adversely impacted by 3 to 4 percent due to supply chain disruptions.
- Both GAAP and adjusted operating margin increased from last year as a result of improved mix and strong productivity, partially offset by \$20 to \$25 million in escalating costs associated with metals, transportation and labor.
- GAAP and adjusted EPS increased from the year-ago quarter primarily due to higher sales and increased income from operations. GAAP EPS further benefited from a favorable effective tax rate, along with lower restructuring and transaction costs.

## 2021 Fourth Quarter Freight Segment Results

Wabtec Corporation Freight Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	Fourth Quarter		
	2021	2020	Change
Net Sales	\$ 1,425	\$ 1,339	6.4%
GAAP Gross Margin	31.9%	25.3%	6.6 pts
Adjusted Gross Margin	32.1%	26.4%	5.7 pts
GAAP Operating Margin	14.5%	9.0%	5.5 pts
Adjusted Operating Margin	18.7%	16.3%	2.4 pts

- Freight segment sales for the fourth quarter were driven by demand for Services and Components, along with the acquisition of Nordco. This growth was partially offset by lower deliveries of locomotives and increased supply chain disruptions.
- Both GAAP and adjusted operating margin benefited from higher sales, favorable mix and operational efficiencies, partially offset by higher costs. GAAP operating margin also improved year-over-year as a result of lower restructuring and transactions costs.

**2021 Fourth Quarter Transit Segment Results**

Wabtec Corporation Transit Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	Fourth Quarter		
	2021	2020	Change
Net Sales	\$ 648	\$ 685	(5.4%)
GAAP Gross Margin	30.6%	24.4%	6.2 pts
Adjusted Gross Margin	30.9%	25.3%	5.6 pts
GAAP Operating Margin	12.2%	8.3%	3.9 pts
Adjusted Operating Margin	13.6%	11.3%	2.3 pts

- Transit segment sales for the fourth quarter were down versus last year due to supply chain issues, COVID-related disruptions and unfavorable foreign currency exchange.
- Both GAAP and adjusted segment operating margin improved versus last year primarily driven by mix and productivity gains, partially offset by higher costs. GAAP operating margin further benefited from lower year-over-year restructuring and transaction costs.

**Backlog**

Wabtec Corporation Consolidated Backlog Comparison

Backlog \$ in millions	December 31,		
	2021	2020	Change
12-Month Backlog	\$ 6,268	\$5,521	13.5%
Total Backlog	\$ 22,169	21,591	2.7%

At December 31, 2021 the multi-year backlog was \$578 million higher than December 31, 2020 due in most part from increased orders for Freight Equipment and Freight Services.

**Cash Flow and Liquidity Summary**

- During the fourth quarter, the company generated cash from operations of \$314 million versus \$326 million in the year ago period. For the full year, the company generated strong cash from operations of \$1.07 billion resulting in an operating cash flow conversion of 102%.
- At the end of the quarter, the company had cash and cash equivalents of \$473 million and total debt of \$4.06 billion. At December 31, 2021 the company's total available liquidity was \$1.67 billion, which includes cash and cash equivalents plus \$1.20 billion available under current credit facilities.
- During the fourth quarter, the company repurchased \$100 million of shares, bringing the full year total to \$300 million.
- Wabtec Board of Directors reauthorized a share buyback program up to \$750 million and declared a 25 percent increase in the regular quarterly common dividend to \$0.15 payable on February 28, 2022 to holders of record on February 25, 2022.

**2022 Financial Guidance**

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

## Conference Call Information

Wabtec will host a call with analysts and investors at 8:30 a.m., ET, today. To listen via webcast, go to Wabtec's new website at [www.WabtecCorp.com](http://www.WabtecCorp.com) and click on "Events & Presentations" in the "Investor Relations" section. Also, an audio replay of the call will be available by calling 1-877-344-7529 or 1-412-317-0088 (access code: 8527520).

## About Wabtec Corporation

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

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

Wabtec's earnings release and 2022 financial guidance mentions certain non-GAAP financial performance measures, including adjusted gross profit, adjusted operating expenses, adjusted operating margin, EBITDA, adjusted EBITDA, adjusted effective tax rate, adjusted income tax expense, adjusted income from operations, adjusted interest and other expense adjusted earnings per diluted share and operating cash flow conversion. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost amortization. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this release have inherent material limitations as performance measures because they add back certain expenses incurred by the company to GAAP financial measures, resulting in those expenses not being taken into account in the applicable non-GAAP financial measure. Because not all companies use identical calculations, Wabtec's presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Included in this release are reconciliation tables that provide details about how adjusted results relate to GAAP results.

This communication contains "forward-looking" statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the "GE Transportation merger") and Nordco, statements regarding Wabtec's expectations about future sales and earnings, and statements about the impact of evolving global conditions on Wabtec's business. All statements, other than historical facts, including statements regarding synergies and other expected benefits from acquisitions; statements regarding Wabtec's plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts

and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including the GE Transportation merger, including as a result of integrating acquired targets into Wabtec; (4) Wabtec's ability to implement its business strategy; (5) difficulties and delays in achieving revenue and



cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, supply chain disruptions, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, 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 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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WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2021 AND 2020  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
Net sales	\$ 2,073	\$ 2,024	\$ 7,822	\$ 7,556
Cost of sales	(1,421)	(1,518)	(5,453)	(5,419)
Gross profit	652	506	2,369	2,137
<i>Gross profit as a % of Net Sales</i>	31.5 %	25.0 %	30.3 %	28.3 %
Selling, general and administrative expenses	(264)	(236)	(1,030)	(948)
Engineering expenses	(52)	(38)	(176)	(162)
Amortization expense	(72)	(71)	(287)	(282)
Total operating expenses	(388)	(345)	(1,493)	(1,392)
<i>Operating expenses as a % of Net Sales</i>	18.7 %	17.0 %	19.1 %	18.4 %
Income from operations	264	161	876	745
<i>Income from operations as a % of Net Sales</i>	12.7 %	8.0 %	11.2 %	9.9 %
Interest expense, net	(42)	(49)	(177)	(199)
Other income, net	13	6	38	11
Income before income taxes	235	118	737	557
Income tax expense	(42)	(31)	(172)	(145)
<i>Effective tax rate</i>	17.4 %	26.6 %	23.2 %	26.0 %
Net income	193	87	565	412
Less: Net (income) loss attributable to noncontrolling interest	(3)	1	(7)	2
Net income attributable to Wabtec shareholders	\$ 190	\$ 88	\$ 558	\$ 414
<b>Earnings Per Common Share</b>				
	<b>Basic</b>			
Net income attributable to Wabtec shareholders	\$ 1.02	\$ 0.46	\$ 2.96	\$ 2.18
	<b>Diluted</b>			
Net income attributable to Wabtec shareholders	\$ 1.02	\$ 0.46	\$ 2.96	\$ 2.17
Weighted average shares outstanding				
Basic	186.0	189.2	187.7	189.9
Diluted	186.5	189.7	188.1	190.4

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2021 AND 2020  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
<b>Segment Information</b>				
Freight Net Sales	\$ 1,425	\$ 1,339	\$ 5,239	\$ 5,082
Freight Income from Operations	\$ 207	\$ 121	\$ 717	\$ 584
Freight Operating Margin	14.5 %	9.0 %	13.7 %	11.5 %
Transit Net Sales	\$ 648	\$ 685	\$ 2,583	\$ 2,474
Transit Income from Operations	\$ 79	\$ 57	\$ 238	\$ 230
Transit Operating Margin	12.2 %	8.3 %	9.2 %	9.3 %
<b>Backlog Information (Note: 12-month is a sub-set of total)</b>				
	<b>December 31, 2021</b>	<b>September 30, 2021</b>		
Freight Total	\$ 18,502	\$ 18,211		
Transit Total	3,667	3,633		
Wabtec Total	\$ 22,169	\$ 21,844		
Freight 12-Month	\$ 4,520	\$ 4,060		
Transit 12-Month	1,748	1,648		
Wabtec 12-Month	\$ 6,268	\$ 5,708		

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

	December 31, 2021	December 31, 2020
<i>In millions</i>		
Cash and cash equivalents	\$ 473	\$ 599
Receivables, net	1,477	1,412
Inventories	1,689	1,642
Other current assets	193	227
<b>Total current assets</b>	<b>3,832</b>	<b>3,880</b>
Property, plant and equipment, net	1,497	1,601
Goodwill	8,587	8,485
Other intangible assets, net	3,705	3,869
Other noncurrent assets	833	619
<b>Total assets</b>	<b>\$ 18,454</b>	<b>\$ 18,454</b>
Current liabilities	\$ 2,910	\$ 3,226
Long-term debt	4,056	3,792
Long-term liabilities - other	1,249	1,283
<b>Total liabilities</b>	<b>8,215</b>	<b>8,301</b>
Shareholders' equity	10,201	10,123
Noncontrolling interest	38	30
<b>Total shareholders' equity</b>	<b>10,239</b>	<b>10,153</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 18,454</b>	<b>\$ 18,454</b>

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

<i>In millions</i>	Twelve Months Ended December 31,	
	2021	2020
<i>Operating activities</i>		
Net income	\$ 565	\$ 412
Non-cash expense	571	444
Receivables	(76)	315
Inventories	(41)	181
Accounts Payable	109	(269)
Other assets and liabilities	(55)	(299)
<b>Net cash provided by operating activities</b>	<b>1,073</b>	<b>784</b>
<b>Net cash used for investing activities</b>	<b>(540)</b>	<b>(155)</b>
<b>Net cash used for financing activities</b>	<b>(653)</b>	<b>(619)</b>
Effect of changes in currency exchange rates	(6)	(15)
Decrease in cash	(126)	(5)
Cash and cash equivalents, beginning of period	599	604
Cash and cash equivalents, end of period	<u>\$ 473</u>	<u>\$ 599</u>

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

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
Fourth Quarter-to-Date 2021 Actual Results										
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
<b>Reported Results</b>	\$ 2,073	\$ 652	\$ (388)	\$ 264	\$ (29)	\$ (42)	\$ 193	\$ (3)	\$ 190	\$ 1.02
Restructuring & Transaction costs	—	5	(7)	(2)	—	5	3	—	3	0.01
Non-cash Amortization expense	—	—	72	72	—	(18)	54	—	54	0.29
Foreign Currency Loss	—	—	—	—	(1)	—	(1)	—	(1)	(0.01)
Amended Return, net	—	—	—	—	—	(25)	(25)	—	(25)	(0.13)
<b>Adjusted Results</b>	<b>\$ 2,073</b>	<b>\$ 657</b>	<b>\$ (323)</b>	<b>\$ 334</b>	<b>\$ (30)</b>	<b>\$ (80)</b>	<b>\$ 224</b>	<b>\$ (3)</b>	<b>\$ 221</b>	<b>\$ 1.18</b>
<b>Fully Diluted Shares Outstanding</b>										<b>186.5</b>

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
Q4 Year-to-Date 2021 Actual Results										
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
<b>Reported Results</b>	\$ 7,822	\$ 2,369	\$ (1,493)	\$ 876	\$ (139)	\$ (172)	\$ 565	\$ (7)	\$ 558	\$ 2.96
Restructuring & Transaction costs	—	53	25	78	—	(15)	63	—	63	0.33
Non-cash Amortization expense	—	—	287	287	—	(74)	213	—	213	1.13
Foreign Currency Loss	—	—	—	—	(8)	2	(6)	—	(6)	(0.03)
Amended Return, net	—	—	—	—	—	(25)	(25)	—	(25)	(0.13)
<b>Adjusted Results</b>	<b>\$ 7,822</b>	<b>\$ 2,422</b>	<b>\$ (1,181)</b>	<b>\$ 1,241</b>	<b>\$ (147)</b>	<b>\$ (284)</b>	<b>\$ 810</b>	<b>\$ (7)</b>	<b>\$ 803</b>	<b>\$ 4.26</b>
<b>Fully Diluted Shares Outstanding</b>										<b>188.1</b>

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

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
Fourth Quarter-to-Date 2020 Actual Results										
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
<b>Reported Results</b>	\$ 2,024	\$ 506	\$ (345)	\$ 161	\$ (43)	\$ (31)	\$ 87	\$ 1	\$ 88	\$ 0.46
Restructuring & Transaction costs	—	21	30	51	—	(12)	39	—	39	0.20
Non-cash Amortization expense	—	—	71	71	—	(16)	55	—	55	0.29
Foreign Currency Loss	—	—	—	—	1	(1)	—	—	—	—
Tax on Transaction Costs	—	—	—	—	—	6	6	—	6	0.03
<b>Adjusted Results</b>	<b>\$ 2,024</b>	<b>\$ 527</b>	<b>\$ (244)</b>	<b>\$ 283</b>	<b>\$ (42)</b>	<b>\$ (54)</b>	<b>\$ 187</b>	<b>\$ 1</b>	<b>\$ 188</b>	<b>\$ 0.98</b>
<b>Fully Diluted Shares Outstanding</b>										<b>189.7</b>

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
Q4 Year-to-Date 2020 Actual Results										
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
<b>Reported Results</b>	\$ 7,556	\$ 2,137	\$ (1,392)	\$ 745	\$ (188)	\$ (145)	\$ 412	\$ 2	\$ 414	\$ 2.17
Restructuring & Transaction costs	—	45	71	116	—	(29)	87	—	87	0.45
Non-cash Amortization expense	—	—	282	282	—	(71)	211	—	211	1.11
Foreign Currency Loss	—	—	—	—	9	(2)	7	—	7	0.03
Tax on Transaction Costs	—	—	—	—	—	6	6	—	6	0.03
<b>Adjusted Results</b>	<b>\$ 7,556</b>	<b>\$ 2,182</b>	<b>\$ (1,039)</b>	<b>\$ 1,143</b>	<b>\$ (179)</b>	<b>\$ (241)</b>	<b>\$ 723</b>	<b>\$ 2</b>	<b>\$ 725</b>	<b>\$ 3.79</b>
<b>Fully Diluted Shares Outstanding</b>										<b>190.4</b>

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

Wabtec Corporation 2021 Q4 EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring & Transaction Costs	=	Adjusted EBITDA
Consolidated Results	\$ 264		\$ 13		\$ 121		\$ 398		\$ (2)		\$ 396

Wabtec Corporation 2021 Q4 Year-to-Date EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring & Transaction Costs	=	Adjusted EBITDA
Consolidated Results	\$ 876		\$ 38		\$ 485		\$ 1,399		\$ 78		\$ 1,477

Wabtec Corporation 2020 Q4 EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring & Transaction Costs	=	Adjusted EBITDA
Consolidated Results	\$ 161		\$ 6		\$ 118		\$ 285		\$ 51		\$ 336

Wabtec Corporation 2020 Q4 Year-to-Date EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring & Transaction Costs	=	Adjusted EBITDA
Consolidated Results	\$ 745		\$ 11		\$ 466		\$ 1,222		\$ 116		\$ 1,338



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

<i>In millions</i>	Three Months Ended December 31,	
	2021	2020
Freight Segment		
Equipment	\$ 377	\$ 433
Components	218	195
Digital Electronics	167	164
Services	663	547
Total Freight Segment	\$ 1,425	\$ 1,339
Transit Segment		
Original Equipment Manufacturer	\$ 299	\$ 322
Aftermarket	349	363
Total Transit Segment	\$ 648	\$ 685
	Twelve Months Ended December 31,	
	2021	2020
Freight Segment		
Equipment	\$ 1,302	\$ 1,531
Components	867	819
Digital Electronics	640	664
Services	2,430	2,068
Total Freight Segment	\$ 5,239	\$ 5,082
Transit Segment		
Original Equipment Manufacturer	\$ 1,193	\$ 1,139
Aftermarket	1,390	1,335
Total Transit Segment	\$ 2,583	\$ 2,474

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

<i>In millions</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
<b>Freight Segment Reported Gross Profit</b>	<b>\$ 454</b>	<b>\$ 339</b>	<b>\$ 1,667</b>	<b>\$ 1,488</b>
<i>Freight Segment Reported Gross Margin</i>	31.9%	25.3%	31.8%	29.3%
Restructuring & Transaction costs	3	14	8	30
<b>Freight Segment Adjusted Gross Profit</b>	<b>\$ 457</b>	<b>\$ 353</b>	<b>\$ 1,675</b>	<b>\$ 1,518</b>
<i>Freight Segment Adjusted Gross Margin</i>	32.1%	26.4%	32.0%	29.9%
<b>Transit Segment Reported Gross Profit</b>	<b>\$ 198</b>	<b>\$ 167</b>	<b>\$ 702</b>	<b>\$ 649</b>
<i>Transit Segment Reported Gross Margin</i>	30.6%	24.4%	27.2%	26.2%
Restructuring & Transaction costs	2	6	45	14
<b>Transit Segment Adjusted Gross Profit</b>	<b>\$ 200</b>	<b>\$ 173</b>	<b>\$ 747</b>	<b>\$ 663</b>
<i>Transit Segment Adjusted Gross Margin</i>	30.9%	25.3%	28.9%	26.8%

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

<i>In millions</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
<b>Freight Segment Reported Income from Operations</b>	<b>\$ 207</b>	<b>\$ 121</b>	<b>\$ 717</b>	<b>\$ 584</b>
<i>Freight Segment Reported Margin</i>	14.5%	9.0%	13.7%	11.5%
Restructuring & Transaction costs	(7)	32	9	76
Non-cash Amortization expense	67	66	267	262
<b>Freight Segment Adjusted Income from Operations</b>	<b>\$ 267</b>	<b>\$ 219</b>	<b>\$ 993</b>	<b>\$ 922</b>
<i>Freight Segment Adjusted Margin</i>	18.7%	16.3%	19.0%	18.1%
<b>Transit Segment Reported Income from Operations</b>	<b>\$ 79</b>	<b>\$ 57</b>	<b>\$ 238</b>	<b>\$ 230</b>
<i>Transit Segment Reported Margin</i>	12.2%	8.3%	9.2%	9.3%
Restructuring & Transaction costs	4	15	59	27
Non-cash Amortization expense	5	5	20	20
<b>Transit Segment Adjusted Income from Operations</b>	<b>\$ 88</b>	<b>\$ 77</b>	<b>\$ 317</b>	<b>\$ 277</b>
<i>Transit Segment Adjusted Margin</i>	13.6%	11.3%	12.3%	11.2%

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

<i>In millions</i>	Three Months Ended December 31,		
	Freight	Transit	Consolidated
<b>2020 Net Sales</b>	\$ 1,339	\$ 685	\$ 2,024
Acquisitions	61	—	61
Restructuring & Transaction costs	(2)	(15)	(17)
Non-cash Amortization expense	27	(22)	5
<b>2021 Net Sales</b>	<u>\$ 1,425</u>	<u>\$ 648</u>	<u>\$ 2,073</u>
Change (\$)	86	(37)	49
Change (%)	6.4%	(5.4)%	2.4%
<b>Twelve Months Ended December 31,</b>			
<b>2020 Net Sales</b>	\$ 5,082	\$ 2,474	\$ 7,556
Acquisitions	138	—	138
Restructuring & Transaction costs	23	111	134
Non-cash Amortization expense	(4)	(2)	(6)
<b>2021 Net Sales</b>	<u>\$ 5,239</u>	<u>\$ 2,583</u>	<u>\$ 7,822</u>
Change (\$)	157	109	266
Change (%)	3.1%	4.4%	3.5%

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						
2021 Q4 Cash Conversion Calculation						
(In millions)						
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$ 314	\$	193	\$ 123		99 %

Wabtec Corporation						
2021 Q4 YTD Cash Conversion Calculation						
(In millions)						
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$ 1,073	\$	565	\$ 491		102 %

Wabtec Corporation						
2020 Q4 Cash Conversion Calculation						
(In millions)						
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$ 326	\$	87	\$ 119		158 %

Wabtec Corporation						
2020 Q4 YTD Cash Conversion Calculation						
(In millions)						
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	=	Cash Conversion
Consolidated Results	\$ 784	\$	412	\$ 473		89 %

# Wabtec 4th Quarter 2021

Exhib

Financial Results & Company Highlights  
February 16, 2022



# 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 Private Securities Litigation Reform Act of 1995, including statements regarding the impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the "GE Transportation merger") and Nordco, statements regarding Wabtec's expectations about future sales and earnings and statements about the impact of evolving global conditions on Wabtec's business. All statements, other than historical facts, include statements synergies and other benefits from acquisitions; statements regarding Wabtec's plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving product 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 based on historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) Wabtec's ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, supply chain disruptions, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets; 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 new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

This presentation as well as Wabtec's earnings release and 2022 financial guidance mention certain non-GAAP financial performance measures, including adjusted gross profit, adjusted operating expenses, adjusted income from operations, adjusted interest and other expense, adjusted operating margin, adjusted income tax expense, adjusted effective tax rate, adjusted earnings per diluted share, EBITDA and adjusted EBITDA, net debt and operating cash flow conversion rate. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost amortization. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this presentation have inherent material limitations as performance measures because they add back certain expenses incurred by the company to GAAP financial measures, resulting in those expenses not being taken into account in the applicable non-GAAP financial measure. Because not all companies use identical calculations, Wabtec's presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Included in this presentation are reconciliation tables that provide details about how adjusted results relate to GAAP results. Wabtec is not presenting a quantitative reconciliation of its forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share as it is unable to predict with reasonable certainty without unreasonable effort the impact and timing restructuring-related expenses and the outcome of certain regulatory, legal and tax matters; the financial impact of these items is uncertain and is dependent on various factors, including the timing, and could be material to Wabtec's Consolidated Statement of Earnings.

# Today's participants

## PRESENTERS



**Rafael Santana**

President &  
Chief Executive Officer



**John Olin**

Executive Vice President &  
Chief Financial Officer

## INVESTOR RELATIONS



**Kristine Kubacki**

Vice President,  
Investor Relations



# 4Q 2021 overview

<b>SALES</b>	<b>\$2.07B</b> Up 2.4% YoY
<b>ADJUSTED OPERATING MARGIN <sup>(2)</sup></b>	<b>16.1%</b> GAAP: 12.7%
<b>ADJUSTED EARNINGS PER SHARE <sup>(2)</sup></b>	<b>\$1.18</b> GAAP: \$1.02
<b>CASH FROM OPERATIONS <sup>(1)</sup></b>	<b>\$314M</b>
<b>BACKLOG</b>	<b>\$22.17B</b>

## 4Q 2021 HIGHLIGHTS

- Sales growth driven by Freight Services & Components despite ongoing supply chain disruptions
- Delivered 210 bps of adj. margin expansion ... improved across both segments despite cost headwinds
- Adjusted EPS up 20.4% YoY ... driven by productivity realization of synergies & positive mix
- Robust cash flow from operations ... 99% cash conversion
- Returning capital to shareholders ... executed \$100M buyback & paid \$23M in dividends
- Strong backlog provides improved visibility ... up \$5B

**SOLID EXECUTION ... SALES GROWTH, MARGIN EXPANSION & STRONG CASH FLOW**

(1) 4<sup>th</sup> quarter cash from operations included a negative impact from securitization of accounts receivable of \$137 million

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

# Market outlook

## 2022 Market Assumptions

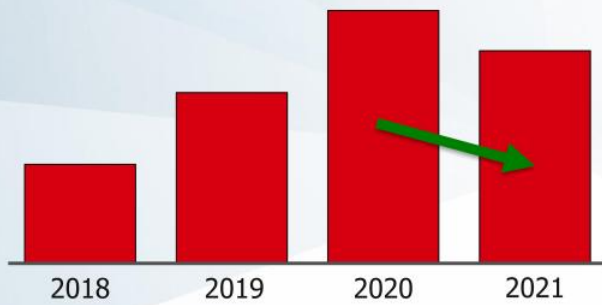
### FREIGHT

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

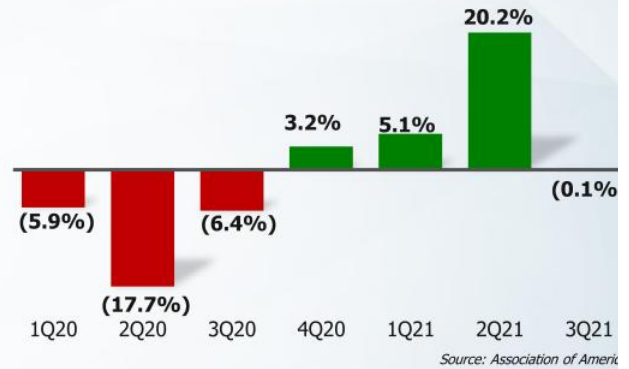
### TRANSIT

Infrastructure Investment	+
Global Ridership	+

## Average North American Parked Locomotives



## YoY North American Rail Carload



## 2021 Global Freight Volumes



## Recent wins

**ADVANCING THE  
FUTURE OF  
CLEAN RAIL**

**FLXDRIVE DEMAND**



**rumeo**

**BHP**

**RioTinto**

**EUROPE RAIL JO  
UNDERTAKIN  
FOUNDING MEM**



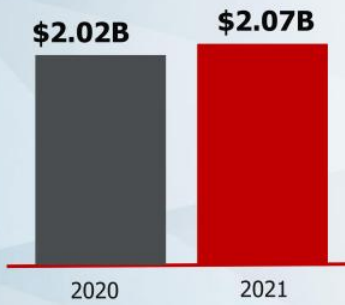
**TRANSI**



**FREIGH**

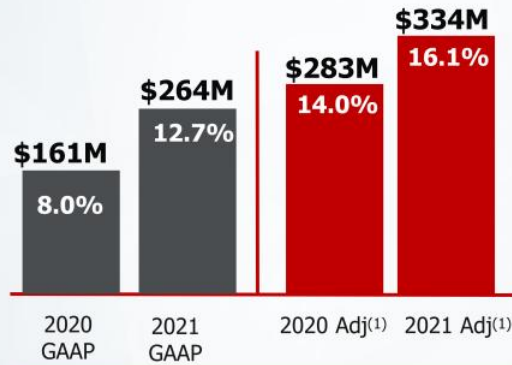
# 4Q 2021 financial summary

## SALES



2.4% Increase

## OPERATING INCOME



2.1 pts of Adj Margin Expansion

## EPS



20.4% Adj EPS Increase

**INCREASED SALES, MARGINS AND ADJUSTED EPS DESPITE SUPPLY CHAIN DISRUPTIONS AND INFLATION HEADWINDS**

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

# 4Q 2021 sales

<b>PRODUCT LINE</b>	<b>4Q21</b>	<b>YOY</b>	<b>FY21</b>	<b>YOY</b>
Equipment	\$377	(12.9%)	\$1,302	(15.0%)
Components	\$218	11.8%	\$867	5.9%
Services	\$663	21.2%	\$2,430	17.5%
Digital Electronics	\$167	1.8%	\$640	(3.6%)
Freight Segment	\$1,425	6.4%	\$5,239	3.1%
Transit Segment	\$648	(5.4%)	\$2,583	4.4%
<b>TOTAL SALES</b>	<b>\$2,073</b>	<b>2.4%</b>	<b>\$7,822</b>	<b>3.5%</b>

## 4TH QUARTER KEY DRIVERS

<b>EQUIPMENT</b>	Decreased due to lower locomotive deliveries, offset somewhat by higher mining sales
<b>COMPONENTS</b>	Higher due to increased OE railcar build, railcars coming out of storage and improving industrial end-market
<b>SERVICES</b>	Increased as a result of record MODs deliveries, lower locomotive parkings and the acquisition of Nordco
<b>DIGITAL ELECTRONICS</b>	Improved demand for on-board locomotive products, partially offset by ongoing chip shortages
<b>TRANSIT</b>	Decreased as a result of supply chain issues, COVID-19 related disruptions and unfavorable foreign currency exchange

# 4Q 2021 consolidated adjusted gross profit

	4Q <sup>(2)</sup>	FY21 <sup>(3)</sup>
<b>2020 ADJ GROSS PROFIT <sup>(1)</sup></b>	<b>\$527</b>	<b>\$2,182</b>
% of Sales	26.0%	28.9%
Volume	↑	↑
Mix/Pricing	↑↑	↑
Raw Materials	↓↓	↓
Currency	↓	↑
Manufacturing/Synergies/Other	↑	↑
<b>2021 ADJ GROSS PROFIT <sup>(1)</sup></b>	<b>\$657</b>	<b>\$2,422</b>
% of Sales	31.7%	31.0%

## 4TH QUARTER KEY DRIVERS

<b>MIX / PRICING</b>	Favorable mix between business groups & higher pricing/escalations
<b>RAW MATERIALS</b>	Costs increased sharply due to higher steel, copper, aluminum and fuel
<b>CURRENCY</b>	Unfavorable foreign exchange impacted gross profit by \$5M
<b>MANUFACTURING / SYNERGIES / OTHER</b>	Productivity & realization synergies, partially offset by significantly higher transportation and logistics costs

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

(2) 4Q 2020 GAAP gross profit was \$506M (GAAP gross profit margin of 25.0%). 4Q 2021 GAAP gross profit was \$652M (GAAP gross profit margin of 31.5%)

(3) FY 2020 GAAP gross profit was \$2,137M (GAAP gross profit margin of 28.3%). FY 2021 GAAP gross profit was \$2,369M (GAAP gross profit margin of 30.3%)

# 4Q 2021 consolidated adjusted operating income

<b>CONSOLIDATED</b>	<b>4Q<sup>(2)</sup></b>	<b>FY21<sup>(3)</sup></b>
<b>2020 ADJ OP INCOME<sup>(1)</sup></b>	<b>\$283</b>	<b>\$1,143</b>
% of Sales	14.0%	15.1%
Adj Gross Profit	130	240
SG&A	(65)	(128)
Engineering	(14)	(14)
<b>2021 ADJ OP INCOME<sup>(1)</sup></b>	<b>\$334</b>	<b>\$1,241</b>
% of Sales	16.1%	15.9%

**ADJUSTED OPERATING INCOME WAS UP YOY ON HIGHER GROSS MARGIN, PARTIALLY OFFSET BY INCREASED SG&A AND ENGINEERING EXPENSES**

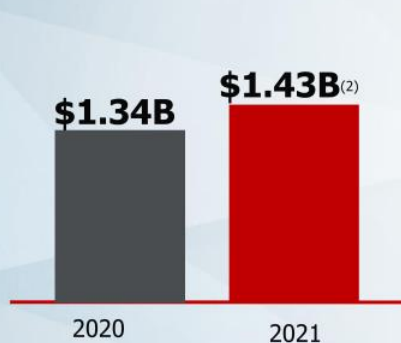
(1) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations

(2) 4Q 2020 GAAP operating income was \$161M (GAAP operating margin of 8.0%). 4Q 2021 GAAP operating income was \$264M (GAAP operating margin of 12.7%)

(3) FY 2020 GAAP operating income was \$745M (GAAP operating margin of 9.9%). FY 2021 GAAP operating income was \$876M (GAAP operating margin of 11.2%)

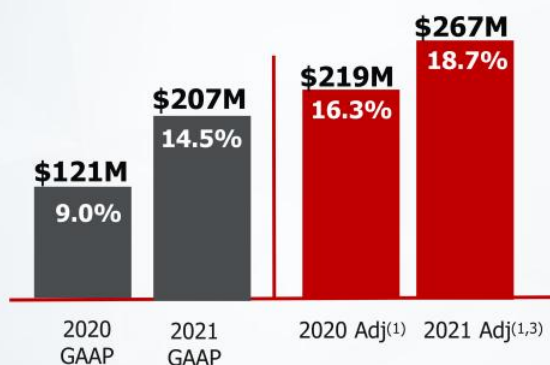
# 4Q 2021 Freight segment performance

## SALES



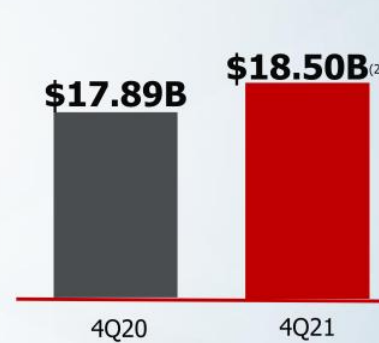
6.4% Increase

## OPERATING INCOME



2.4 pts of Adj Margin Expansion

## BACKLOG



3.4% Increase

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

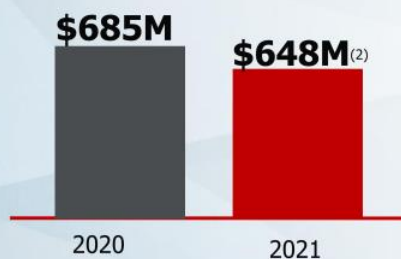
(2) Foreign exchange rates negatively impacted Freight sales by \$2 million; Foreign exchange rates had a negative \$78 million impact on segment backlog

(3) Freight segment operating income was positively impacted by below market intangible amortization of \$14 million, down \$6 million from 4Q 2020



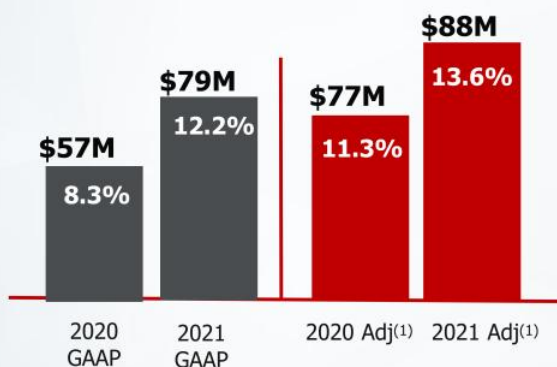
# 4Q 2021 Transit segment performance

## SALES



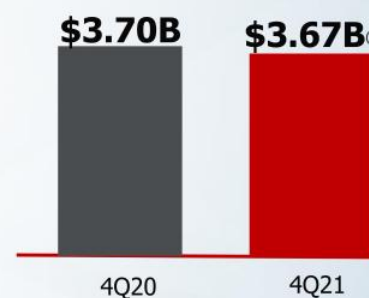
5.4% Decrease

## OPERATING INCOME



2.3 pts of Adj Margin Expansion

## BACKLOG



1.0% Decrease

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

(2) Foreign exchange negatively impacted Transit sales by \$15 million; Foreign exchange rates had a negative \$163 million impact on segment backlog

# Resilient business allows for execution on financial priorities

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

### Cash from Ops



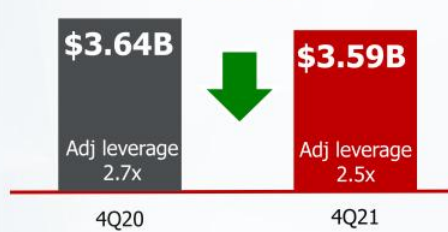
**Record cash generation** ... full-year up 37% YoY

Proactively managing **working capital**

**Capex of \$52M in 4Q** ... \$130M for FY 2021

## STRONG FINANCIAL POSITION

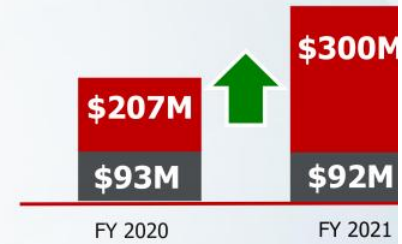
### Net Debt



**Adjusted net leverage<sup>(2)</sup> improved** ... committed to maintaining investment grade ratings

**Strengthening balance sheet...** strong liquidity of \$1.67B

## RETURN CAPITAL TO SHAREHOLDERS



**Deploying capital** to execute on priorities

Returning capital to shareholders ... **announced \$750M share buyback** and **25% increase in quarterly dividends**

## ROBUST CASH GENERATION; INVESTING IN HIGH-RETURN OPPORTUNITIES FOR GROWTH

(1) Cash from Operations conversion % is defined as GAAP Cash from Operations divided by GAAP net income plus depreciation and amortization including deferred debt cost amortization  
 (2) Net debt is defined as total debt minus cash and cash equivalents; adjusted leverage is defined as net debt divided by adjusted EBITDA

# 2021 overview

<b>SALES</b>	<b>\$7.82B</b> Up 3.5% YoY
<b>ADJUSTED OPERATING MARGIN <sup>(1)</sup></b>	<b>15.9%</b> GAAP: 11.2%
<b>ADJUSTED EARNINGS PER SHARE <sup>(1)</sup></b>	<b>\$4.26</b> GAAP: \$2.96
<b>CASH FROM OPERATIONS</b>	<b>\$1.07B</b>

## FULL YEAR 2021 HIGHLIGHTS

- Full-year sales growth driven by Services, Component recovery in Transit ... strong growth in Mods, improved railcar deliveries & partial recovery in Transit
- Delivered 80 bps of adjusted margin expansion ... steady improvement across both segments despite cost headwinds
- Adjusted EPS up 12.4% YoY ... driven by productivity gains, early realization of synergies & positive mix
- Record cash flow from operations of \$1.07B ... 102% conversion ... completed Nordco & MASU acquisition

**STRONG EXECUTION FOR THE YEAR ... STRONG FOUNDATION FOR GROWTH IN 2022**

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

# 2022 outlook and guidance

**\$8.3B to \$8.6B**

**REVENUES**

**\$4.65 to \$5.05**

**ADJUSTED EPS**

**>90%**

**CASH CONVERSION <sup>(1)</sup>**

(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

## **BROAD-BASED RECOVERY ACROSS PORTFOLIO**

### **EQUIPMENT**

» Significantly higher deliveries of international locos & favorable mining fundamentals

### **COMPONENTS**

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

### **SERVICES**

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

### **DIGITAL ELECTRONICS**

» Growth driven by international expansion & product upgrades

### **TRANSIT**

» Increased global infrastructure investment & recovering ridership trends

## **KEY ASSUMPTIONS**

Adjusted operating margin up

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

Tax rate ~26%

Capex ~2% of sales

# What you've heard

Advancing our long-term strategies... **leading decarbonization and utilization of rail** ... creating significant value for our customers

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Leveraging **significant installed base** ... resilient business

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Strong **execution in dynamic cost environment** ... navigating supply chain disruptions

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Generating **strong cash flow** with **disciplined capital allocation** ... improving ROIC and shareholder returns

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

Save the date

WABTEC  
2022 **INVESTOR  
CONFERENCE**

March 9, 2022 . 8:00 AM ET . Virtual Webcast

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# Appendix



# Income statement

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2021 AND 2020  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
Net sales	\$ 2,073	\$ 2,024	\$ 7,822	\$ 7,556
Cost of sales	(1,421)	(1,518)	(5,453)	(5,419)
Gross profit	652	506	2,369	2,137
Gross profit as a % of Net Sales	31.5%	25.0%	30.3%	28.3%
Selling, general and administrative expenses	(264)	(236)	(1,030)	(948)
Engineering expenses	(52)	(38)	(176)	(162)
Amortization expense	(72)	(71)	(287)	(282)
Total operating expenses	(388)	(345)	(1,493)	(1,392)
Operating expenses as a % of Net Sales	18.7%	17.0%	19.1%	18.4%
Income from operations	264	161	876	745
Income from operations as a % of Net Sales	12.7%	8.0%	11.2%	9.9%
Interest expense, net	(42)	(49)	(177)	(199)
Other income (expense), net	13	6	38	11
Income before income taxes	235	118	737	557
Income tax expense	(42)	(31)	(172)	(145)
Effective tax rate	17.4%	26.6%	23.2%	26.0%
Net income	193	87	565	412
Less: Net (income) loss attributable to noncontrolling interest	(3)	1	(7)	2
Net income attributable to Wabtec shareholders	190	88	558	414
Earnings Per Common Share				
Basic				
Net income attributable to Wabtec shareholders	\$ 1.02	\$ 0.46	\$ 2.96	\$ 2.18
Diluted				
Net income attributable to Wabtec shareholders	\$ 1.02	\$ 0.46	\$ 2.96	\$ 2.17
Basic	186.0	189.2	187.7	189.9
Diluted	186.5	189.7	188.1	190.4





# Income statement (cont.)

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2021 AND 2020  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
Segment Information				
Freight Net Sales	\$ 1,425	\$ 1,339	\$ 5,239	\$ 5,082
Freight Income from Operations	\$ 207	\$ 121	\$ 717	\$ 584
Freight Operating Margin	14.5%	9.0%	13.7%	11.5%
Transit Net Sales	\$ 648	\$ 685	\$ 2,583	\$ 2,474
Transit Income from Operations	\$ 79	\$ 57	\$ 238	\$ 230
Transit Operating Margin	12.2%	8.3%	9.2%	9.3%
Backlog Information (Note: 12-month is a sub-set of total)	<u>December 31, 2021</u>	<u>September 30, 2021</u>		
Freight Total	\$ 18,502	\$ 18,211		
Transit Total	3,667	3,633		
Wabtec Total	<u>\$ 22,169</u>	<u>\$ 21,844</u>		
Freight 12-Month	\$ 4,520	\$ 4,060		
Transit 12-Month	1,748	1,648		
Wabtec 12-Month	<u>\$ 6,268</u>	<u>\$ 5,708</u>		



# Balance sheet

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

<u>In millions</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Cash and cash equivalents	\$ 473	\$ 599
Receivables, net	1,477	1,412
Inventories	1,689	1,642
Other current assets	<u>193</u>	<u>227</u>
Total current assets	3,832	3,880
Property, plant and equipment, net	1,497	1,601
Goodwill	8,587	8,485
Other intangible assets, net	3,705	3,869
Other noncurrent assets	<u>833</u>	<u>619</u>
Total assets	<u>\$ 18,454</u>	<u>\$ 18,454</u>
Current liabilities	\$ 2,910	\$ 3,226
Long-term debt	4,056	3,792
Long-term liabilities - other	<u>1,249</u>	<u>1,283</u>
Total liabilities	8,215	8,301
Shareholders' equity	10,201	10,123
Noncontrolling interest	<u>38</u>	<u>30</u>
Total shareholders' equity	<u>10,239</u>	<u>10,153</u>
Total Liabilities and Shareholders' Equity	<u>\$ 18,454</u>	<u>\$ 18,454</u>



# Cash flow

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

<u>In millions</u>	Twelve Months Ended December 31,	
	<u>2021</u>	<u>2020</u>
Operating activities		
Net income	565	412
Non-cash expense	571	444
Receivables	(76)	315
Inventories	(41)	181
Accounts Payable	109	(269)
Other assets and liabilities	(55)	(299)
Net cash provided by operating activities	1,073	784
Net cash used for investing activities	(540)	(155)
Net cash used for financing activities	(653)	(619)
Effect of changes in currency exchange rates	(6)	(15)
Decrease in cash	(126)	(5)
Cash and cash equivalents, beginning of period	599	604
Cash and cash equivalents, end of period	473	599



# EPS and non-GAAP Reconciliation

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

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Fourth Quarter 2021 Actual Results									
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS	
Reported Results	\$ 2,073	\$ 652	\$ (388)	\$ 264	\$ (29)	\$ (42)	\$ 193	\$ (3)	\$ 190	\$	
Restructuring & Transaction costs	-	5	(7)	(2)	-	5	3	-	3	\$	
Non-cash Amortization expense	-	-	72	72	-	(18)	54	-	54	\$	
Foreign Exchange Gain	-	-	-	-	(1)	-	(1)	-	(1)	\$ (	
Amended Return, net	-	-	-	-	-	(25)	(25)	-	(25)	\$ (	
Adjusted Results	\$ 2,073	\$ 657	\$ (323)	\$ 334	\$ (30)	\$ (80)	\$ 224	\$ (3)	\$ 221	\$	
Fully Diluted Shares Outstanding										1	

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Fourth Quarter Year-to-Date 2021 Actual Results									
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS	
Reported Results	\$ 7,822	\$ 2,369	\$ (1,493)	\$ 876	\$ (139)	\$ (172)	\$ 565	\$ (7)	\$ 558	\$	
Restructuring & Transaction costs	-	53	25	78	-	(15)	63	-	63	\$	
Non-cash Amortization expense	-	-	287	287	-	(74)	213	-	213	\$	
Foreign Exchange Gain	-	-	-	-	(8)	2	(6)	-	(6)	\$ (	
Amended Return, net	-	-	-	-	-	(25)	(25)	-	(25)	\$ (	
Adjusted Results	\$ 7,822	\$ 2,422	\$ (1,181)	\$ 1,241	\$ (147)	\$ (284)	\$ 810	\$ (7)	\$ 803	\$	
Fully Diluted Shares Outstanding										1	



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

## EPS and non-GAAP Reconciliation

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Fourth Quarter 2020 Actual Results							
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income
Reported Results	\$ 2,024	\$ 506	\$ (345)	\$ 161	\$ (43)	\$ (31)	\$ 87	\$ 1	\$ 88
Restructuring & Transaction costs	-	21	30	51	-	(12)	39	-	39
Non-cash Amortization expense	-	-	71	71	-	(16)	55	-	55
Foreign Exchange Loss	-	-	-	-	1	(1)	-	-	-
Tax on Transaction Costs	-	-	-	-	-	6	6	-	6
Adjusted Results	\$ 2,024	\$ 527	\$ (244)	\$ 283	\$ (42)	\$ (54)	\$ 187	\$ 1	\$ 188
Fully Diluted Shares Outstanding									

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Fourth Quarter Year-to-Date 2020 Actual Results							
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income
Reported Results	\$ 7,556	\$ 2,137	\$ (1,392)	\$ 745	\$ (188)	\$ (145)	\$ 412	\$ 2	\$ 414
Restructuring & Transaction costs	-	45	71	116	-	(29)	87	-	87
Non-cash Amortization expense	-	-	282	282	-	(71)	211	-	211
Foreign Exchange Loss	-	-	-	-	9	(2)	7	-	7
Tax on Transaction Costs	-	-	-	-	-	6	6	-	6
Adjusted Results	\$ 7,556	\$ 2,182	\$ (1,039)	\$ 1,143	\$ (179)	\$ (241)	\$ 723	\$ 2	\$ 725
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 supplementary information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation 2021 Q4 EBITDA Reconciliation (in millions)						
	Reported Income from Operations	+ Other Income (Expense)	+ Depreciation & Amortization	= EBITDA	+ Restructuring & Transaction Costs	= Ad EE
Consolidated Results	\$264	\$13	\$121	\$398	(\$2)	\$

Wabtec Corporation 2021 Q4 YTD EBITDA Reconciliation (in millions)						
	Reported Income from Operations	+ Other Income (Expense)	+ Depreciation & Amortization	= EBITDA	+ Restructuring & Transaction Costs	= Ad EE
Consolidated Results	\$876	\$38	\$485	\$1,399	\$78	\$1

Wabtec Corporation 2020 Q4 EBITDA Reconciliation (in millions)						
	Reported Income from Operations	+ Other Income (Expense)	+ Depreciation & Amortization	= EBITDA	+ Restructuring & Transaction Costs	= Ad EE
Consolidated Results	\$161	\$6	\$118	\$285	\$51	\$

Wabtec Corporation 2020 Q4 YTD EBITDA Reconciliation (in millions)						
	Reported Income from Operations	+ Other Income (Expense)	+ Depreciation & Amortization	= EBITDA	+ Restructuring & Transaction Costs	= Ad EE
Consolidated Results	\$745	\$11	\$466	\$1,222	\$116	\$1



# Sales by product line

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

<i>In millions</i>	Three Months Ended December 31,	
	<u>2021</u>	<u>2020</u>
Freight Segment		
Equipment	\$ 377	\$ 433
Components	218	195
Digital Electronics	167	164
Services	663	547
Total Freight Segment	<u>1,425</u>	<u>1,339</u>
Transit Segment		
Original Equipment Manufacturer	\$ 299	\$ 322
Aftermarket	349	363
Total Transit Segment	<u>648</u>	<u>685</u>
<i>In millions</i>	Twelve Months Ended December 31,	
	<u>2021</u>	<u>2020</u>
Freight Segment		
Equipment	\$ 1,302	\$ 1,531
Components	867	819
Digital Electronics	640	664
Services	2,430	2,068
Total Freight Segment	<u>5,239</u>	<u>5,082</u>
Transit Segment		
Original Equipment Manufacturer	\$ 1,193	\$ 1,139
Aftermarket	1,390	1,335
Total Transit Segment	<u>2,583</u>	<u>2,474</u>



# Segment gross margin reconciliation

At

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

In millions	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
Freight Segment Reported Gross Profit	\$ 454	\$ 339	\$ 1,667	\$ 1,483
Freight Segment Reported Gross Margin	31.9%	25.3%	31.8%	29.3%
Restructuring & Transaction costs	3	14	8	3
Freight Segment Adjusted Gross Profit	<u>\$ 457</u>	<u>\$ 353</u>	<u>\$ 1,675</u>	<u>\$ 1,511</u>
Freight Segment Adjusted Gross Margin	32.1%	26.4%	32.0%	29.9%
Transit Segment Reported Gross Profit	\$ 198	\$ 167	\$ 702	\$ 64
Transit Segment Reported Gross Margin	30.6%	24.4%	27.2%	26.2%
Restructuring & Transaction costs	2	6	45	1
Transit Segment Adjusted Gross Profit	<u>\$ 200</u>	<u>\$ 173</u>	<u>\$ 747</u>	<u>\$ 66</u>
Transit Segment Adjusted Gross Margin	30.9%	25.3%	28.9%	26.8%





# Segment operating margin reconciliation

At

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

In millions	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
Freight Segment Reported Income from Operations	\$ 207	\$ 121	\$ 717	\$ 58
Freight Segment Reported Margin	14.5%	9.0%	13.7%	11.5%
Restructuring & Transaction costs	(7)	32	9	7
Non-cash Amortization expense	67	66	267	26
Freight Segment Adjusted Income from Operations	<u>\$ 267</u>	<u>\$ 219</u>	<u>\$ 993</u>	<u>\$ 92</u>
Freight Segment Adjusted Margin	18.7%	16.3%	19.0%	18.1%
Transit Segment Reported Income from Operations	\$ 79	\$ 57	\$ 238	\$ 23
Transit Segment Reported Margin	12.2%	8.3%	9.2%	9.3%
Restructuring & Transaction costs	4	15	59	2
Non-cash Amortization expense	5	5	20	2
Transit Segment Adjusted Income from Operations	<u>\$ 88</u>	<u>\$ 77</u>	<u>\$ 317</u>	<u>\$ 27</u>
Transit Segment Adjusted Margin	13.6%	11.3%	12.3%	11.2%





# 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 2021 Q4 Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	+	<u>(Net Income</u>	+ <u>Depreciation &amp; Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$314		\$193	\$123	99%

Wabtec Corporation 2021 Q4 YTD Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	+	<u>(Net Income</u>	+ <u>Depreciation &amp; Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$1,073		\$565	\$491	102%

Wabtec Corporation 2020 Q4 Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	+	<u>(Net Income</u>	+ <u>Depreciation &amp; Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$326		\$87	\$119	158%

Wabtec Corporation 2020 Q4 YTD Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	+	<u>(Net Income</u>	+ <u>Depreciation &amp; Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	\$784		\$412	\$473	89%



