

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 14, 2024 (February 14, 2024)

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, \$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 February 14, 2024, Westinghouse Air Brake Technologies Corporation (the “Company”) issued a press release reporting, among other things, the Company’s 2023 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 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 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 14, 2024, the Company issued a press release which, among other things, provided earnings guidance for fiscal year 2024. A copy of the press release is attached to this report as Exhibit 99.1 and the paragraph under the heading “2024 Financial Guidance” which discusses 2024 guidance is incorporated into this Item 7.01 by reference. The Company also furnished a Presentation relating to its fourth quarter of 2023, which is incorporated into this Item 7.01 by reference. A copy of the Presentation is attached to this report as Exhibit 99.2.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 7.01 in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits.

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

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press release dated February 14, 2024</a>
99.2	<a href="#">Wabtec Earnings Presentation, Fourth Quarter 2023</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**Caution Concerning Forward-Looking Statements**

This communication contains “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. All statements, other than historical facts, including statements regarding Wabtec’s plans, objectives, expectations and intentions; 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, are forward looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs,

inflation, supply chain disruptions, foreign currency exchange, and industry consolidation; (2) changes in the financial condition or operating strategies of Wabtec's customers; (3) unexpected costs, charges or expenses resulting from acquisitions and potential failure to realize synergies and other anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) inability to retain and hire key personnel; (5) evolving legal, regulatory and tax regimes; (6) changes in the expected timing of projects; (7) a decrease in freight or passenger rail traffic; (8) an increase in manufacturing costs; (9) actions by third parties, including government agencies; (10) the impacts of epidemics, pandemics or similar public health crises on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets as a result of global military action, acts of terrorism, or armed conflict, including from the imposition of economic sanctions on Russia resulting from the invasion of Ukraine; (12) cybersecurity and data protection risks; and (13) other risk factors as detailed from time to time in Wabtec's reports filed with the SEC, including Wabtec's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

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**SIGNATURES**

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

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION

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

(Duly Authorized Officer and Principal Financial Officer)

DATE: February 14, 2024

## Wabtec Delivers Strong Fourth Quarter 2023 Results; Issues 2024 Full-Year Guidance

SALES		GAAP EARNINGS PER SHARE		ADJUSTED EARNINGS PER SHARE	
4Q'23	FY'23	4Q'23	FY'23	4Q'23	FY'23
<b>\$2.5B</b>	<b>\$9.7B</b>	<b>\$1.20</b>	<b>\$4.53</b>	<b>\$1.54</b>	<b>\$5.92</b>
+9.5%YOY	+15.7% YOY	+39.5% YOY	+30.9%YOY	+18.5% YOY	+21.8% YOY

### Q4 2023 HIGHLIGHTS

"The Wabtec team delivered a strong finish to 2023 as evidenced by higher sales, margin expansion, increased earnings and improved cash flow" said Rafael Santana, Wabtec's President and CEO. "Strong demand for our products in North America and international markets, combined with our team's relentless focus on execution and delivering for our customers resulted in a year that exceeded our expectations.

"We remain committed to our capital deployment strategy to maximize shareholder returns. We invested for future growth, executed on two strategic acquisitions and returned over \$530 million to shareholders through share repurchases and dividends. And based on our strong performance in 2023 and confidence in the future, our Board of Directors recently reauthorized our stock buyback program to refresh the amount available to \$1.0 billion and approved a 17.6% increase in our quarterly dividend.

"Looking ahead, with robust international activity and strong order pipeline, Wabtec is well-positioned to drive profitable growth in 2024 and beyond. Our differentiated portfolio is aligned to solving our customers' most pressing needs and making rail the safest and most efficient way to move people and goods across the land. Wabtec's products and technologies will enable us to capitalize on these trends and drive profitable growth and increase long-term shareholder value."

**Rafael Santana President and CEO**

- **GAAP Earnings Per Share of \$1.20, Up 39.5%; Adjusted Earnings Per Share of \$1.54, Up 18.5% Behind Sales Growth of 9.5%**
- **GAAP Operating Margin at 12.2%; Adjusted Operating Margin Up 1.7 pts to 17.0%**
- **Fourth Quarter Operating Cash Flow of \$686 Million; Full-Year Cash Flow from Operations up 15.7% to \$1.20 Billion**
- **Announced \$1.0 Billion Share Buyback Authorization and 17.6% Increase in Quarterly Dividend**
- **Issues 2024 Financial Guidance of Adjusted EPS Between \$6.50 to \$6.90; Up 13.2% at the Mid-Point**

PITTSBURGH, February 14, 2024 – Wabtec Corporation (NYSE: WAB) today reported fourth quarter 2023 GAAP earnings per diluted share of \$1.20, up 39.5% versus the fourth quarter of 2022. Adjusted earnings per diluted share were \$1.54, up 18.5% versus the same quarter a year ago. Fourth quarter sales were \$2.53 billion and cash from operations was \$686 million. Full year 2023 GAAP earnings per diluted share was \$4.53, up 30.9% versus full year 2022. Full year adjusted earnings per diluted share were \$5.92, up 21.8% versus full year 2022. Total 2023 sales were \$9.68 billion and cash from operations was a record high of \$1.20 billion.

### 2023 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		
	2023	2022	Change
Net Sales	\$2,526	\$2,306	9.5 %
GAAP Gross Margin	30.3 %	28.3 %	2.0 pts
Adjusted Gross Margin	30.8 %	29.6 %	1.2 pts
GAAP Operating Margin	12.2 %	10.7 %	1.5 pts
Adjusted Operating Margin	17.0 %	15.3 %	1.7 pts
GAAP Diluted EPS	\$1.20	\$0.86	39.5 %
Adjusted Diluted EPS	\$1.54	\$1.30	18.5 %
Cash Flow from Operations	\$686	\$410	\$276
Operating Cash Flow Conversion	182 %	147 %	

- Sales increased 9.5% compared to the year-ago quarter driven by increased sales across the Freight and Transit segments.
- GAAP gross margin was higher than prior year at 30.3% and adjusted gross margin was higher than the prior year at 30.8%. Both GAAP and adjusted gross margin benefited from higher sales, improved price/mix and productivity.
- GAAP operating margin was higher than the prior year at 12.2% and adjusted operating margin was higher than the prior year at 17.0%. Both GAAP and adjusted operating margins benefited from higher gross margin and lower SG&A and Engineering expenses as a percentage of sales.
- GAAP EPS and adjusted EPS increased from the year-ago quarter primarily due to higher sales and margin expansion, partially offset by increased interest expense. GAAP EPS also benefited from a gain resulting from a change of ownership interest of an assembly joint venture.

### 2023 Fourth Quarter Freight Segment Results

Wabtec Corporation Freight Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	Fourth Quarter		
	2023	2022	Change
Net Sales	\$1,798	\$1,669	7.7 %
GAAP Gross Margin	31.0 %	28.9 %	2.1 pts
Adjusted Gross Margin	31.3 %	29.4 %	1.9 pts
GAAP Operating Margin	13.7 %	12.5 %	1.2 pts
Adjusted Operating Margin	19.3 %	17.0 %	2.3 pts

- Freight segment sales for the fourth quarter were up 7.7%, driven by double-digit growth in Services and Components.
- GAAP operating margin and adjusted operating margin benefited from strong gross margin gains and lower SG&A and Engineering expenses as a percent of sales.

## 2023 Fourth Quarter Transit Segment Results

Wabtec Corporation Transit Segment Financial Results

Net sales \$ in millions; margin change in percentage points (pts)	Fourth Quarter		
	2023	2022	Change
Net Sales	\$728	\$637	14.3 %
GAAP Gross Margin	28.4 %	26.7 %	1.7 pts
Adjusted Gross Margin	29.4 %	30.3 %	(0.9 pts)
GAAP Operating Margin	11.9 %	9.9 %	2.0 pts
Adjusted Operating Margin	14.9 %	14.8 %	0.1 pts

- Transit segment sales for the fourth quarter were up 14.3% due to strong OE and aftermarket sales.
- GAAP and adjusted operating margins were up as a result of higher sales and savings related to Integration 2.0, partially offset by unfavorable product mix. GAAP operating margin also benefited from lower year-over-year restructuring expense.

## Backlog

Wabtec Corporation Consolidated Backlog Comparison

Backlog \$ in millions	December 31,		
	2023	2022	Change
12-Month Backlog	\$7,457	\$6,760	10.3 %
Total Backlog	\$21,999	\$22,441	(2.0)%

The Company's 12-month and multi-year backlogs continue to provide strong visibility. At the end of the fourth quarter, the 12-month backlog was \$697 million higher than the prior year. And at December 31, 2023, the multi-year backlog was \$442 million lower than the same time a year ago and excluding foreign currency exchange, the multi-year backlog decreased \$645 million, down 2.9%.

## Cash Flow and Liquidity Summary

- During the fourth quarter, the Company generated cash from operations of \$686 million versus \$410 million in the year ago period. Cash flow from operations benefited from higher earnings and improved working capital management.
- At the end of the quarter, the Company had cash, cash equivalents and restricted cash of \$620 million and total debt of \$4.07 billion. At December 31, 2023 the Company's total available liquidity was \$2.12 billion, which includes cash and cash equivalents plus \$1.50 billion available under current credit facilities.
- The Company repurchased \$157 million of Wabtec shares in the fourth quarter, bringing the full year total to \$409 million.
- During the fourth quarter, Wabtec acquired the remaining 50% of the Company's joint venture, Lokomotiv Kurastyru Zauyty (LKZ), for \$81 million, net of cash received.
- Wabtec's Board of Directors reauthorized the Company's stock buyback program to refresh the amount available to \$1.0 billion. The Board of Directors also increased the quarterly dividend by 17.6% and declared a regular quarterly common dividend of 20 cents per share, payable on March 8, 2024 to holders of record on February 23, 2024.

### 2024 Financial Guidance

- Wabtec issues 2024 financial guidance with sales expected to be in a range of \$10.05 billion to \$10.35 billion and adjusted earnings per diluted share to be in a range of \$6.50 to \$6.90.
- For full year 2024, Wabtec expects strong cash flow generation with operating cash flow conversion of greater than 90 percent.

### 2024 OUTLOOK



Fourth quarter results  
conference call at

8:30 a.m. ET  
February 14, 2024

[www.WabtecCorp.com](http://www.WabtecCorp.com)

### About Wabtec

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



### **Forecasted GAAP Earnings Reconciliation**

Wabtec is not presenting a quantitative reconciliation of our forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share in reliance on the unreasonable efforts exemption provided under Item 10(e)(1)(i)(B) of Regulation S-K. Wabtec is unable to predict with reasonable certainty and without unreasonable effort the impact and timing of restructuring-related and other charges, including acquisition-related expenses and the outcome of certain regulatory, legal and tax matters. The financial impact of these items is uncertain and is dependent on various factors, including timing, and could be material to our Consolidated Statements of Earnings.

### **Conference Call Information**

Wabtec will host a call with analysts and investors at 8:30 a.m., ET, today. To listen via webcast, go to Wabtec's website at [www.WabtecCorp.com](http://www.WabtecCorp.com) and click on "Events & Presentations" in the "Investor Relations" section. Also, an audio replay of the call will be available by calling 1-877-344-7529 or 1-412-317-0088 (access code: 4474477).

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

Wabtec's earnings release and 2024 financial guidance mentions certain non-GAAP financial performance measures, including adjusted gross profit, adjusted operating expenses, adjusted operating margin, adjusted gross margin, EBITDA, adjusted EBITDA, adjusted income tax expense, adjusted income from operations, adjusted interest and other expense, adjusted net income, adjusted earnings per diluted share and operating cash flow conversion. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is further adjusted for restructuring costs. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost amortization. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this 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. All statements, other than historical facts, including statements regarding Wabtec's plans, objectives, expectations and intentions; Wabtec's expectations about future sales, earnings and cash conversion and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, inflation, supply chain disruptions, foreign currency exchange, and industry consolidation; (2) changes in the financial condition or operating strategies of Wabtec's customers; (3) unexpected costs, charges or expenses resulting from acquisitions and potential failure to realize synergies and other anticipated benefits of acquisitions, including as a

result of integrating acquired targets into Wabtec; (4) inability to retain and hire key personnel; (5) evolving legal, regulatory and tax regimes; (6) changes in the expected timing of projects; (7) a decrease in freight or passenger rail traffic; (8) an increase in manufacturing costs; (9) actions by third parties, including government agencies; (10) the impacts of epidemics, pandemics, or similar public health crises on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets as a result of global military action, acts of terrorism or armed conflict, including from the imposition of economic sanctions on Russia resulting from the invasion of Ukraine; (12) cybersecurity and data protection risks and (13) other risk factors as detailed from time to time in Wabtec's reports filed with the SEC, including Wabtec's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

**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, 2023 AND 2022  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Net sales	\$ 2,526	\$ 2,306	\$ 9,677	\$ 8,362
Cost of sales	(1,762)	(1,654)	(6,733)	(5,822)
Gross profit	764	652	2,944	2,540
<i>Gross profit as a % of Net Sales</i>	30.3 %	28.3 %	30.4 %	30.4 %
Selling, general and administrative expenses	(296)	(272)	(1,139)	(1,029)
Engineering expenses	(61)	(60)	(218)	(209)
Amortization expense	(99)	(73)	(321)	(291)
Total operating expenses	(456)	(405)	(1,678)	(1,529)
<i>Operating expenses as a % of Net Sales</i>	18.1 %	17.5 %	17.3 %	18.3 %
Income from operations	308	247	1,266	1,011
<i>Income from operations as a % of Net Sales</i>	12.2 %	10.7 %	13.1 %	12.1 %
Interest expense, net	(55)	(51)	(218)	(186)
Other income, net	27	14	44	29
Income before income taxes	280	210	1,092	854
Income tax expense	(63)	(51)	(267)	(213)
<i>Effective tax rate</i>	22.6 %	24.3 %	24.5 %	25.0 %
Net income	217	159	825	641
Less: Net income attributable to noncontrolling interest	(2)	(1)	(10)	(8)
Net income attributable to Wabtec shareholders	\$ 215	\$ 158	\$ 815	\$ 633
<b>Earnings Per Common Share</b>				
Basic				
Net income attributable to Wabtec shareholders	\$ 1.20	\$ 0.87	\$ 4.54	\$ 3.46
Diluted				
Net income attributable to Wabtec shareholders	\$ 1.20	\$ 0.86	\$ 4.53	\$ 3.46
Weighted average shares outstanding				
Basic	178.0	181.0	178.8	182.2
Diluted	178.8	181.7	179.5	182.8

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
<b>Segment Information</b>				
Freight Net sales	\$ 1,798	\$ 1,669	\$ 6,962	\$ 6,012
Freight Income from operations	\$ 246	\$ 209	\$ 1,071	\$ 864
Freight Operating margin	13.7 %	12.5 %	15.4 %	14.4 %
Transit Net sales	\$ 728	\$ 637	\$ 2,715	\$ 2,350
Transit Income from operations	\$ 86	\$ 63	\$ 289	\$ 231
Transit Operating margin	11.9 %	9.9 %	10.7 %	9.8 %
<b>Backlog Information (Note: 12-month is a sub-set of total)</b>				
	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>	
Freight Total	\$ 17,831	\$ 17,614	\$ 18,641	
Transit Total	4,168	3,869	3,800	
Wabtec Total	<u>\$ 21,999</u>	<u>\$ 21,483</u>	<u>\$ 22,441</u>	
Freight 12-month	\$ 5,450	\$ 5,282	\$ 4,901	
Transit 12-month	2,007	1,809	1,859	
Wabtec 12-month	<u>\$ 7,457</u>	<u>\$ 7,091</u>	<u>\$ 6,760</u>	

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

<u><i>In millions</i></u>	December 31, 2023	December 31, 2022
Cash, cash equivalents and restricted cash	\$ 620	\$ 541
Receivables, net	1,684	1,519
Inventories, net	2,284	2,034
Other current assets	267	233
<b>Total current assets</b>	<b>4,855</b>	<b>4,327</b>
Property, plant and equipment, net	1,485	1,429
Goodwill	8,780	8,508
Other intangible assets, net	3,205	3,402
Other noncurrent assets	663	850
<b>Total Assets</b>	<b>\$ 18,988</b>	<b>\$ 18,516</b>
Current liabilities	\$ 4,056	\$ 3,467
Long-term debt	3,288	3,751
Other long-term liabilities	1,120	1,151
<b>Total Liabilities</b>	<b>8,464</b>	<b>8,369</b>
Shareholders' equity	10,487	10,102
Noncontrolling interest	37	45
<b>Total Equity</b>	<b>10,524</b>	<b>10,147</b>
<b>Total Liabilities and Equity</b>	<b>\$ 18,988</b>	<b>\$ 18,516</b>

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

<i>In millions</i>	Twelve Months Ended December 31,	
	2023	2022
<b>Operating activities</b>		
Net income	\$ 825	\$ 641
Non-cash expense	473	506
Receivables	(195)	(52)
Inventories	(58)	(368)
Accounts payable	(58)	306
Other assets and liabilities	214	5
<b>Net cash provided by operating activities</b>	<b>1,201</b>	<b>1,038</b>
<b>Net cash used for investing activities</b>	<b>(492)</b>	<b>(235)</b>
<b>Net cash used for financing activities</b>	<b>(633)</b>	<b>(708)</b>
Effect of changes in currency exchange rates	3	(27)
Increase in cash	79	68
Cash, cash equivalents and restricted cash, beginning of period	541	473
Cash, cash equivalents and restricted cash, end of period	\$ 620	\$ 541

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 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	\$ 2,526	\$ 764	\$ (456)	\$ 308	\$ (28)	\$ (63)	\$ 217	\$ (2)	\$ 215	\$ 1.20
Restructuring and Portfolio Optimization costs	—	13	34	47	—	(9)	38	—	38	0.21
Gain on LKZ investment	—	—	—	—	(35)	—	(35)	—	(35)	(0.19)
Non-cash Amortization expense	—	—	76	76	—	(18)	58	—	58	0.32
Adjusted Results	\$ 2,526	\$ 777	\$ (346)	\$ 431	\$ (63)	\$ (90)	\$ 278	\$ (2)	\$ 276	\$ 1.54
Fully Diluted Shares Outstanding	178.8									

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
	Fourth Quarter Year-to-Date 2023 Actual Results									
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS
Reported Results	\$ 9,677	\$ 2,944	\$ (1,678)	\$ 1,266	\$ (174)	\$ (267)	\$ 825	\$ (10)	\$ 815	\$ 4.53
Restructuring and Portfolio Optimization costs	—	38	41	79	—	(17)	62	—	62	0.34
Gain on LKZ investment	—	—	—	—	(35)	—	(35)	—	(35)	(0.19)
Non-cash Amortization expense	—	—	298	298	—	(74)	224	—	224	1.24
Adjusted Results	\$ 9,677	\$ 2,982	\$ (1,339)	\$ 1,643	\$ (209)	\$ (358)	\$ 1,076	\$ (10)	\$ 1,066	\$ 5.92
Fully Diluted Shares Outstanding	179.5									

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 Reconciliation of Reported Results to Adjusted Results (in millions)											
	Fourth 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	\$ 2,306	\$ 652	\$ (405)	\$ 247	\$ (37)	\$ (51)	\$ 159	\$ (1)	\$ 158	\$ 0.86	
Restructuring costs	—	31	1	32	—	(8)	24	—	24	\$ 0.14	
Non-cash Amortization expense	—	—	73	73	—	(19)	54	—	54	\$ 0.30	
Adjusted Results	\$ 2,306	\$ 683	\$ (331)	\$ 352	\$ (37)	\$ (78)	\$ 237	\$ (1)	\$ 236	\$ 1.30	
Fully Diluted Shares Outstanding											181.7

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)											
	Fourth Quarter Year-to-Date 2022 Actual Results										
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income	EPS	
Reported Results	\$ 8,362	\$ 2,540	\$ (1,529)	\$ 1,011	\$ (157)	\$ (213)	\$ 641	\$ (8)	\$ 633	\$ 3.46	
Restructuring costs	—	43	9	52	—	(13)	39	—	39	\$ 0.21	
Non-cash Amortization expense	—	—	291	291	—	(73)	218	—	218	\$ 1.19	
Adjusted Results	\$ 8,362	\$ 2,583	\$ (1,229)	\$ 1,354	\$ (157)	\$ (299)	\$ 898	\$ (8)	\$ 890	\$ 4.86	
Fully Diluted Shares Outstanding											182.8



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 Fourth Quarter 2023 EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 308		\$ 27		\$ 159		\$ 494		\$ (18)		\$ 476

Wabtec Corporation Fourth Quarter 2023 YTD EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 1,266		\$ 44		\$ 526		\$ 1,836		\$ 6		\$ 1,842

Wabtec Corporation Fourth Quarter 2022 EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 247		\$ 14		\$ 119		\$ 380		\$ 29		\$ 409

Wabtec Corporation Fourth Quarter 2022 YTD EBITDA Reconciliation (in millions)											
	Reported Income from Operations	+	Other Income (Expense)	+	Depreciation & Amortization	=	EBITDA	+	Restructuring Costs	=	Adjusted EBITDA
Consolidated Results	\$ 1,011		\$ 29		\$ 473		\$ 1,513		\$ 49		\$ 1,562

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

<i>In millions</i>	Three Months Ended December 31,	
	2023	2022
Freight Segment		
Services	\$ 958	\$ 773
Equipment	347	430
Components	283	241
Digital Intelligence	210	225
<b>Total Freight Segment</b>	<b>\$ 1,798</b>	<b>\$ 1,669</b>
Transit Segment		
Original Equipment Manufacturer	\$ 326	\$ 280
Aftermarket	402	357
<b>Total Transit Segment</b>	<b>\$ 728</b>	<b>\$ 637</b>

<i>In millions</i>	Twelve Months Ended December 31,	
	2023	2022
Freight Segment		
Services	\$ 3,262	\$ 2,819
Equipment	1,770	1,528
Components	1,157	936
Digital Intelligence	773	729
<b>Total Freight Segment</b>	<b>\$ 6,962</b>	<b>\$ 6,012</b>
Transit Segment		
Original Equipment Manufacturer	\$ 1,235	\$ 1,095
Aftermarket	1,480	1,255
<b>Total Transit Segment</b>	<b>\$ 2,715</b>	<b>\$ 2,350</b>

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,			
	2023		2022		2023		2022	
	Gross Profit	Income from Operations	Gross Profit	Income from Operations	Gross Profit	Income from Operations	Gross Profit	Income from Operations
<b>Freight Segment Reported Results</b>	\$ 558	\$ 246	\$ 482	\$ 209	\$ 2,190	\$ 1,071	\$ 1,896	\$ 864
<i>Freight Segment Reported Margin</i>	31.0 %	13.7 %	28.9 %	12.5 %	31.5 %	15.4 %	31.5 %	14.4 %
Restructuring and Portfolio Optimization costs	5	30	8	7	13	41	15	15
Non-cash Amortization expense	—	71	—	68	—	277	—	272
<b>Freight Segment Adjusted Results</b>	\$ 563	\$ 347	\$ 490	\$ 284	\$ 2,203	\$ 1,389	\$ 1,911	\$ 1,151
<i>Freight Segment Adjusted Margin</i>	31.3 %	19.3 %	29.4 %	17.0 %	31.6 %	19.9 %	31.8 %	19.1 %
<b>Transit Segment Reported Results</b>	\$ 206	\$ 86	\$ 170	\$ 63	\$ 754	\$ 289	\$ 644	\$ 231
<i>Transit Segment Reported Margin</i>	28.4 %	11.9 %	26.7 %	9.9 %	27.8 %	10.7 %	27.3 %	9.8 %
Restructuring costs	8	17	23	27	25	38	28	37
Non-cash Amortization expense	—	5	—	5	—	21	—	19
<b>Transit Segment Adjusted Results</b>	\$ 214	\$ 108	\$ 193	\$ 95	\$ 779	\$ 348	\$ 672	\$ 287
<i>Transit Segment Adjusted Margin</i>	29.4 %	14.9 %	30.3 %	14.8 %	28.7 %	12.8 %	28.6 %	12.2 %

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

<i>In millions</i>	Three Months Ended December 31,		
	Freight	Transit	Consolidated
<b>2022 Net Sales</b>	<b>\$ 1,669</b>	<b>\$ 637</b>	<b>\$ 2,306</b>
Acquisitions	32	—	32
Foreign Exchange	5	28	33
Organic	92	63	155
<b>2023 Net Sales</b>	<b>\$ 1,798</b>	<b>\$ 728</b>	<b>\$ 2,526</b>
<i>Change (\$)</i>	129	91	220
<i>Change (%)</i>	7.7 %	14.3 %	9.5 %
	<b>Twelve Months Ended December 31,</b>		
<b>2022 Net Sales</b>	<b>\$ 6,012</b>	<b>\$ 2,350</b>	<b>\$ 8,362</b>
Acquisitions	109	—	109
Foreign Exchange	(23)	25	2
Organic	864	340	1,204
<b>2023 Net Sales</b>	<b>\$ 6,962</b>	<b>\$ 2,715</b>	<b>\$ 9,677</b>
<i>Change (\$)</i>	950	365	1,315
<i>Change (%)</i>	15.8 %	15.5 %	15.7 %

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 Fourth Quarter Cash Conversion Calculation (in millions)					
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	= Cash Conversion
Consolidated Results	\$686		\$217	\$160	182%

Wabtec Corporation 2023 Fourth Quarter YTD Cash Conversion Calculation (in millions)					
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	= Cash Conversion
Consolidated Results	\$1,201		\$825	\$531	89%

Wabtec Corporation 2022 Fourth Quarter Cash Conversion Calculation (in millions)					
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	= Cash Conversion
Consolidated Results	\$410		\$159	\$120	147%

Wabtec Corporation 2022 Fourth Quarter YTD Cash Conversion Calculation (in millions)					
	Reported Cash from Operations	÷	(Net Income	+ Depreciation & Amortization)	= Cash Conversion
Consolidated Results	\$1,038		\$641	\$479	93%



FOURTH QUARTER 2023

# Wabtec Financial Results & Company Highlights

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# 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. All statements, other than historical facts, including statements regarding Wabtec's plans, objectives, expectations and intentions; 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, are forward looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, inflation, supply chain disruptions, foreign currency exchange, and industry consolidation; (2) changes in the financial condition or operating strategies of Wabtec's customers; (3) unexpected costs, charges or expenses resulting from acquisitions and potential failure to realize synergies and other anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) inability to retain and hire key personnel; (5) evolving legal, regulatory and tax regimes; (6) changes in the expected timing of projects; (7) a decrease in freight or passenger rail traffic; (8) an increase in manufacturing costs; (9) actions by third parties, including government agencies; (10) the impacts of epidemics, pandemics, or similar public health crises on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets as a result of global military action, acts of terrorism or armed conflict, including from the imposition of economic sanctions on Russia resulting from the invasion of Ukraine; (12) cybersecurity and data protection risks and (13) other risk factors as detailed from time to time in Wabtec's reports filed with the SEC, including Wabtec's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

This presentation as well as Wabtec's earnings release and 2024 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 net income, adjusted operating margin, adjusted gross margin, adjusted income tax expense, adjusted effective tax rate, adjusted earnings per diluted share, EBITDA and adjusted EBITDA, net debt and operating cash flow conversion rate. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is further adjusted for restructuring costs. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost amortization. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this presentation have inherent material limitations as performance measures because they add back certain expenses incurred by the Company to GAAP financial measures, resulting in those expenses not being taken into account in the applicable non-GAAP financial measure. Because not all companies use identical calculations, Wabtec's presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Included in this presentation are reconciliation tables that provide details about how adjusted results relate to GAAP results. Wabtec is not presenting a quantitative reconciliation of its forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share as it is unable to predict with reasonable certainty and without unreasonable effort the impact and timing of restructuring-related and other charges, including acquisition-related expenses and the outcome of certain regulatory, legal and tax matters; the financial impact of these items is uncertain and is dependent on various factors, including the timing, and could be material to Wabtec's Consolidated Statement of Earnings.

# TODAY'S PARTICIPANTS



**RAFAEL  
SANTANA**

President &  
Chief Executive Officer



**JOHN  
OLIN**

Executive Vice President &  
Chief Financial Officer



**KRISTINE  
KUBACKI**

Vice President,  
Investor Relations

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## 4Q 2023 OVERVIEW

<b>SALES</b>	<b>\$2.53B</b>	Up 9.5% YOY
<b>OPERATING MARGIN</b>	<b>12.2%</b> GAAP	<b>17.0%</b> Adjusted <sup>(2)</sup>
<b>EARNINGS PER SHARE</b>	<b>\$1.20</b> GAAP	<b>\$1.54</b> Adjusted <sup>(2)</sup>
<b>CASH FLOW FROM OPERATIONS<sup>(1)</sup></b>	<b>\$686M</b>	
<b>12-MONTH BACKLOG</b>	<b>\$7.46B</b>	

## 4Q 2023 HIGHLIGHTS

Increased sales were driven by growth across the Freight and Transit segments

Operating margin benefited from sales growth, increased gross margin and lower SG&A/Engineering expenses as a percentage of sales

GAAP EPS up 39.5% YoY ... Adjusted EPS up 18.5% YoY from higher Freight and Transit sales and operating margin expansion

Operating cash flow driven by higher net income and improved working capital YoY

Backlog continues to provide strong visibility ... 12-month up and multi-year backlog at \$22.0 billion

## STRONG PERFORMANCE ACROSS THE BUSINESS

Note: Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations  
 (1) Year-over-year 4<sup>th</sup> quarter cash flow impact from securitization of accounts receivable was unfavorable \$70 million

WABTEC

# 2024 MARKET EXPECTATIONS

## FREIGHT

FAVORABLE / UNFAVORABLE

NA Carloads +/↔

Active Locomotive Fleet ↔

International Freight Volumes +

NA Railcar Deliveries -

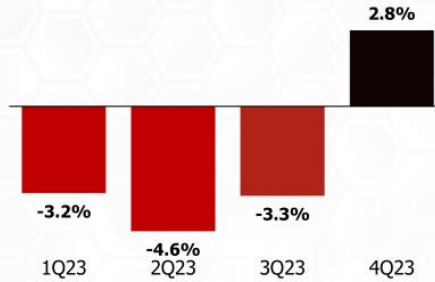
Mining Commodities ↔

## TRANSIT

Infrastructure Investment +

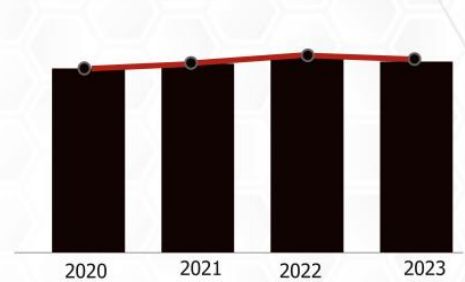
Global Ridership +/↔

## NORTH AMERICAN FREIGHT CARLOADS



Source: Association of American Railroads

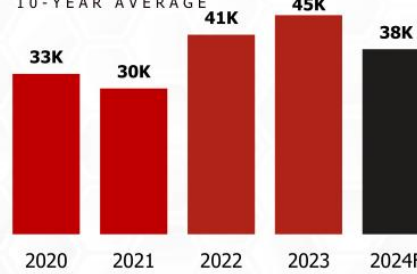
## AVG NORTH AMERICAN ACTIVE LOCOMOTIVES



Source: Wabtec

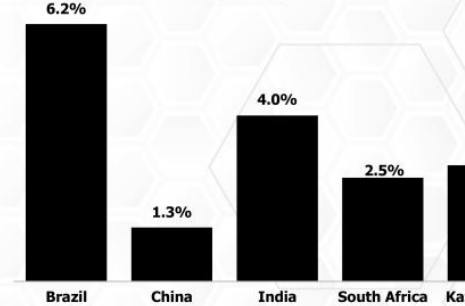
## NORTH AMERICAN RAILCAR DELIVERIES

52K HISTORICAL 10-YEAR AVERAGE



Source: Rail Supply Institute and FTR Associates

## 2023 INTERNATIONAL FREIGHT VOLUMES



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

## EXECUTING ON OUR VALUE CREATION FRAMEWORK

### DRIVERS OF PORTFOLIO GROWTH

- » Accelerate innovation of scalable technologies
- » Grow and refresh expansive global installed base
- » Lead decarbonization of rail
- » Expand high-margin recurring revenue streams
- » Drive continuous operational improvement

### RECENT WINS

Won a multi-year order from CSX for >200 mods in North America

Mining orders \$300+ million ... up double-digit versus prior year

Awarded \$150+ million brake order in India

Expanded Digital portfolio with entry into railcar telematics market

Acquired the remaining 50% of LKZ joint venture in Kazakhstan



# RESILIENT PORTFOLIO THROUGH THE CYCLE

## FAVORABLE END-MARKETS



### FREIGHT

- + Aged fleet ... accelerating investment in the fleet
- + Strong international order pipeline
- + Growing installed base

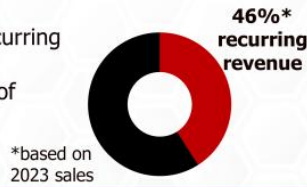
### TRANSIT

- + Increased global investment in infrastructure
- + Mega trends favor increasing ridership

## ROBUST BACKLOG & RECURRING REVENUE

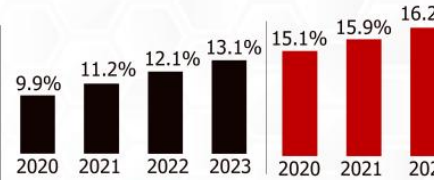


- Strong 12-month backlog provides resiliency and visibility despite macro uncertainty
- Significant recurring revenue base drives ~60% of profits



## DEMONSTRATED EXECUTIVE

### OP MARGIN



### GAAP

### Adjusted

- Expanded margins despite higher input supply chain disruptions and the exit of business in Russia
- Aggressively managing costs and accelerating lean actions; executing on Integration
- Average cash conversion of 93% during 2023

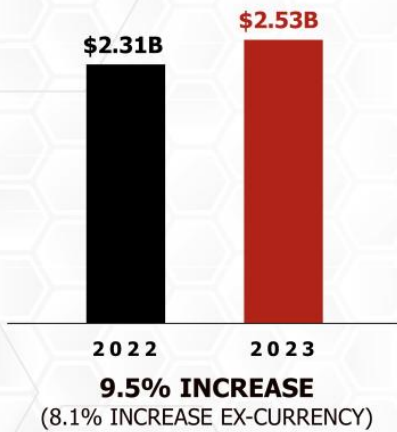
## SOLID OUTLOOK SUPPORTED BY RESILIENT AND MORE PREDICTABLE EARNINGS

Note: Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations

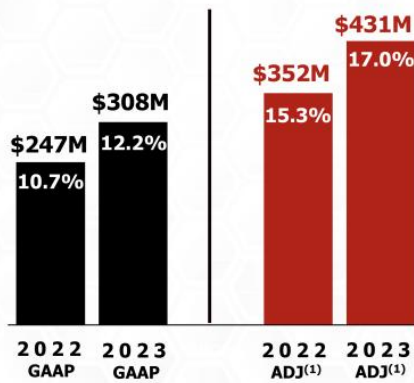
# 4Q 2023 FINANCIAL SUMMARY

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

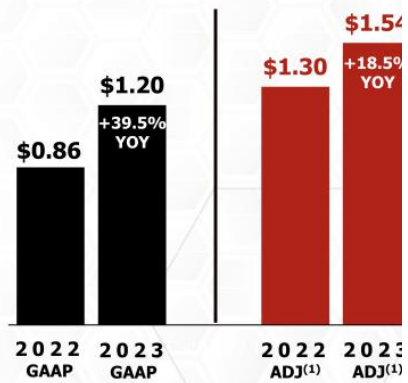
## SALES



## OP INCOME / OP MARGIN



## EPS



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

## 4Q 2023 SALES

(in millions)

PRODUCT LINE	4Q23	YOY
Equipment	\$347	(19.3%)
Components	\$283	17.4%
Digital Intelligence	\$210	(6.7%)
Services	\$958	23.9%
Freight Segment	\$1,798	7.7%
Transit Segment	\$728	14.3%
<b>TOTAL SALES</b>	<b>\$2,526</b>	<b>9.5%</b>

## 4Q KEY DRIVERS

**EQUIPMENT**

Higher mining sales offset by lower locomotive deliveries (half deliveries significantly skewed to 3Q)

**COMPONENTS**

Increased demand for rail and industrial products, and L&M acquisitions (4.1% YoY growth excluding acquisitions)

**DIGITAL INTELLIGENCE**

Higher demand for international PTC, on-board locomotive hardware and digital mining products offset by lower sales in NA

**SERVICES**

Increased sales from significantly higher mods deliveries (2<sup>nd</sup> half deliveries significantly skewed to 4<sup>th</sup> quarter) and increased parts

**TRANSIT**

Strong OE and aftermarket sales ... sales up 9.9% on constant currency basis

# 4Q 2023 CONSOLIDATED GROSS PROFIT



(\$ in millions)

	GAAP	Adjusted
<b>2022 GROSS PROFIT</b>	<b>\$ 652</b>	<b>\$ 683</b>
<i>% Gross Profit Margin</i>	<i>28.3%</i>	<i>29.6%</i>
Volume	↑	↑
Mix/Pricing	↑	↑
Raw Materials	↔	↔
Currency	↑	↑
Manufacturing/Other	↑	↑
<b>2023 GROSS PROFIT</b>	<b>\$ 764</b>	<b>\$ 777</b>
<i>% Gross Profit Margin</i>	<i>30.3%</i>	<i>30.8%</i>

## 4Q KEY DRIVERS

### VOLUME

Higher Freight and Transit segment sales

### MIX/PRICING

Favorable price/mix of products, partially offset by unfavorable mix between segments

### RAW MATERIALS

Slightly favorable input costs

### CURRENCY

Favorable foreign exchange increased adjusted gross profit \$8M (adjusted operating income favorable by \$5M)

### MANUFACTURING/OTHER

Favorable fixed cost absorption and benefits of Integration 2.0

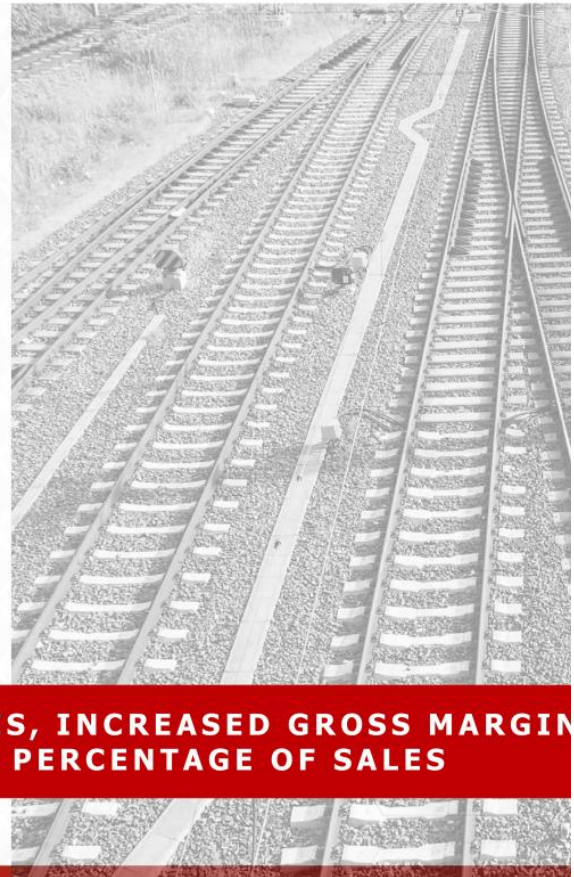
Note: Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations

## 4Q 2023 CONSOLIDATED OPERATING INCOME

(\$ in millions)	GAAP	Adjusted
<b>2022 OP INCOME</b>	<b>\$247</b>	<b>\$352</b>
<i>% Operating Margin</i>	<i>10.7%</i>	<i>15.3%</i>
Gross Profit	112	94
SG&A	(24)	(14)
Engineering	(1)	(1)
Amortization	(26)	-
<b>2023 OP INCOME</b>	<b>\$308</b>	<b>\$431</b>
<i>% Operating Margin</i>	<i>12.2%</i>	<i>17.0%</i>

**OP MARGIN BENEFITED FROM HIGHER SALES, INCREASED GROSS MARGIN AND LOWER SG&A/ENGINEERING AS PERCENTAGE OF SALES**

Note: Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations





# 4Q 2023 FREIGHT SEGMENT PERFORMANCE

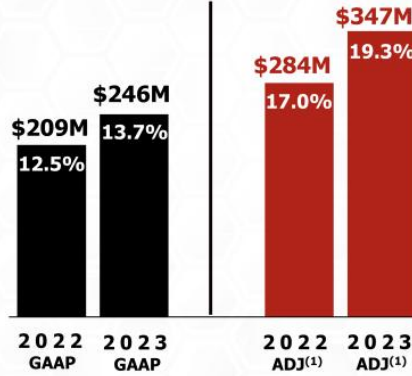


## SALES

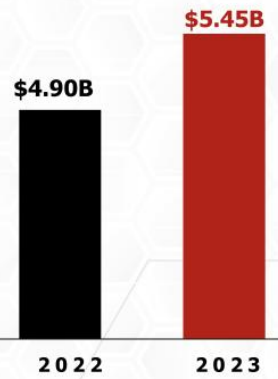


**7.7% INCREASE**  
(7.4% INCREASE EX-CURRENCY)

## OP INCOME / OP MARGIN



## 12-MONTH BACKLOG



**11.2% INCREASE YOY**

4.3% DECREASE  
MULTI-YEAR BACKLOG<sup>(2)</sup> YOY

Note: Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations

(1) Freight segment operating income was positively impacted by below-market intangible amortization of \$15 million; up \$1 million versus 4<sup>th</sup> quarter 2022

(2) Foreign exchange positively impacted Freight sales by \$5 million; Foreign exchange rates had a positive \$117 million impact on segment multi-year backlog

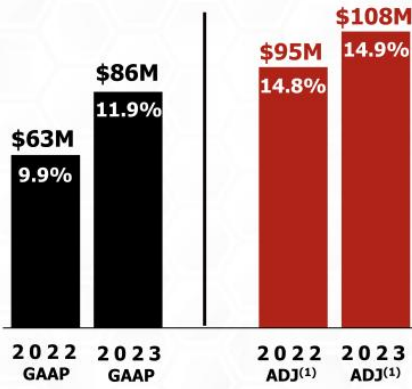
# 4Q 2023 TRANSIT SEGMENT PERFORMANCE

## SALES

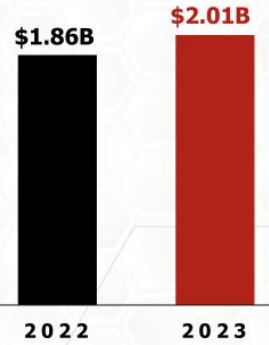


**14.3% INCREASE**  
(9.9% INCREASE EX-CURRENCY)

## OP INCOME / OP MARGIN



## 12-MONTH BACKLOG



**8.0% INCREASE YOY**  
9.7% INCREASE  
MULTI-YEAR BACKLOG<sup>(1)</sup> YOY

Note: Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations  
 (1) Foreign exchange positively impacted Transit sales by \$28 million; Foreign exchange rates had a positive \$86 million impact on segment multi-year backlog

# INTEGRATION 2.0 – UNLOCKING GREATER PROFITABILITY ACROSS THE PORTFOLIO



## On track to deliver target run-rate savings by 2025

### CONSOLIDATE FOOTPRINT

- 15+ facilities
- Headcount redundancy
- Office/facility rationalization

### STREAMLINE MANUFACTURING

- Restructure NAM distribution
- Remanufacturing localization
- Best-cost-country capacity expansion

### SIMPLIFY THROUGH SYSTEMS ENABLEMENT

- Implement indirect source-to-pay
- Data/process simplification

## RUN-RATE SAVINGS<sup>(2)</sup>

**\$75-90M BY 2025**



(1) Restructuring expense and restructuring related one-time charges

(2) Savings include Bochum restructuring announced in the 4th quarter 2021 with a \$23 million charge

## PORTFOLIO OPTIMIZATION – UNLOCKING GREATER PROFITABILITY ACROSS THE PORTFOLIO

### RECENT PORTFOLIO ADDITIONS

#### Acquired 100% of L&M in 2Q23

- Leading provider of mining truck radiators; expands Wabtec mining and heat transfer portfolios
- Purchase price of \$229M (net of cash received)
- Accretive to 2023 earnings and ROIC

#### Acquired remaining 50% stake of our LKZ assembly JV in late 4Q23

- LKZ was an unconsolidated assembly JV in Kazakhstan
- Purchase price of \$81M (net of cash received) ... \$35M GAAP non-cash gain on existing 50% stake
- No impact expected to 2024 sales; limited benefit to 2024 earnings

### PORTFOLIO PRUNING

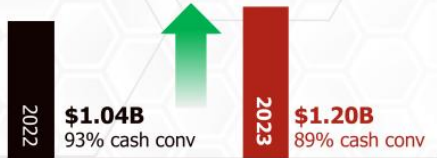
#### Wabtec to exit various low margin product lines

- Pruning will improve focus and profitability while reducing manufacturing complexity
- Divestitures represent approximately \$110M of 2023 low margin revenues
  - Roughly 50/50 split between Freight and Transit segments
- Expect net exit charges of ~\$85M in predominantly non-cash asset write downs
  - \$28M non-cash charge booked in 4Q23 GAAP results

# RESILIENT BUSINESS ALLOWS FOR EXECUTION ON FINANCIAL PRIORITIES



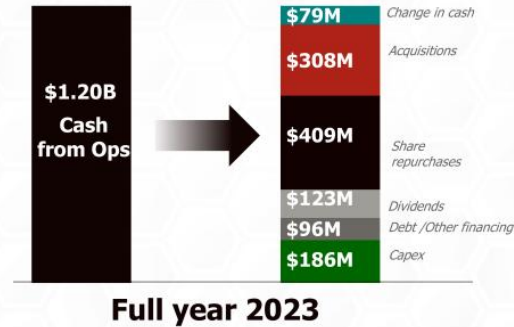
## FOCUSED ON CASH CONVERSION<sup>(1)</sup> YTD CASH FROM OPS



**4<sup>th</sup> quarter CFOA of \$686M** driven by strong growth in net income and improved working capital

**Full year 2023 cash conversion** impacted by higher working capital investment to support 15.7% FY23 sales growth

## DISCIPLINED CAPITAL ALLOCATION



Full year 2023

**Strong balance sheet and final position** ... liquidity of \$2.12B

**Debt leverage of 1.9x<sup>(2)</sup>**

**Strategic acquisitions** of L&M (\$229M) and LKZ (\$81M) net of cash received

Returning capital to shareholders . **\$532M returned through share repurchases and dividends**

**ROIC<sup>(4)</sup> improved** 1.2 percentage points YoY

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

(1) Cash from Operations conversion % is defined as GAAP Cash from Operations divided by GAAP net income plus depreciation and amortization including deferred debt cost amortization  
 (2) Leverage is defined as net debt divided by trailing 12-month adjusted EBITDA. Net debt is defined as total debt minus cash, restricted cash and cash equivalents  
 (3) At December 31, 2023, the Company's total available liquidity was \$2.12 billion, which includes cash and cash equivalents of \$0.62 billion, plus \$1.50 billion available under current credit facilities  
 (4) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations

## 2023 OVERVIEW

<b>SALES</b>	<b>\$9.68B</b>	Up 15.7% YOY
<b>OPERATING MARGIN</b>	<b>13.1%</b> GAAP	<b>17.0%</b> Adjusted
<b>EARNINGS PER SHARE</b>	<b>\$4.53</b> GAAP	<b>\$5.92</b> Adjusted
<b>CASH FLOW FROM OPERATIONS<sup>(1)</sup></b>	<b>\$1.20B</b>	

### 2023 HIGHLIGHTS

Increased sales were driven by strong Freight and Transit growth

Operating margin up from higher sales growth and improved productivity ... partially offset by unfavorable mix and manufacturing inefficiencies due to strike in Erie

EPS driven by strong sales and operating margin expansion ... GAAP EPS up 30.9% and adjusted EPS up 21.8% YoY

Strong cash generation enabling investment for future growth and maximizing shareholder returns

## STRONG EXECUTION IN VOLATILE ENVIRONMENT

Note: Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations  
 (1) Year-over-year annual cash flow impact from securitization of accounts receivable was unfavorable \$120 million

WABTEC

## 2024 OUTLOOK AND GUIDANCE

### REVENUES

**\$10.05B to \$10.35B**

### ADJUSTED EPS

**\$6.50 to \$6.90**

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

**>90%**

## OUTLOOK IN LINE WITH LONG-TERM GROWTH FRAMEWORK

### EQUIPMENT

Higher NA and international locomotive deliveries and increased mining sales

### COMPONENTS

Stable demand for industrial components and 2023 acquisition of L&M, offset by North American railcar build

### SERVICES

Continued demand for reliable, efficient power and higher deliveries of MODs ... partially offset by slight reduction in the NA active fleet

### DIGITAL INTELLIGENCE

Strong growth in international markets and new products ... with slower growth in North American market

### TRANSIT

Increased global infrastructure investment

### KEY ASSUMPTIONS

Adjusted operating margin up

- Favorable productivity/absorption
- Benefits of Integration 2.0/Portfolio Optimization
- Lower SG&A and Engineering expenses as % of sales

Tax rate ~25%

Capex ~2% of sales

(1) Cash from operations conversion % is defined as GAAP cash from operations divided by income plus depreciation and amortization including deferred debt cost amortization.

## KEY TAKEAWAYS

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

MSD CORE ORGANIC GROWTH CAGR

+

250 – 300 BPS MARGIN  
EXPANSION

+

DISCIPLINED CAPITAL DEPLOYMENT

=

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

- 01** Strong revenue growth, margin expansion, cash flow and increased earnings in 2023 ... despite macro uncertainty
- 02** Positive productivity driven by continuous cost improvement combined with realization of Integration 2.0 savings
- 03** Continued momentum across the portfolio and strong organic pipeline internationally and in North America
- 04** Wabtec is well-positioned to drive higher returns and create significant long-term value for shareholders

(1) Long-term guidance as of March 9, 2022 (on an adjusted earnings basis)



# Income statement

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

Appendix A ( 1 of 2)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Net sales	\$ 2,526	\$ 2,306	\$ 9,677	\$ 8,362
Cost of sales	(1,762)	(1,654)	(6,733)	(5,822)
Gross profit	764	652	2,944	2,540
<i>Gross profit as a % of Net Sales</i>	30.3%	28.3%	30.4%	30.4%
Selling, general and administrative expenses	(296)	(272)	(1,139)	(1,029)
Engineering expenses	(61)	(60)	(218)	(209)
Amortization expense	(99)	(73)	(321)	(291)
Total operating expenses	(456)	(405)	(1,678)	(1,529)
<i>Operating expenses as a % of Net Sales</i>	18.1%	17.5%	17.3%	18.3%
Income from operations	308	247	1,266	1,011
<i>Income from operations as a % of Net Sales</i>	12.2%	10.7%	13.1%	12.1%
Interest expense, net	(55)	(51)	(218)	(186)
Other (expense) income, net	27	14	44	29
Income before income taxes	280	210	1,092	854
Income tax expense	(63)	(51)	(267)	(213)
<i>Effective tax rate</i>	22.6%	24.3%	24.5%	25.0%
Net income	217	159	825	641
Less: Net income attributable to noncontrolling interest	(2)	(1)	(10)	(8)
Net income attributable to Wabtec shareholders	\$ 215	\$ 158	\$ 815	\$ 633
<b>Earnings Per Common Share</b>				
<b>Basic</b>				
Net income attributable to Wabtec shareholders	\$ 1.20	\$ 0.87	\$ 4.54	\$ 3.46
<b>Diluted</b>				
Net income attributable to Wabtec shareholders	\$ 1.20	\$ 0.86	\$ 4.53	\$ 3.46
Basic	178.0	181.0	178.8	182.2
Diluted	178.8	181.7	179.5	182.8



# Income statement (cont.)

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
<b>Segment Information</b>				
Freight Net Sales	\$ 1,798	\$ 1,669	\$ 6,962	\$ 6,012
Freight Income from Operations	\$ 246	\$ 209	\$ 1,071	\$ 864
Freight Operating Margin	13.7%	12.5%	15.4%	14.4%
Transit Net Sales	\$ 728	\$ 637	\$ 2,715	\$ 2,350
Transit Income from Operations	\$ 86	\$ 63	\$ 289	\$ 231
Transit Operating Margin	11.9%	9.9%	10.7%	9.8%
<b>Backlog Information (Note: 12-month is a sub-set of total)</b>				
	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>	
Freight Total	\$ 17,831	\$ 17,614	\$ 18,641	
Transit Total	4,168	3,869	3,800	
Wabtec Total	<u>\$ 21,999</u>	<u>\$ 21,483</u>	<u>\$ 22,441</u>	
Freight 12-Month	\$ 5,450	\$ 5,282	\$ 4,901	
Transit 12-Month	2,007	1,809	1,859	
Wabtec 12-Month	<u>\$ 7,457</u>	<u>\$ 7,091</u>	<u>\$ 6,760</u>	



# Balance sheet

Appendix B

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

<i>In millions</i>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash, cash equivalents and restricted cash	\$ 620	\$ 541
Receivables, net	1,684	1,519
Inventories, net	2,284	2,034
Other current assets	267	233
<b>Total current assets</b>	<b>4,855</b>	<b>4,327</b>
Property, plant and equipment, net	1,485	1,429
Goodwill	8,780	8,508
Other intangible assets, net	3,205	3,402
Other noncurrent assets	663	850
<b>Total assets</b>	<b>\$ 18,988</b>	<b>\$ 18,516</b>
Current liabilities	\$ 4,056	\$ 3,467
Long-term debt	3,288	3,751
Long-term liabilities - other	1,120	1,151
<b>Total liabilities</b>	<b>8,464</b>	<b>8,369</b>
Shareholders' equity	10,487	10,102
Noncontrolling interest	37	45
<b>Total shareholders' equity</b>	<b>10,524</b>	<b>10,147</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 18,988</b>	<b>\$ 18,516</b>



## Cash flow

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

<i>In millions</i>	Twelve Months Ended December 31,	
	2023	2022
<i>Operating activities</i>		
Net income	\$ 825	\$ 641
Non-cash expense	473	506
Receivables	(195)	(52)
Inventories	(58)	(368)
Accounts Payable	(58)	306
Other assets and liabilities	214	5
<b>Net cash provided by operating activities</b>	<b>1,201</b>	<b>1,038</b>
<b>Net cash used for investing activities</b>	<b>(492)</b>	<b>(235)</b>
<b>Net cash used for financing activities</b>	<b>(633)</b>	<b>(708)</b>
Effect of changes in currency exchange rates	3	(27)
Increase in cash	79	68
Cash, cash equivalents and restricted cash, beginning of period	541	473
Cash, cash equivalents and restricted cash, end of period	<b>\$ 620</b>	<b>\$ 541</b>



# EPS and non-GAAP Reconciliation

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

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)									
	Fourth Quarter 2023 Actual Results								
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income
<b>Reported Results</b>	\$ 2,526	\$ 764	\$ (456)	\$ 308	\$ (28)	\$ (63)	\$ 217	\$ (2)	\$ 215
Restructuring and Portfolio Optimization costs	-	13	34	47	-	(9)	38	-	38
Gain on LKZ Investment	-	-	-	-	(35)	-	(35)	-	(35)
Non-cash Amortization expense	-	-	76	76	-	(18)	58	-	58
<b>Adjusted Results</b>	<b>\$ 2,526</b>	<b>\$ 777</b>	<b>\$ (346)</b>	<b>\$ 431</b>	<b>\$ (63)</b>	<b>\$ (90)</b>	<b>\$ 278</b>	<b>\$ (2)</b>	<b>\$ 276</b>
Fully Diluted Shares Outstanding									

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)									
	Fourth Quarter Year-to-Date 2023 Actual Results								
	Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest	Wabtec Net Income
<b>Reported Results</b>	\$ 9,677	\$ 2,944	\$ (1,678)	\$ 1,266	\$ (174)	\$ (267)	\$ 825	\$ (10)	\$ 815
Restructuring and Portfolio Optimization costs	-	38	41	79	-	(17)	62	-	62
Gain on LKZ Investment	-	-	-	-	(35)	-	(35)	-	(35)
Non-cash Amortization expense	-	-	298	298	-	(74)	224	-	224
<b>Adjusted Results</b>	<b>\$ 9,677</b>	<b>\$ 2,982</b>	<b>\$ (1,339)</b>	<b>\$ 1,643</b>	<b>\$ (209)</b>	<b>\$ (358)</b>	<b>\$ 1,076</b>	<b>\$ (10)</b>	<b>\$ 1,066</b>
Fully Diluted Shares Outstanding									



# EPS and non-GAAP Reconciliation

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

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Fourth Quarter 2022 Actual Results							
		Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest
Reported Results	\$ 2,306	\$ 652	\$ (405)	\$ 247	\$ (37)	\$ (51)	\$ 159	\$ (1)	\$ 158
Restructuring costs	-	31	1	32	-	(8)	24	-	24
Non-cash Amortization expense	-	-	73	73	-	(19)	54	-	54
<b>Adjusted Results</b>	<b>\$ 2,306</b>	<b>\$ 683</b>	<b>\$ (331)</b>	<b>\$ 352</b>	<b>\$ (37)</b>	<b>\$ (78)</b>	<b>\$ 237</b>	<b>\$ (1)</b>	<b>\$ 236</b>
Fully Diluted Shares Outstanding									

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Fourth Quarter Year-to-Date 2022 Actual Results							
		Net Sales	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Noncontrolling Interest
Reported Results	\$ 8,362	\$ 2,540	\$ (1,529)	\$ 1,011	\$ (157)	\$ (213)	\$ 641	\$ (8)	\$ 633
Restructuring costs	-	43	9	52	-	(13)	39	-	39
Non-cash Amortization expense	-	-	291	291	-	(73)	218	-	218
<b>Adjusted Results</b>	<b>\$ 8,362</b>	<b>\$ 2,583</b>	<b>\$ (1,229)</b>	<b>\$ 1,354</b>	<b>\$ (157)</b>	<b>\$ (299)</b>	<b>\$ 898</b>	<b>\$ (8)</b>	<b>\$ 890</b>
Fully Diluted Shares Outstanding									



# EBITDA reconciliation

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

Wabtec Corporation 2023 Q4 EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	<u>Other Income (Expense)</u>	<u>Depreciation &amp; Amortization</u>	= <u>EBITDA</u>	+ <u>Restructuring Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$308	\$27	\$159	\$494	(\$18)	\$476

Wabtec Corporation 2023 Q4 YTD EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	<u>Other Income (Expense)</u>	<u>Depreciation &amp; Amortization</u>	= <u>EBITDA</u>	+ <u>Restructuring Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$1,266	\$44	\$526	\$1,836	\$6	\$1,842

Wabtec Corporation 2022 Q4 EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	<u>Other Income (Expense)</u>	<u>Depreciation &amp; Amortization</u>	= <u>EBITDA</u>	+ <u>Restructuring Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$247	\$14	\$119	\$380	\$29	\$409

Wabtec Corporation 2022 Q4 YTD EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	<u>Other Income (Expense)</u>	<u>Depreciation &amp; Amortization</u>	= <u>EBITDA</u>	+ <u>Restructuring Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$1,011	\$29	\$473	\$1,513	\$49	\$1,562



# Sales by product line

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

<i>In millions</i>	Three Months Ended December 31,	
	<u>2023</u>	<u>2022</u>
Freight Segment		
Equipment	\$ 347	\$ 430
Components	283	241
Digital Intelligence	210	225
Services	958	773
Total Freight Segment	<u>\$ 1,798</u>	<u>\$ 1,669</u>
Transit Segment		
Original Equipment Manufacturer	\$ 326	\$ 280
Aftermarket	402	357
Total Transit Segment	<u>\$ 728</u>	<u>\$ 637</u>
<i>In millions</i>	Twelve Months Ended December 31,	
	<u>2023</u>	<u>2022</u>
Freight Segment		
Equipment	\$ 1,770	\$ 1,528
Components	1,157	936
Digital Intelligence	773	729
Services	3,262	2,819
Total Freight Segment	<u>\$ 6,962</u>	<u>\$ 6,012</u>
Transit Segment		
Original Equipment Manufacturer	\$ 1,235	\$ 1,095
Aftermarket	1,480	1,255
Total Transit Segment	<u>\$ 2,715</u>	<u>\$ 2,350</u>





# Segment gross margin & operating margin reconciliation

Appen

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

In millions	Three Months Ended December 31,				Twelve Months Ended December 31,			
	2023		2022		2023		2022	
	Gross Profit	Income from Operations	Gross Profit	Income from Operations	Gross Profit	Income from Operations	Gross Profit	Income from Operations
<b>Freight Segment Reported Results</b>	\$ 558	\$ 246	\$ 482	\$ 209	\$ 2,190	\$ 1,071	\$ 1,896	\$ 864
<i>Freight Segment Reported Margin</i>	31.0%	13.7%	28.9%	12.5%	31.5%	15.4%	31.5%	15.4%
Restructuring and Portfolio Optimization costs	5	30	8	7	13	41	15	15
Non-cash Amortization expense	-	71	-	68	-	277	-	-
<b>Freight Segment Adjusted Results</b>	\$ 563	\$ 347	\$ 490	\$ 284	\$ 2,203	\$ 1,389	\$ 1,911	\$ 879
<i>Freight Segment Adjusted Margin</i>	31.3%	19.3%	29.4%	17.0%	31.6%	19.9%	31.8%	17.6%
<b>Transit Segment Reported Results</b>	\$ 206	\$ 86	\$ 170	\$ 63	\$ 754	\$ 289	\$ 644	\$ 243
<i>Transit Segment Reported Margin</i>	28.4%	11.9%	26.7%	9.9%	27.8%	10.7%	27.3%	9.9%
Restructuring costs	8	17	23	27	25	38	28	28
Non-cash Amortization expense	-	5	-	5	-	21	-	-
<b>Transit Segment Adjusted Results</b>	\$ 214	\$ 108	\$ 193	\$ 95	\$ 779	\$ 348	\$ 672	\$ 271
<i>Transit Segment Adjusted Margin</i>	29.4%	14.9%	30.3%	14.8%	28.7%	12.8%	28.6%	10.0%



# Segment sales reconciliation

Appen

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

<i>In millions</i>	Three Months Ended December 31,		
	Freight	Transit	Consolidated
<b>2022 Net Sales</b>	\$ 1,669	\$ 637	\$ 2,306
Acquisitions	32	-	32
Foreign Exchange	5	28	33
Organic	92	63	155
<b>2023 Net Sales</b>	<b>\$ 1,798</b>	<b>\$ 728</b>	<b>\$ 2,526</b>
Change (\$)	129	91	220
Change (%)	7.7%	14.3%	9.5%
	Twelve Months Ended December 31,		
	Freight	Transit	Consolidated
<b>2022 Net Sales</b>	\$ 6,012	\$ 2,350	\$ 8,362
Acquisitions	109	-	109
Foreign Exchange	(23)	25	2
Organic	864	340	1,204
<b>2023 Net Sales</b>	<b>\$ 6,962</b>	<b>\$ 2,715</b>	<b>\$ 9,677</b>
Change (\$)	950	365	1,315
Change (%)	15.8%	15.5%	15.7%



# 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 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	\$686		\$217 + \$160	182%

Wabtec Corporation 2023 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	\$1,201		\$825 + \$531	89%

Wabtec Corporation 2022 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	\$410		\$159 + \$120	147%

Wabtec Corporation 2022 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	\$1,038		\$641 + \$479	93%



# Return on invested capital reconciliation

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

<b>Wabtec Corporation</b>			
<b>Reconciliation of Reported Results to Adjusted Results</b>			
<b>(in Millions)</b>			
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<i>In millions</i>			
<b>Income from operations</b>	<b>\$ 876</b>	<b>\$ 1,011</b>	<b>\$ 1,266</b>
<b>Annual effective tax rate</b>	23.2%	25.0%	24.5%
<b>Net operating profit after tax</b>	<b>\$ 673</b>	<b>\$ 758</b>	<b>\$ 956</b>
<b>Total debt</b>	4,058	4,002	4,069
<b>Operating lease liability</b>	318	334	313
<b>Wabtec equity</b>	10,201	10,102	10,487
<b>Noncontrolling interest</b>	38	45	37
<b>Allowance for doubtful accounts</b>	32	28	31
<b>Net pension liabilities</b>	48	33	40
<b>Total Invested Capital</b>	<b>\$ 14,695</b>	<b>\$ 14,544</b>	<b>\$ 14,977</b>
<b>Return on Invested Capital</b>	<b>4.6%</b>	<b>5.2%</b>	<b>6.4%</b>



