



FOURTH QUARTER 2022

Wabtec Financial Results and Company Highlights

Forward looking statements & non-GAAP financial information

This communication contains “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995 including statements regarding the impact of acquisitions by Wabtec, statements regarding Wabtec’s expectations about future sales and earnings and statements about the impact of evolving global conditions on Wabtec’s business. All statements, other than historical facts, including statements regarding synergies and other expected benefits from acquisitions; statements regarding Wabtec’s plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward looking statements include statements regarding: Wabtec’s plans, objectives and intention; Wabtec’s expectations about future sales, earnings and cash conversion; Wabtec’s projected expenses and cost savings associated with its Integration 2.0 initiative; Wabtec’s 5-year outlook (established in March 2022); Wabtec’s expectations for evolving global industry, market and macro-economic conditions and their impact on Wabtec’s business; synergies and other expected benefits from Wabtec’s acquisitions; Wabtec’s expectations for production and demand conditions; and any assumptions underlying any of the foregoing. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, inflation, supply chain disruptions, foreign currency exchange, and industry consolidation; (2) changes in the financial condition or operating strategies of Wabtec’s customers; (3) unexpected costs, charges or expenses resulting from acquisitions and potential failure to realize synergies and other anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) inability to retain and hire key personnel; (5) evolving legal, regulatory and tax regimes; (6) changes in the expected timing of projects; (7) a decrease in freight or passenger rail traffic; (8) an increase in manufacturing costs; (9) actions by third parties, including government agencies; (10) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, (11) potential disruptions, instability, and volatility in global markets from the imposition of economic sanctions on Russia resulting from the invasion of Ukraine; (12) cybersecurity and data protection risks and (13) other risk factors as detailed from time to time in Wabtec’s reports filed with the SEC, including Wabtec’s annual report on Form 10-K, periodic quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

This presentation as well as Wabtec’s earnings release and financial guidance mention certain non-GAAP financial performance measures, including adjusted gross profit, adjusted operating expenses, adjusted income from operations, adjusted interest and other expense, adjusted operating margin, adjusted income tax expense, adjusted effective tax rate, adjusted earnings per diluted share, EBITDA and adjusted EBITDA, net debt and operating cash flow conversion rate. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is further adjusted for restructuring. 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 expenses and the outcome of certain regulatory, legal and tax matters; the financial impact of these items is uncertain and is dependent on various factors, including the timing, and could be material to Wabtec’s Consolidated Statement of Earnings.

Today's participants



RAFAEL SANTANA

*President and Chief
Executive Officer*



JOHN OLIN

*Executive Vice President
and Chief Financial Officer*



KRISTINE KUBACKI

*Vice President,
Investor Relations*

4Q 2022 overview

SALES	\$2.31B	Up 11.2% YoY
OPERATING MARGIN	10.7% GAAP	15.3% Adjusted ⁽²⁾
EARNINGS PER SHARE	\$0.86 GAAP	\$1.30 Adjusted ⁽²⁾
CASH FLOW FROM OPERATIONS ⁽¹⁾	\$410M	
MULTI-YEAR BACKLOG	\$22.44B	

4Q 2022 HIGHLIGHTS

Increased sales were driven by strong Freight segment growth ... excluding impacts of FX, sales were up 15.7% YoY

Op margin lower despite higher sales growth and increased productivity ... offset by unfavorable mix and higher input costs

GAAP EPS down 15.7% YoY on higher restructuring charges ... adjusted EPS up 10.2% YoY from higher Freight sales

Full-year cash flow from operations of \$1.04B ... strong cash generation enabling investment for future growth and maximizing shareholder returns

Backlog provides improved multi-year visibility ... up \$272M YoY and up \$680M excluding FX impacts

STRONG UNDERLYING MOMENTUM INTO 2023

2023 Market Expectations

FREIGHT

NA Carloads ↔ / -

Locomotive and Railcars Unparkings ↔ / -

International Freight Volumes +

NA Railcar Deliveries +

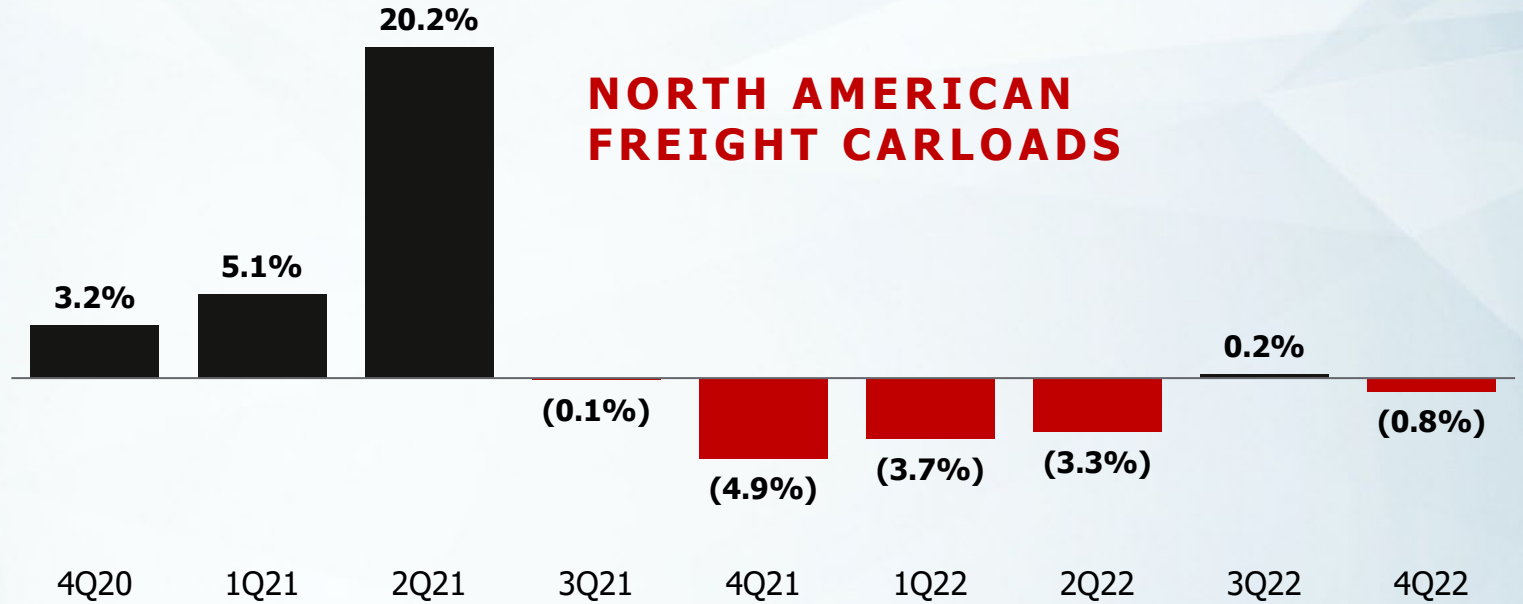
Mining Commodities ↔ / -

TRANSIT

Infrastructure Investment +

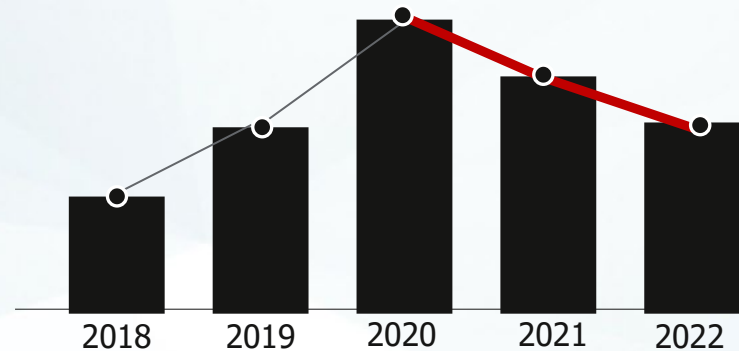
Global Ridership + / ↔

NORTH AMERICAN FREIGHT CARLOADS



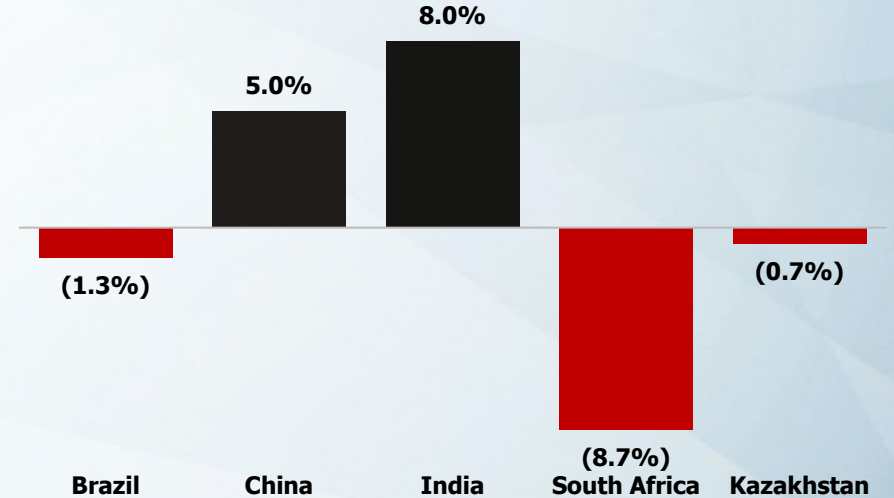
Source: Association of American Railroads

AVG. NORTH AMERICAN PARKED LOCOMOTIVES



Source: Wabtec

2022 FREIGHT VOLUMES



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

Executing on our value creation framework



DRIVERS OF PORTFOLIO GROWTH

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

RECENT WINS

Secured additional tier 4 new locomotive orders in North America now totaling over 100 units delivery in 2023 and 2024

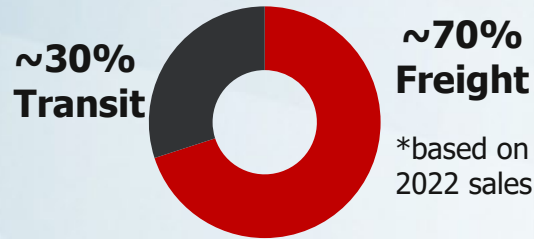
Signed key international orders for locomotives and kits

Signed multi-year international locomotive service contracts (South America and Kazakhstan)

FLXdrive locomotive recognized for advanced sustainable technology by S&P Global and Business Intelligence Group

Resilient portfolio through the cycle

Favorable end-markets



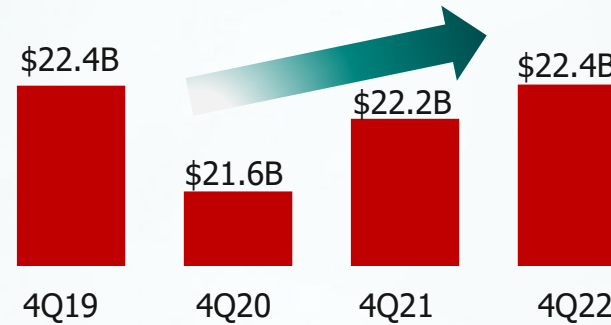
FREIGHT

- + Accelerating investment in the fleet
- + Strong international order pipeline
- + Growing installed base

TRANSIT

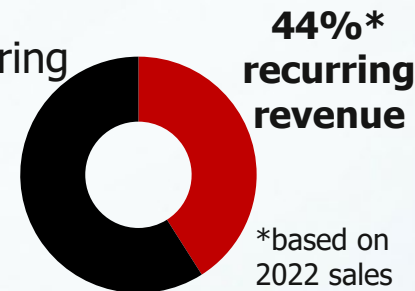
- + Increased global investment in infrastructure
- + Mega trends favor increasing ridership

Robust backlog & recurring revenue



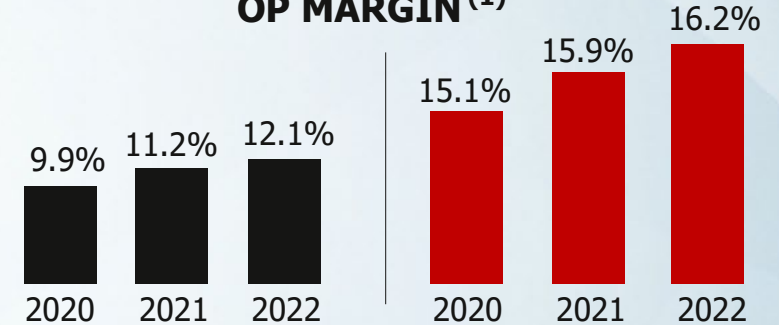
- Strong 12-month and multi-year backlog provides resiliency and visibility despite macro volatility

- Significant recurring revenue base drives ~60% of profits



Demonstrated execution

OP MARGIN ⁽¹⁾



GAAP

Adjusted

- Expanded margins despite higher input costs, supply chain disruptions and loss of business in Russia
- Aggressively managing costs and accelerating lean actions
- Launched Integration 2.0

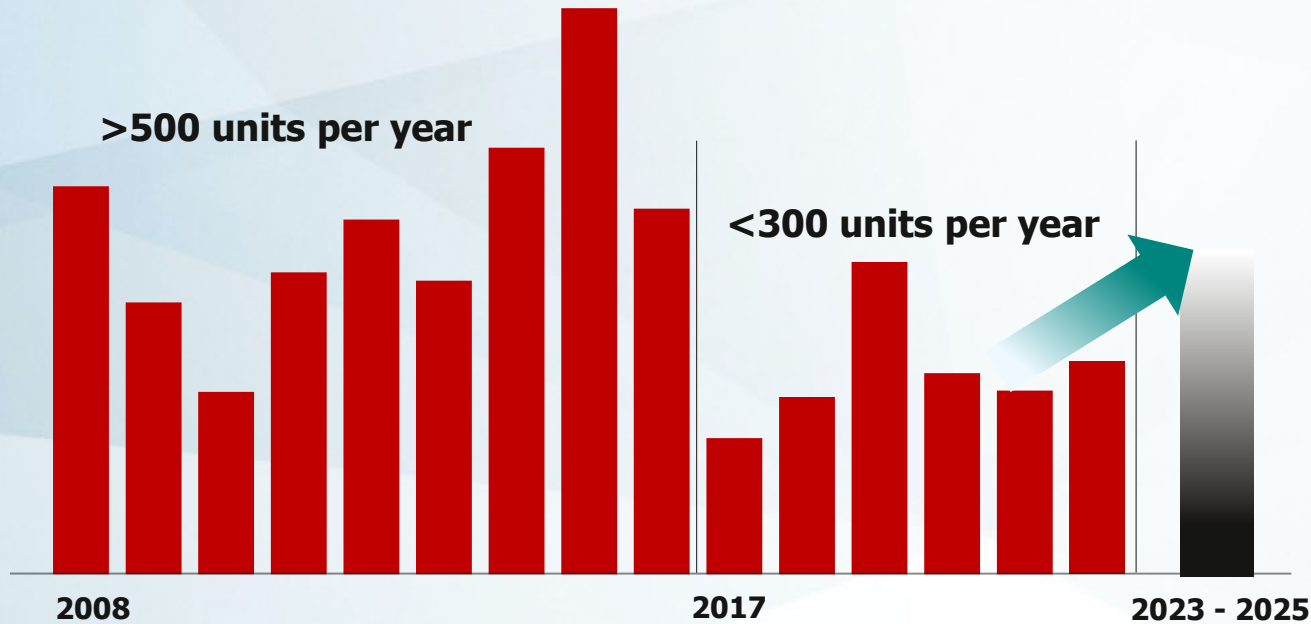
STRONG OUTLOOK UNDERPINNED BY RESILIENT AND PREDICTABLE EARNINGS

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

Increasing visibility into 2023 and beyond



WABTEC NORTH AMERICA LOCOMOTIVES NEW & MODERNIZATIONS DELIVERIES



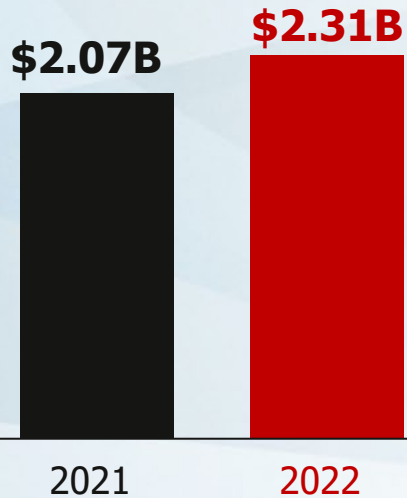
NORTH AMERICA LONG-TERM LOCOMOTIVE FLEET RENEWAL

Current active main-line locomotive fleet size	~16K
Expected life of locomotive	~25 years
Expected industry average annual replacement rate	>600 locos

4Q 2022 financial summary

STRONG SALES GROWTH DESPITE DISRUPTIONS AND MACRO VOLATILITY

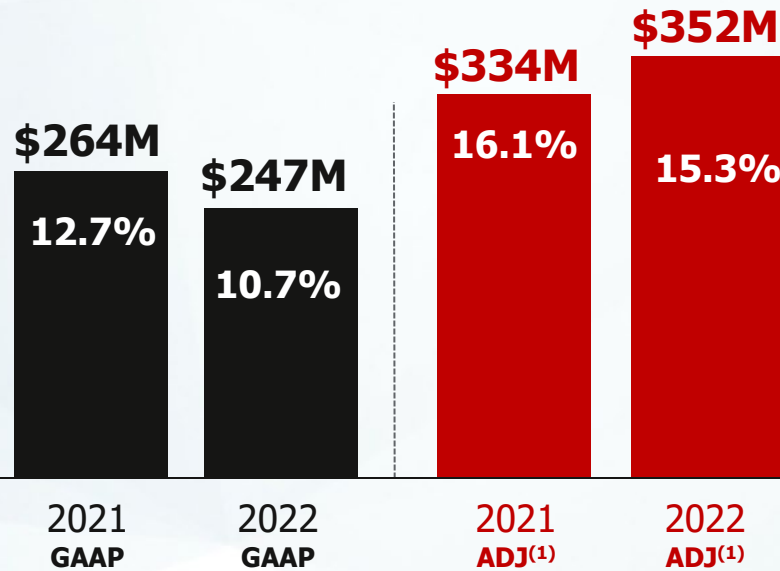
SALES



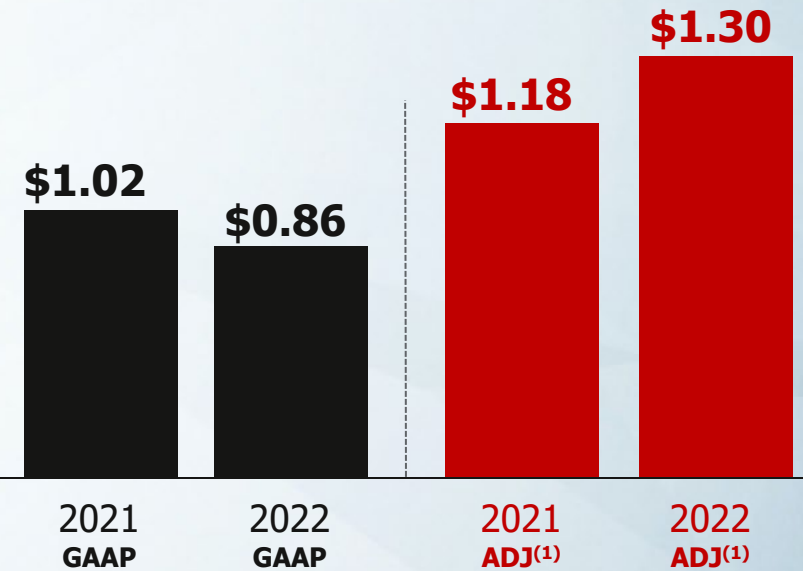
11.2% INCREASE

(UP 15.7% YoY EX-CURRENCY)

OP INCOME/OP MARGIN



EPS



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

4Q 2022 sales

(\$ in millions)

PRODUCT LINE	4Q22	YOY
Equipment	\$430	14.1%
Components	\$241	10.6%
Digital Electronics	\$225	34.7%
Services	\$773	16.6%
Freight Segment	\$1,669	17.1%
Transit Segment	\$637	(1.7%)
TOTAL SALES	\$2,306	11.2%

4Q KEY DRIVERS

EQUIPMENT

Significantly higher international locomotives sales

COMPONENTS

Higher due to improving OE railcar build and increased railcars in operation

DIGITAL ELECTRONICS

Higher demand for on-board locomotive products, software upgrades and acquisitions of Beena Vision and ARINC (22% YoY growth excluding acquisitions)

SERVICES

Larger active locomotive fleet and higher sales of MODs

TRANSIT

Decreased as a result of unfavorable foreign currency exchange ... sales up 9.3% on constant currency basis

4Q 2022 consolidated gross profit



(\$ in millions)	GAAP	Adjusted ⁽¹⁾
2021 GROSS PROFIT	\$652	\$657
<i>% Gross Profit Margin</i>	<i>31.5%</i>	<i>31.7%</i>
Volume	↑↑	↑↑
Mix/Pricing	↑	↑
Raw Materials	↓	↓
Currency	↓	↓
Manufacturing/Other	↑	↑
2022 GROSS PROFIT	\$652	\$683
<i>% Gross Profit Margin</i>	<i>28.3%</i>	<i>29.6%</i>

4Q KEY DRIVERS

VOLUME

Freight segment sales growth of 17.1%

MIX / PRICING

Higher pricing partially offset by a less rich mix of products within business groups (Equipment and Services)

RAW MATERIALS

Cost pressures from higher input costs

CURRENCY

Unfavorable foreign exchange impacted gross profit \$21M (operating income negatively impacted by \$6M)

MANUFACTURING / OTHER

Productivity and absorption gains partially offset by higher transportation costs

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

4Q 2022 consolidated operating income

(\$ in millions)	GAAP	Adjusted ⁽¹⁾
2021 OP INCOME	\$264	\$334
<i>% Operating Margin</i>	<i>12.7%</i>	<i>16.1%</i>
Gross Profit	-	26
SG&A	(8)	-
Engineering	(8)	(8)
Amortization	(1)	-
2022 OP INCOME	\$247	\$352
<i>% Operating Margin</i>	<i>10.7%</i>	<i>15.3%</i>

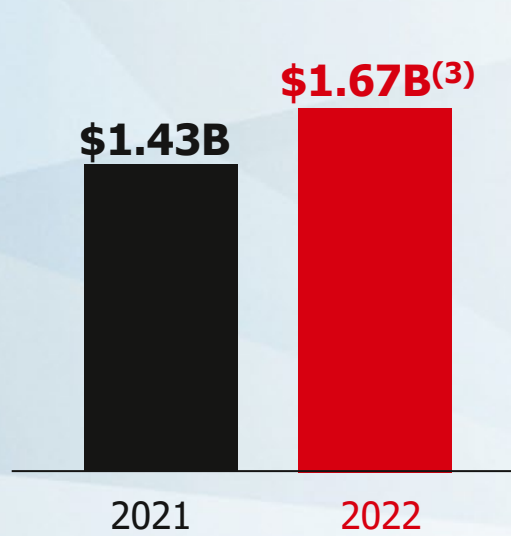
AS EXPECTED, LOWER OPERATING MARGIN DRIVEN BY INCREASED TECHNOLOGY AND INTEGRATION 2.0 INITIATIVES

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

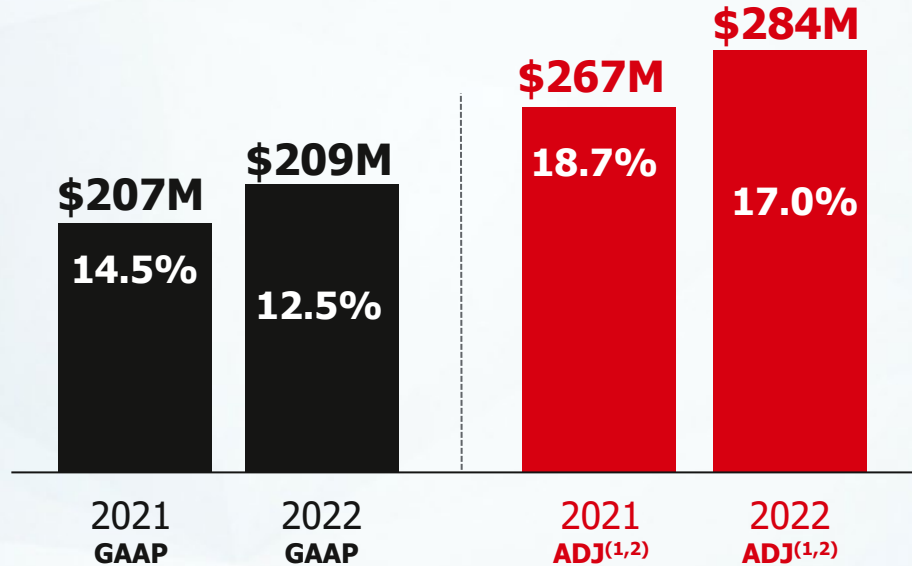
4Q 2022 Freight segment performance



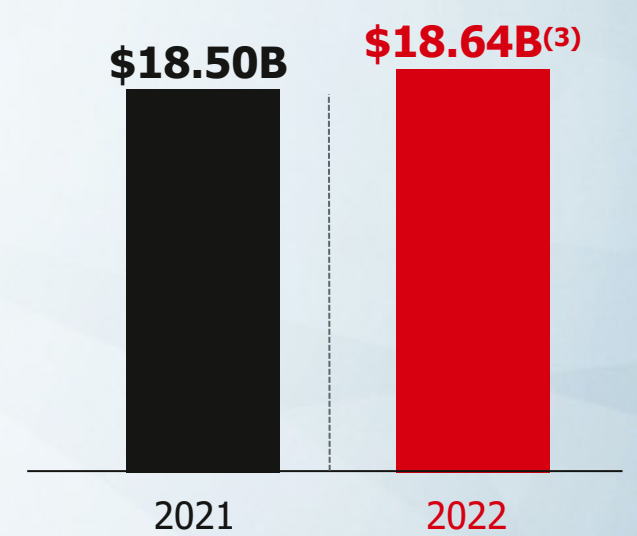
SALES



OP INCOME/OP MARGIN



BACKLOG



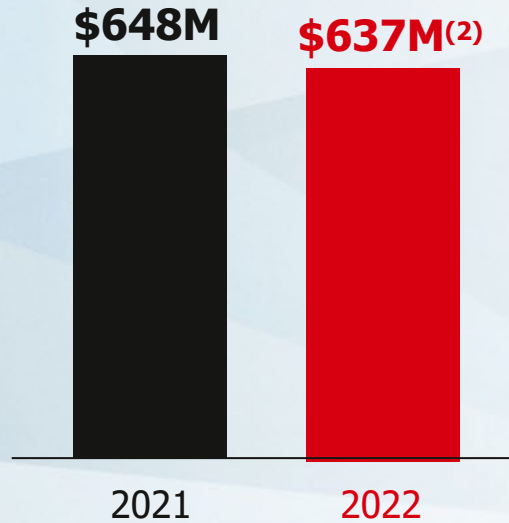
17.1% INCREASE
(UP 18.6% YoY EX-CURRENCY)

0.8% INCREASE YoY
(UP 1.9% YoY EX-CURRENCY)

(1) Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations
 (2) Freight segment operating income was positively impacted by below-market intangible amortization of \$14 million; flat versus 4th quarter 2021
 (3) Foreign exchange negatively impacted Freight sales by \$21 million; Foreign exchange rates had a negative \$205 million impact on segment backlog

4Q 2022 Transit segment performance

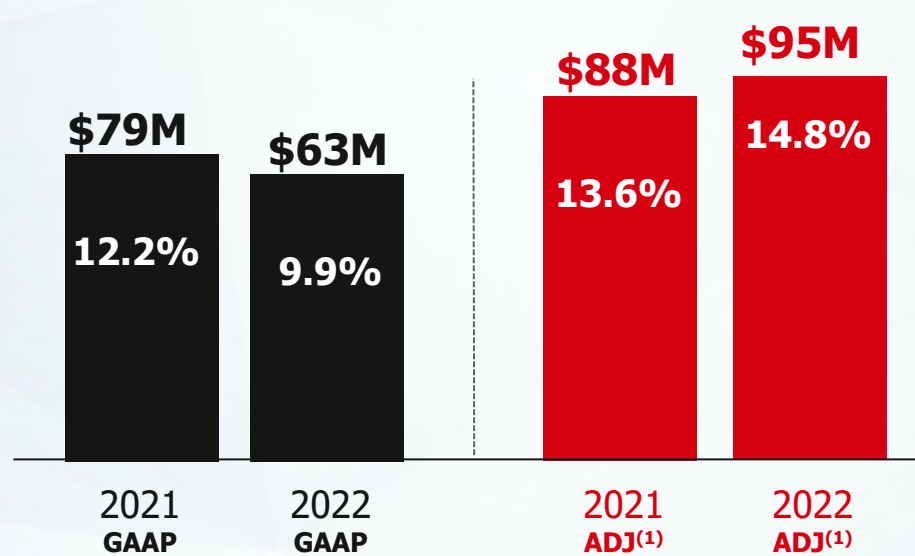
SALES



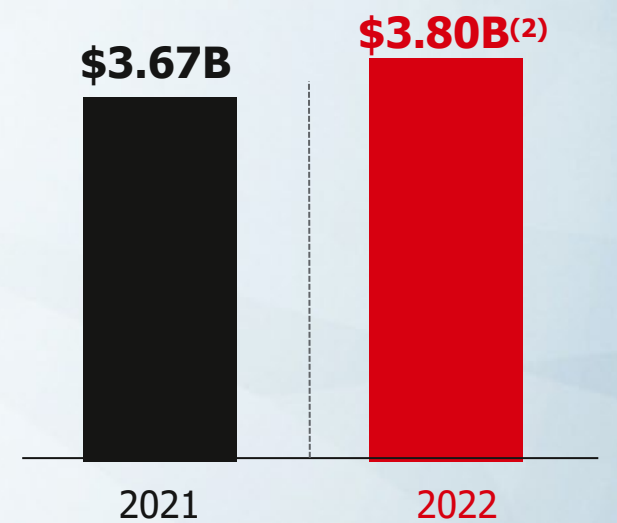
1.7% DECREASE

(UP 9.3% YoY EX-CURRENCY)

OP INCOME/OP MARGIN



BACKLOG



3.6% INCREASE YoY

(UP 9.2% YoY EX-CURRENCY)

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

(2) Foreign exchange negatively impacted Transit sales by \$71 million; Foreign exchange rates had a negative \$203 million impact on segment backlog

Integration 2.0 on track to deliver savings by 2025

CONSOLIDATE FOOTPRINT

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

STREAMLINE MANUFACTURING

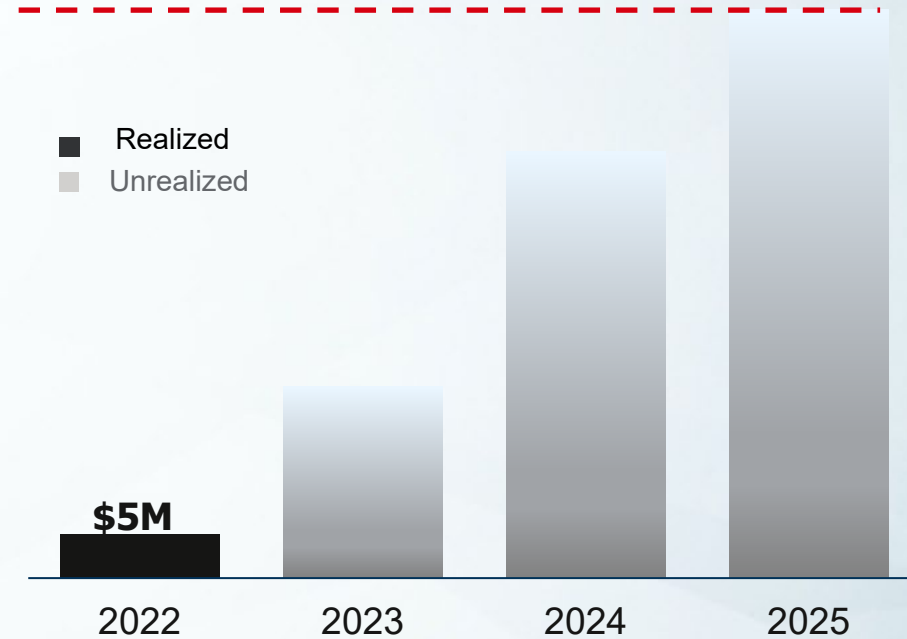
- Restructure NAM distribution
- Reman localization
- Best-cost-country capacity expansion

SIMPLIFY THROUGH SYSTEMS ENABLEMENT

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

Cumulative savings⁽²⁾

\$75-90M BY 2025



Restructuring charges ⁽¹⁾	\$46M	Expected total \$135-165M thru 2024
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(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

Resilient business allows for execution on financial priorities

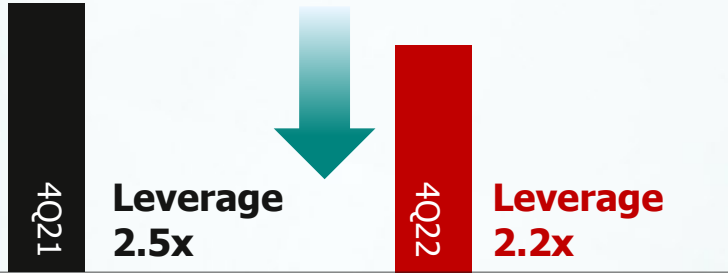
FOCUSED ON CASH CONVERSION⁽¹⁾ CASH FROM OPS



4Q cash generation of \$410M ...
cash conv of 147%

YoY cash conversion impacted by proactive inventory build ahead of higher sales and managing supply chain disruptions of critical parts

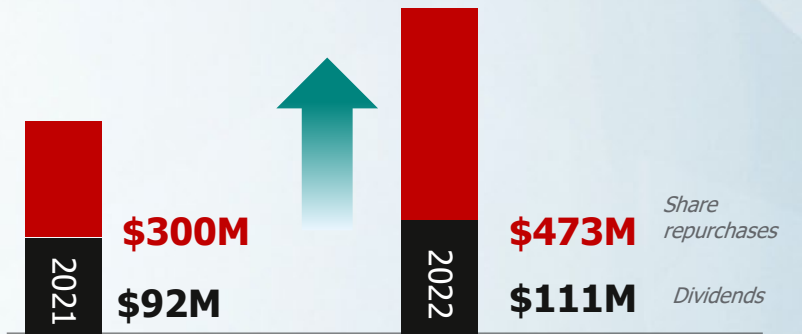
STRONG FINANCIAL POSITION LEVERAGE



Debt leverage⁽²⁾ improved ...
committed to maintaining investment grade ratings

Strengthening balance sheet ...
strong liquidity of \$2.29B⁽³⁾

RETURN CAPITAL TO SHAREHOLDERS



Returning capital to shareholders ...
\$584M returned through share repurchases and dividends

Announced 13% dividend increase ...
from \$0.15 to \$0.17 per quarter

STRONG FINANCIAL POSITION; INVESTING IN FUTURE GROWTH AND MAXIMIZING SHAREHOLDER RETURNS

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

(2) Leverage is defined as net debt divided by trailing 12-month adjusted EBITDA. Net debt is defined as total debt minus cash, restricted cash and cash equivalents

(3) At December 31, 2022, the Company's total available liquidity was \$2.29 billion, which includes cash, cash equivalents and restricted cash of \$0.54 billion plus \$1.75 billion available under current credit facilities

2022 overview

SALES	\$8.36B	Up 6.9% YoY
OPERATING MARGIN	12.1% GAAP	16.2% Adjusted ⁽²⁾
EARNINGS PER SHARE	\$3.46 GAAP	\$4.86 Adjusted ⁽²⁾
CASH FLOW FROM OPERATIONS⁽¹⁾	\$1.04B	

2022 HIGHLIGHTS

Increased sales were driven by strong Freight segment growth ... excluding impacts of FX, sales were up 10.8%

Op margin up from higher sales growth and improved productivity ... partially offset by unfavorable mix and higher input costs

EPS driven by strong Freight segment sales ... GAAP EPS up 16.9% and adjusted EPS up 14.1% YoY

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

STRONG EXECUTION IN HIGHLY VOLATILE ENVIRONMENT

2023 outlook and guidance

REVENUES

\$8.7B to **\$9.0B**

ADJUSTED EPS

\$5.15 to **\$5.55**

CASH CONVERSION ⁽¹⁾

>90%

STRONG MOMENTUM ACROSS THE PORTFOLIO

EQUIPMENT

Higher deliveries of locomotives

COMPONENTS

Higher railcar build and improved demand for industrial components

SERVICES

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

DIGITAL ELECTRONICS

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

TRANSIT

Increased global infrastructure investment

KEY ASSUMPTIONS

Adjusted operating margin up

- Favorable productivity/absorption offset by mix
- SG&A as % of sales down
- Engineering as % of sales flat

Tax rate ~25.5%

Capex ~2% of sales

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

Key takeaways

5-YEAR OUTLOOK⁽¹⁾

**MSD CORE ORGANIC
GROWTH CAGR**

+

**250-300 BPS MARGIN
EXPANSION**

+

**DISCIPLINED CAPITAL
DEPLOYMENT**

=

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

01

Revenue and margin growth in 2022 ... delivering on our full-year financial commitments despite geopolitical and macro challenges

02

Continuous cost improvement combined with initial realization of Integration 2.0 savings driving margin expansion

03

Well-positioned to drive profitable growth with strong momentum across the portfolio and increased multi-year visibility

04

Strong long-term business fundamentals driving higher returns and maximizing long-term value creation for shareholders

(1) Long-term guidance as of March 9, 2022

Income statement

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Net sales	\$ 2,306	\$ 2,073	\$ 8,362	\$ 7,822
Cost of sales	(1,654)	(1,421)	(5,822)	(5,453)
Gross profit	652	652	2,540	2,369
<i>Gross profit as a % of Net Sales</i>	28.3%	31.5%	30.4%	30.3%
Selling, general and administrative expenses	(272)	(264)	(1,029)	(1,030)
Engineering expenses	(60)	(52)	(209)	(176)
Amortization expense	(73)	(72)	(291)	(287)
Total operating expenses	(405)	(388)	(1,529)	(1,493)
<i>Operating expenses as a % of Net Sales</i>	17.5%	18.7%	18.3%	19.1%
Income from operations	247	264	1,011	876
<i>Income from operations as a % of Net Sales</i>	10.7%	12.7%	12.1%	11.2%
Interest expense, net	(51)	(42)	(186)	(177)
Other income, net	14	13	29	38
Income before income taxes	210	235	854	737
Income tax expense	(51)	(42)	(213)	(172)
<i>Effective tax rate</i>	24.3%	17.4%	25.0%	23.2%
Net income	159	193	641	565
Less: Net income attributable to noncontrolling interest	(1)	(3)	(8)	(7)
Net income attributable to Wabtec shareholders	<u>\$ 158</u>	<u>\$ 190</u>	<u>\$ 633</u>	<u>\$ 558</u>
Earnings Per Common Share				
Basic				
Net income attributable to Wabtec shareholders	<u>\$ 0.87</u>	<u>\$ 1.02</u>	<u>\$ 3.46</u>	<u>\$ 2.96</u>
Diluted				
Net income attributable to Wabtec shareholders	<u>\$ 0.86</u>	<u>\$ 1.02</u>	<u>\$ 3.46</u>	<u>\$ 2.96</u>
Basic	<u>181.0</u>	<u>186.0</u>	<u>182.2</u>	<u>187.7</u>
Diluted	<u>181.7</u>	<u>186.5</u>	<u>182.8</u>	<u>188.1</u>

Income statement (cont.)

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2022 AND 2021
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Segment Information				
Freight Net Sales	\$ 1,669	\$ 1,425	\$ 6,012	\$ 5,239
Freight Income from Operations	\$ 209	\$ 207	\$ 864	\$ 717
Freight Operating Margin	12.5%	14.5%	14.4%	13.7%
Transit Net Sales	\$ 637	\$ 648	\$ 2,350	\$ 2,583
Transit Income from Operations	\$ 63	\$ 79	\$ 231	\$ 238
Transit Operating Margin	9.9%	12.2%	9.8%	9.2%
Backlog Information (Note: 12-month is a sub-set of total)				
	December 31, 2022	September 30, 2022	December 31, 2021	
Freight Total	\$ 18,641	\$ 19,173	\$ 18,502	
Transit Total	3,800	3,437	3,667	
Wabtec Total	<u>\$ 22,441</u>	<u>\$ 22,610</u>	<u>\$ 22,169</u>	
Freight 12-Month	\$ 4,901	\$ 4,567	\$ 4,520	
Transit 12-Month	1,859	1,700	1,748	
Wabtec 12-Month	<u>\$ 6,760</u>	<u>\$ 6,267</u>	<u>\$ 6,268</u>	

Balance sheet

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<i><u>In millions</u></i>		
Cash, cash equivalents and restricted cash	\$ 541	\$ 473
Receivables, net	1,519	1,477
Inventories	2,034	1,689
Other current assets	233	193
Total current assets	4,327	3,832
Property, plant and equipment, net	1,429	1,497
Goodwill	8,508	8,587
Other intangible assets, net	3,402	3,705
Other noncurrent assets	850	833
Total assets	\$ 18,516	\$ 18,454
Current liabilities	\$ 3,467	\$ 2,910
Long-term debt	3,751	4,056
Long-term liabilities - other	1,151	1,249
Total liabilities	8,369	8,215
Shareholders' equity	10,102	10,201
Noncontrolling interest	45	38
Total shareholders' equity	10,147	10,239
Total Liabilities and Shareholders' Equity	\$ 18,516	\$ 18,454

Cash flow

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

	Twelve Months Ended December 31,	
<u><i>In millions</i></u>	<u>2022</u>	<u>2021</u>
<i>Operating activities</i>		
Net income	\$ 641	\$ 565
Non-cash expense	506	571
Receivables	(52)	(76)
Inventories	(368)	(41)
Accounts Payable	306	109
Other assets and liabilities	5	(55)
Net cash provided by operating activities	1,038	1,073
Net cash used for investing activities	(235)	(540)
Net cash used for financing activities	(708)	(653)
Effect of changes in currency exchange rates	(27)	(6)
Increase (decrease) in cash	68	(126)
Cash, cash equivalents and restricted cash, beginning of period	473	599
Cash, cash equivalents and restricted cash, end of period	\$ 541	\$ 473

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									
	<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Expenses</u>	<u>Income from Operations</u>	<u>Interest & Other Exp</u>	<u>Tax</u>	<u>Net Income</u>	<u>Noncontrolling Interest</u>	<u>Wabtec Net Income</u>	<u>EPS</u>
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									
	<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Expenses</u>	<u>Income from Operations</u>	<u>Interest & Other Exp</u>	<u>Tax</u>	<u>Net Income</u>	<u>Noncontrolling Interest</u>	<u>Wabtec Net Income</u>	<u>EPS</u>
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

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

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

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

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

Wabtec Corporation 2021 Q4 YTD EBITDA Reconciliation (in millions)										
	<u>Reported Income from Operations</u>	+	<u>Other Income (Expense)</u>	+	<u>Depreciation & Amortization</u>	= <u>EBITDA</u>	+	<u>Restructuring Costs</u>	=	<u>Adjusted EBITDA</u>
Consolidated Results	\$876		\$38		\$485	\$1,399		\$78		\$1,477

Sales by product line

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

<i><u>In millions</u></i>	Three Months Ended December 31,	
	<u>2022</u>	<u>2021</u>
Freight Segment		
Equipment	\$ 430	\$ 377
Components	241	218
Digital Electronics	225	167
Services	773	663
Total Freight Segment	<u>\$ 1,669</u>	<u>\$ 1,425</u>
Transit Segment		
Original Equipment Manufacturer	\$ 280	\$ 299
Aftermarket	357	349
Total Transit Segment	<u>\$ 637</u>	<u>\$ 648</u>
<i><u>In millions</u></i>	Twelve Months Ended December 31,	
	<u>2022</u>	<u>2021</u>
Freight Segment		
Equipment	\$ 1,528	\$ 1,302
Components	936	867
Digital Electronics	729	640
Services	2,819	2,430
Total Freight Segment	<u>\$ 6,012</u>	<u>\$ 5,239</u>
Transit Segment		
Original Equipment Manufacturer	\$ 1,095	\$ 1,193
Aftermarket	1,255	1,390
Total Transit Segment	<u>\$ 2,350</u>	<u>\$ 2,583</u>

Segment gross margin & operating margin reconciliation

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,			
	2022		2021		2022		2021	
	<u>Gross Profit</u>	<u>Income from Operations</u>	<u>Gross Profit</u>	<u>Income from Operations</u>	<u>Gross Profit</u>	<u>Income from Operations</u>	<u>Gross Profit</u>	<u>Income from Operations</u>
Freight Segment Reported Results	\$ 482	\$ 209	\$ 454	\$ 207	\$ 1,896	\$ 864	\$ 1,667	\$ 717
<i>Freight Segment Reported Margin</i>	28.9%	12.5%	31.9%	14.5%	31.5%	14.4%	31.8%	13.7%
Restructuring costs	8	7	3	(7)	15	15	8	9
Non-cash Amortization expense	-	68	-	67	-	272	-	267
Freight Segment Adjusted Results	<u>\$ 490</u>	<u>\$ 284</u>	<u>\$ 457</u>	<u>\$ 267</u>	<u>\$ 1,911</u>	<u>\$ 1,151</u>	<u>\$ 1,675</u>	<u>\$ 993</u>
<i>Freight Segment Adjusted Margin</i>	29.4%	17.0%	32.1%	18.7%	31.8%	19.1%	32.0%	19.0%
Transit Segment Reported Results	\$ 170	\$ 63	\$ 198	\$ 79	\$ 644	\$ 231	\$ 702	\$ 238
<i>Transit Segment Reported Margin</i>	26.7%	9.9%	30.6%	12.2%	27.3%	9.8%	27.2%	9.2%
Restructuring costs	23	27	2	4	28	37	45	59
Non-cash Amortization expense	-	5	-	5	-	19	-	20
Transit Segment Adjusted Results	<u>\$ 193</u>	<u>\$ 95</u>	<u>\$ 200</u>	<u>\$ 88</u>	<u>\$ 672</u>	<u>\$ 287</u>	<u>\$ 747</u>	<u>\$ 317</u>
<i>Transit Segment Adjusted Margin</i>	30.3%	14.8%	30.9%	13.6%	28.6%	12.2%	28.9%	12.3%

Segment sales reconciliation

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

<i>In millions</i>	Three Months Ended December 31,		
	<u>Freight</u>	<u>Transit</u>	<u>Consolidated</u>
2021 Net Sales	\$ 1,425	\$ 648	\$ 2,073
Acquisitions	21	1	22
Foreign Exchange	(21)	(71)	(92)
Organic	244	59	303
2022 Net Sales	<u>\$ 1,669</u>	<u>\$ 637</u>	<u>\$ 2,306</u>
<i>Change (\$)</i>	244	(11)	233
<i>Change (%)</i>	17.1%	-1.7%	11.2%
	Twelve Months Ended December 31,		
	<u>Freight</u>	<u>Transit</u>	<u>Consolidated</u>
2021 Net Sales	\$ 5,239	\$ 2,583	\$ 7,822
Acquisitions	83	4	87
Foreign Exchange	(62)	(242)	(304)
Organic	752	5	757
2022 Net Sales	<u>\$ 6,012</u>	<u>\$ 2,350</u>	<u>\$ 8,362</u>
<i>Change (\$)</i>	773	(233)	540
<i>Change (%)</i>	14.8%	-9.0%	6.9%

Cash conversion reconciliation

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

Wabtec Corporation 2022 Q4 Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income</u>	+ <u>Depreciation & Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	<u>\$410</u>		<u>\$159</u>	<u>\$120</u>	<u>147%</u>

Wabtec Corporation 2022 Q4 YTD Cash Conversion Calculation (in millions)					
	<u>Reported Cash from Operations</u>	÷	<u>(Net Income</u>	+ <u>Depreciation & Amortization)</u>	= <u>Cash Conversion</u>
Consolidated Results	<u>\$1,038</u>		<u>\$641</u>	<u>\$479</u>	<u>93%</u>

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

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