



**SECOND QUARTER 2024**

# **Wabtec Financial Results & 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. 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 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



**KYRA  
YATES**

Vice President,  
Investor Relations

# 2Q 2024 OVERVIEW

## 2Q 2024 HIGHLIGHTS

<b>SALES</b>	<b>\$2.64B</b>	Up 9.8% YOY
<b>OPERATING MARGIN</b>	<b>16.3%</b> GAAP	<b>19.3%</b> Adjusted
<b>EARNINGS PER SHARE</b>	<b>\$1.64</b> GAAP	<b>\$1.96</b> Adjusted
<b>CASH FLOW FROM OPERATIONS<sup>(1)</sup></b>	<b>\$235M</b>	
<b>12-MONTH BACKLOG</b>	<b>\$7.33B</b>	

Increased sales were driven by strong growth in the Freight Segment of 13.1%

Operating margin benefited from sales growth and improved gross margin

GAAP EPS up 54.7% YoY ... Adjusted EPS up 39.0% YoY from higher sales and operating margin expansion

Operating cash flow of \$235M vs \$115M in year ago quarter. 1<sup>st</sup> half cash flow ahead of prior year by \$479M

Backlog continues to provide strong visibility

# STRONG EXECUTION AND MOMENTUM ACROSS THE BUSINESS

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

(1) The unfavorable impact from payments of accounts receivable securitization was \$230 million in the 2<sup>nd</sup> quarter of 2024 and favorable impact from proceeds of \$10 million in the prior year period

# 2024 MARKET EXPECTATIONS

## FREIGHT

FAVORABLE / UNFAVORABLE

NA Carloads +

Active Locomotive Fleet ↔

International Freight Volumes +

NA Railcar Deliveries -

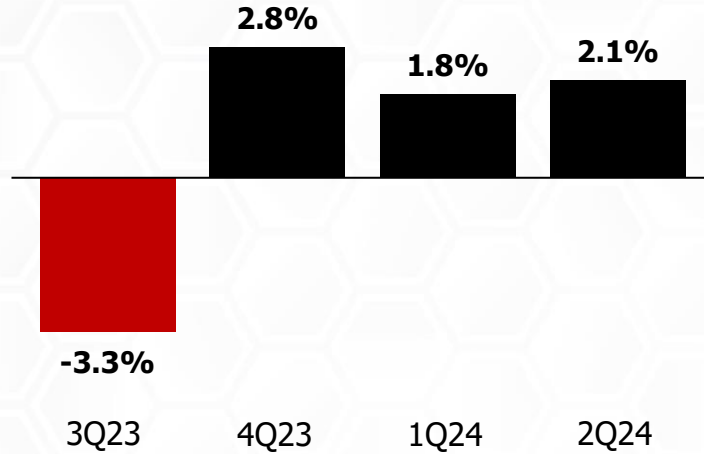
Mining Commodities + / ↔

## TRANSIT

Infrastructure Investment +

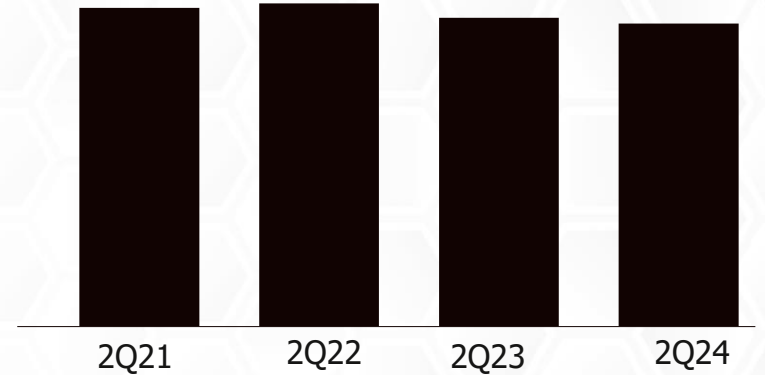
Global Ridership + / ↔

## NORTH AMERICAN FREIGHT CARLOADS



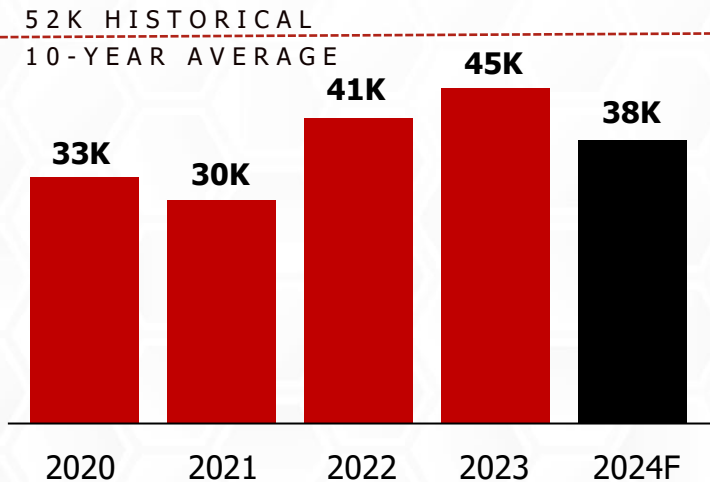
Source: Association of American Railroads

## NORTH AMERICAN AVG ACTIVE LOCOMOTIVES



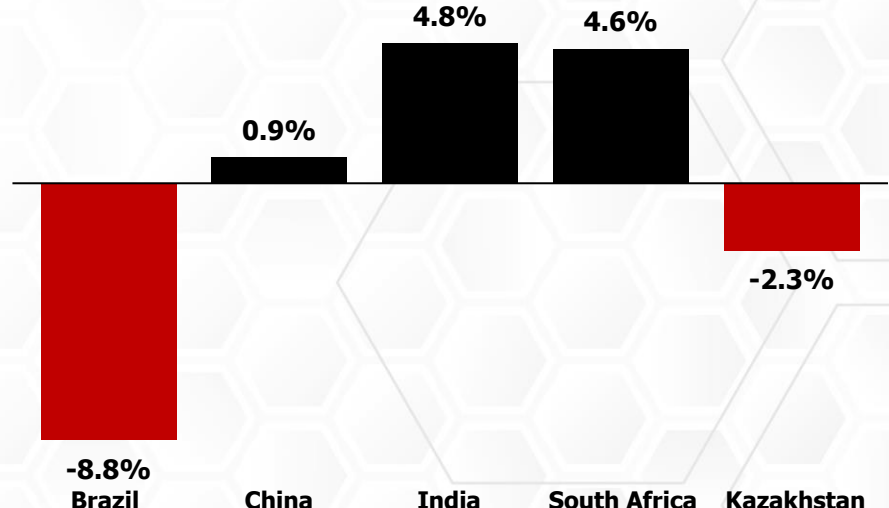
Source: Wabtec

## NORTH AMERICAN RAILCAR DELIVERIES



Source: Rail Supply Institute and FTR Associates

## INTERNATIONAL FREIGHT VOLUMES



Sources: Previous 3 months available for 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

Won a multi-year T4 locomotive order in NA for >\$600 million

1<sup>st</sup> multi-year service contract with Vale for \$244 million

Strategic order for 15 modernizations from Pakistan Railway

Green Friction braking solution begins commercial operations in Paris





# 2Q 2024 FINANCIAL SUMMARY

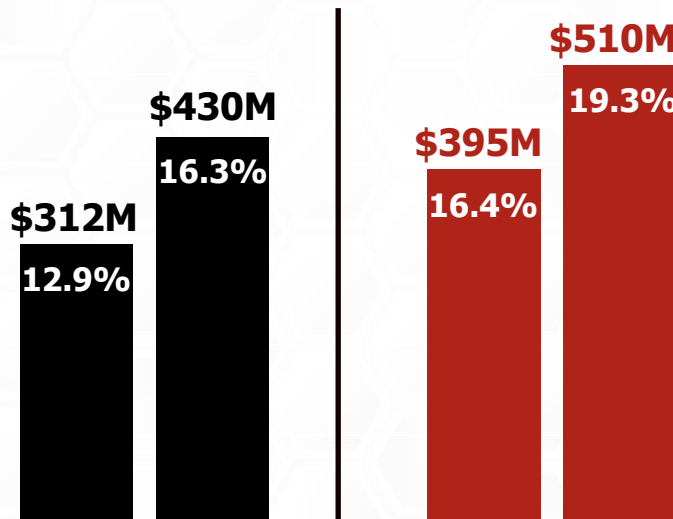
## INCREASED SALES, MARGIN EXPANSION AND EPS GROWTH

### SALES



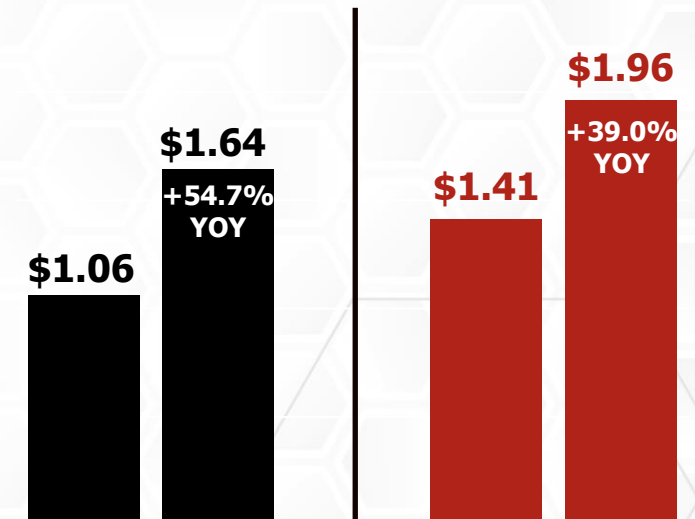
2023      2024  
**9.8% INCREASE**  
 (10.6% INCREASE EX-CURRENCY)

### OP INCOME / OP MARGIN



2023      2024      2023      2024  
 GAAP      GAAP      ADJ<sup>(1)</sup>      ADJ<sup>(1)</sup>

### EPS



2023      2024      2023      2024  
 GAAP      GAAP      ADJ<sup>(1)</sup>      ADJ<sup>(1)</sup>

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

# 2Q 2024 SALES

(in millions)

PRODUCT LINE	2Q24	YOY
Equipment	\$570	36.4%
Components	\$322	17.5%
Digital Intelligence	\$199	2.1%
Services	\$829	2.3%
Freight Segment	\$1,920	13.1%
Transit Segment	\$724	2.0%
<b>TOTAL SALES</b>	<b>\$2,644</b>	<b>9.8%</b>

## 2Q KEY DRIVERS

### EQUIPMENT

Higher locomotive deliveries and increased mining sales

### COMPONENTS

Increased demand for industrial products, higher international sales and the year-over-year impact of the L&M acquisition, partially offset by a lower North America railcar build (up 5.1% YoY excluding acquisitions)

### DIGITAL INTELLIGENCE

Higher sales from International PTC, partially offset by lower North America sales

### SERVICES

Increased sales from overhauls and parts sales

### TRANSIT

Higher aftermarket sales ... Sales up 3.4% on constant currency basis



# 2Q 2024 CONSOLIDATED GROSS PROFIT



(\$ in millions)

	GAAP	Adjusted
<b>2023 GROSS PROFIT</b>	<b>\$723</b>	<b>\$731</b>
<i>% Gross Profit Margin</i>	<i>30.1%</i>	<i>30.4%</i>
Volume	↑	↑
Mix/Pricing	↑	↑
Raw Materials	↔	↔
Currency	↓	↓
Manufacturing/Other	↑	↑
<b>2024 GROSS PROFIT</b>	<b>\$874</b>	<b>\$880</b>
<i>% Gross Profit Margin</i>	<i>33.0%</i>	<i>33.3%</i>

## 2Q KEY DRIVERS

### VOLUME

Higher Freight segment sales

### MIX/PRICING

Favorable mix of products between and within segments, despite significant growth in loco/mod deliveries

### RAW MATERIALS

Largely flat input costs

### CURRENCY

Unfavorable foreign exchange decreased adjusted gross profit \$5M (adjusted operating income unfavorable by \$3M)

### MANUFACTURING/OTHER

Favorable fixed cost absorption, increased productivity, benefits of Integration 2.0/Portfolio Optimization and lapping 2Q 2023 manufacturing inefficiencies (Erie strike)

# 2Q 2024 CONSOLIDATED OPERATING INCOME

(\$ in millions)	GAAP	Adjusted
<b>2023 OP INCOME</b>	<b>\$312</b>	<b>\$395</b>
<i>% Operating Margin</i>	<i>12.9%</i>	<i>16.4%</i>
Gross Profit	151	149
SG&A	(31)	(30)
Engineering	(4)	(4)
Amortization	2	-
<b>2024 OP INCOME</b>	<b>\$430</b>	<b>\$510</b>
<i>% Operating Margin</i>	<i>16.3%</i>	<i>19.3%</i>



**OP MARGIN BENEFITED FROM HIGHER SALES AND INCREASED GROSS MARGIN**

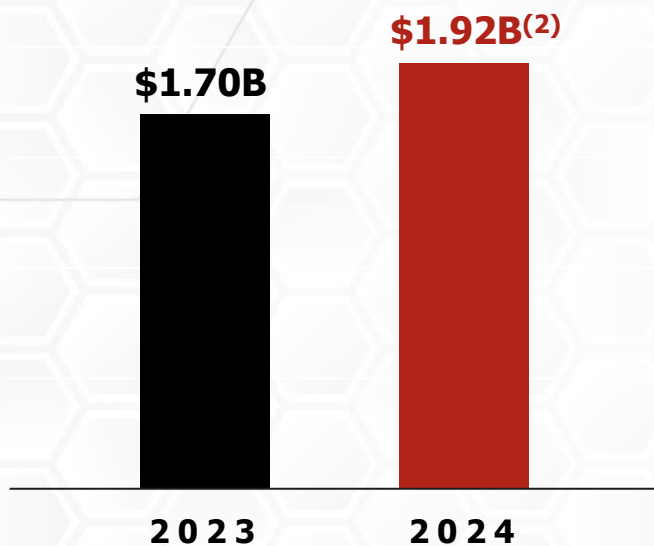
Note: Adjusted numbers represent non-GAAP financial measures. See Appendix for additional details and reconciliations





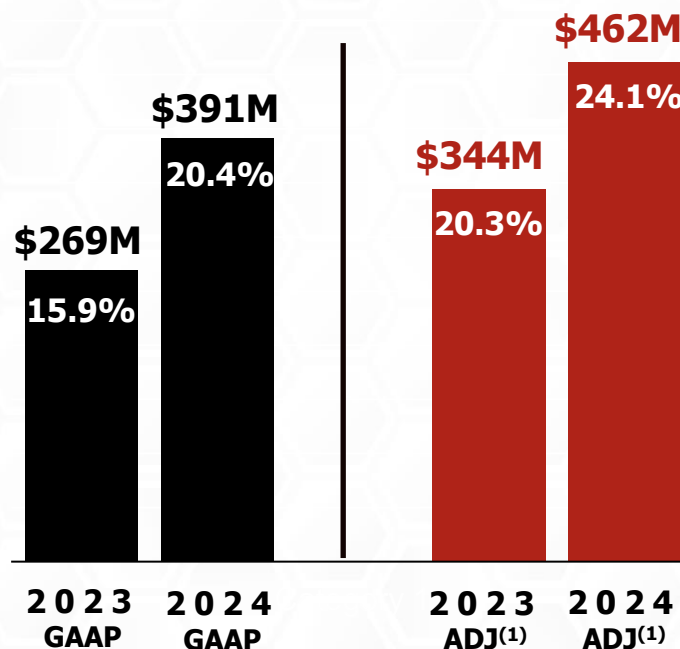
# 2Q 2024 FREIGHT SEGMENT PERFORMANCE

## SALES

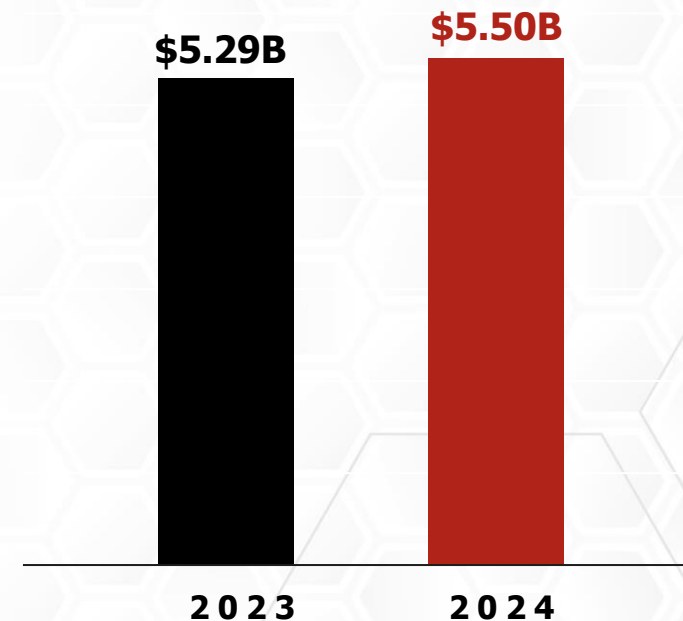


**13.1% INCREASE**  
(13.6% INCREASE EX-CURRENCY)

## OP INCOME / OP MARGIN



## 12-MONTH BACKLOG



**4.0% INCREASE YOY**

2.0% 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 \$12 million; down \$2 million versus 2<sup>nd</sup> quarter 2023

(2) Foreign exchange negatively impacted Freight sales by \$8 million; Foreign exchange rates had a negative \$167 million impact on segment multi-year backlog



# 2Q 2024 TRANSIT SEGMENT PERFORMANCE

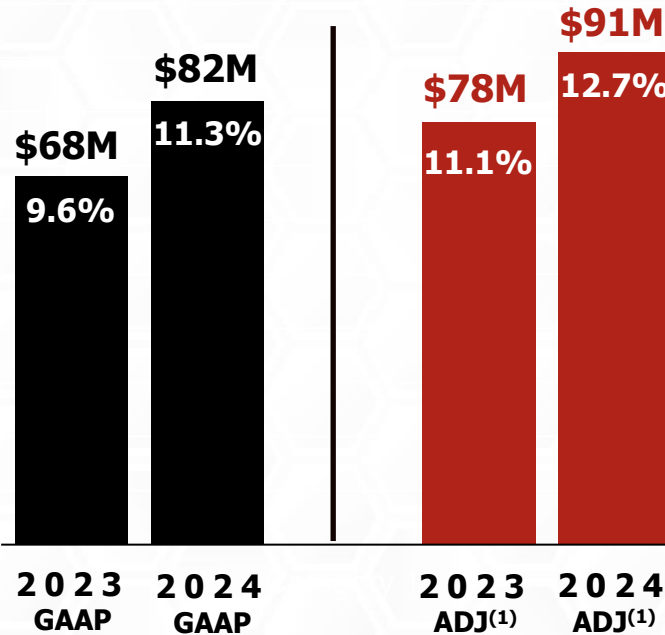


## SALES



**2.0% INCREASE**  
(3.4% INCREASE EX-CURRENCY)

## OP INCOME / OP MARGIN



## 12-MONTH BACKLOG



**5.0% DECREASE YOY**

0.1% 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 negatively impacted Transit sales by \$10 million; Foreign exchange rates had a negative \$49 million impact on segment multi-year backlog

# RESILIENT BUSINESS ALLOWS FOR EXECUTION ON FINANCIAL PRIORITIES

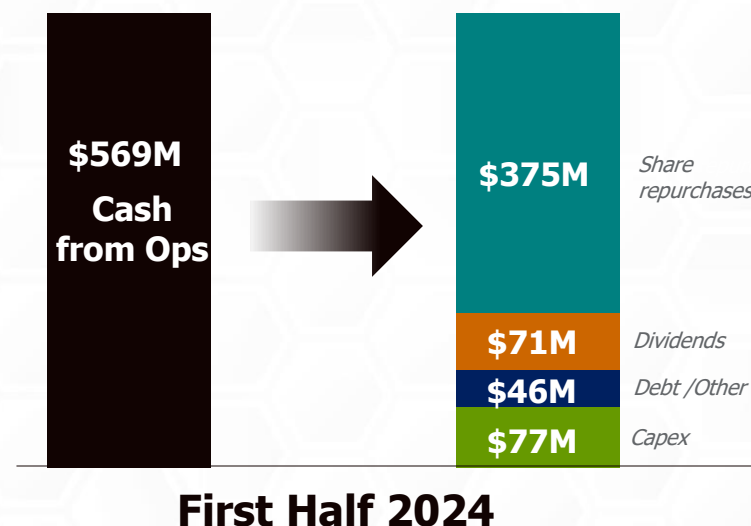


## FOCUSED ON CASH CONVERSION <sup>(1)</sup> YTD CASH FROM OPS



**2<sup>nd</sup> quarter CFOA of \$235M** driven by strong growth in net income and improved working capital, partially offset by repayment of securitization

## DISCIPLINED CAPITAL ALLOCATION



**Strong balance sheet and financial position** ... liquidity of \$2.09B <sup>(3)</sup>

**Debt leverage ratio of 1.6x<sup>(2)</sup>** versus 2.4x in year ago quarter

Returning capital to shareholders ... **\$446M returned through share repurchases and dividends**

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

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

- (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 ratio is defined as net debt divided by trailing 12-month adjusted EBITDA (as defined in Wabtec's credit agreements). Net debt is defined as total debt minus cash, restricted cash and cash equivalents
- (3) At June 30, 2024, the Company's total available liquidity was \$2.09 billion, which includes cash and cash equivalents of \$0.59 billion, plus \$1.50 billion available under current credit facilities
- (4) Payments of accounts receivable securitization was an unfavorable impact of \$230 million in the 2nd quarter of 2024 and a favorable impact from proceeds of \$10 million in the prior year period

# 2024 Updated Financial Guidance<sup>(1,2)</sup>

## PRIOR GUIDANCE

### REVENUES

**\$10.25B to \$10.55B**

### ADJUSTED DILUTED EPS

**\$7.00 to \$7.40**

### CASH CONVERSION<sup>(3)</sup>

**>90%**



## UPDATED GUIDANCE

### REVENUES

**\$10.25B to \$10.55B**

### ADJUSTED DILUTED EPS

**\$7.20 to \$7.50**

### CASH CONVERSION<sup>(3)</sup>

**>90%**

## KEY ASSUMPTIONS

- Adjusted operating margin up
- Favorable productivity/absorption
- Benefits of Integration 2.0/Portfolio Optimization
- Lower SG&A & Engineering expenses as % of sales
- Tax rate ~24.5% (previously 25%)
- Capex ~2% of sales

**INCREASED AND TIGHTENED ADJUSTED EPS RANGE TO \$7.20 - \$7.50**

(1) See Forward looking statements and non-GAAP financial information

(2) 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.

(3) 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<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, increased earnings, and improved cash flow

**02**

Positive productivity driven by continuous cost improvement combined with realization of Integration 2.0 savings

**03**

Continued momentum across the portfolio and strong order pipeline and backlog, 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 SIX MONTHS ENDED JUNE 30, 2024 AND 2023  
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)  
(UNAUDITED)

APPENDIX A ( 1 of 2)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net sales	\$ 2,644	\$ 2,407	\$ 5,141	\$ 4,601
Cost of sales	(1,770)	(1,684)	(3,452)	(3,213)
Gross profit	874	723	1,689	1,388
<i>Gross profit as a % of Net Sales</i>	33.0%	30.1%	32.8%	30.2%
Selling, general and administrative expenses	(316)	(285)	(597)	(548)
Engineering expenses	(57)	(53)	(105)	(104)
Amortization expense	(71)	(73)	(145)	(148)
Total operating expenses	(444)	(411)	(847)	(800)
<i>Operating expenses as a % of Net Sales</i>	16.8%	17.1%	16.5%	17.4%
Income from operations	430	312	842	588
<i>Income from operations as a % of Net Sales</i>	16.3%	12.9%	16.4%	12.8%
Interest expense, net	(49)	(55)	(96)	(103)
Other income, net	4	2	2	7
Income before income taxes	385	259	748	492
Income tax expense	(94)	(66)	(180)	(126)
<i>Effective tax rate</i>	24.5%	25.5%	24.1%	25.5%
Net income	291	193	568	366
Less: Net income attributable to noncontrolling interest	(2)	(2)	(7)	(6)
Net income attributable to Wabtec shareholders	<u>\$ 289</u>	<u>\$ 191</u>	<u>\$ 561</u>	<u>\$ 360</u>
<b>Earnings Per Common Share</b>				
<b>Basic</b>				
Net income attributable to Wabtec shareholders	<u>\$ 1.64</u>	<u>\$ 1.06</u>	<u>\$ 3.18</u>	<u>\$ 2.00</u>
<b>Diluted</b>				
Net income attributable to Wabtec shareholders	<u>\$ 1.64</u>	<u>\$ 1.06</u>	<u>\$ 3.17</u>	<u>\$ 2.00</u>
Basic	<u>175.4</u>	<u>178.9</u>	<u>176.0</u>	<u>179.4</u>
Diluted	<u>176.0</u>	<u>179.4</u>	<u>176.6</u>	<u>180.0</u>

# INCOME STATEMENT (CONT.)

**WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023**  
**(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)**  
**(UNAUDITED)**

Segment Information	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	Freight Net Sales	\$ 1,920	\$ 1,697	\$ 3,744
Freight Income from Operations	\$ 391	\$ 269	\$ 759	\$ 495
Freight Operating Margin	20.4%	15.9%	20.3%	15.2%
Transit Net Sales	\$ 724	\$ 710	\$ 1,397	\$ 1,348
Transit Income from Operations	\$ 82	\$ 68	\$ 156	\$ 138
Transit Operating Margin	11.3%	9.6%	11.2%	10.3%

Backlog Information (Note: 12-month is a sub-set of total)	<u>June 30, 2024</u>	<u>March 31, 2024</u>	<u>June 30, 2023</u>
Freight Total	\$ 17,929	\$ 17,898	\$ 18,290
Transit Total	4,146	4,185	4,141
Wabtec Total	<u>\$ 22,075</u>	<u>\$ 22,083</u>	<u>\$ 22,431</u>
Freight 12-Month	\$ 5,504	\$ 5,667	\$ 5,293
Transit 12-Month	1,830	2,043	1,927
Wabtec 12-Month	<u>\$ 7,334</u>	<u>\$ 7,710</u>	<u>\$ 7,220</u>



# BALANCE SHEET

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

<i>In millions</i>	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Cash, cash equivalents and restricted cash	\$ 595	\$ 620
Receivables, net	1,801	1,684
Inventories, net	2,364	2,284
Other current assets	<u>267</u>	<u>267</u>
<b>Total current assets</b>	5,027	4,855
Property, plant and equipment, net	1,439	1,485
Goodwill	8,706	8,780
Other intangible assets, net	3,031	3,205
Other noncurrent assets	<u>673</u>	<u>663</u>
<b>Total assets</b>	<u>\$ 18,876</u>	<u>\$ 18,988</u>
Current liabilities	\$ 3,647	\$ 4,056
Long-term debt	3,494	3,288
Long-term liabilities - other	<u>1,215</u>	<u>1,120</u>
<b>Total liabilities</b>	8,356	8,464
Shareholders' equity	10,477	10,487
Noncontrolling interest	<u>43</u>	<u>37</u>
<b>Total shareholders' equity</b>	<u>10,520</u>	<u>10,524</u>
<b>Total Liabilities and Shareholders' Equity</b>	<u>\$ 18,876</u>	<u>\$ 18,988</u>

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

	<b>Six Months Ended June 30,</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
<i>In millions</i>		
<i>Operating activities</i>		
Net income	\$ 568	\$ 366
Non-cash expense	246	245
Receivables	(146)	(150)
Inventories	(120)	(248)
Accounts Payable	93	(5)
Other assets and liabilities	(72)	(118)
<b>Net cash provided by operating activities</b>	<b>569</b>	<b>90</b>
<b>Net cash used for investing activities</b>	<b>(57)</b>	<b>(293)</b>
<b>Net cash (used for) provided by financing activities</b>	<b>(523)</b>	<b>30</b>
Effect of changes in currency exchange rates	(14)	3
Decrease in cash	(25)	(170)
Cash, cash equivalents and restricted cash, beginning of period	620	541
Cash, cash equivalents and restricted cash, end of period	\$ 595	\$ 371

# 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)		Second Quarter 2024 Actual Results									
		<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Expenses</u>	<u>Income from Operations</u>	<u>Interest &amp; Other Exp</u>	<u>Tax</u>	<u>Net Income</u>	<u>Noncontrolling Interest</u>	<u>Wabtec Net Income</u>	<u>EPS</u>
<b>Reported Results</b>	\$ 2,644	\$ 874	\$ (444)	\$ 430	\$ (45)	\$ (94)	\$ 291	\$ (2)	\$ 289	\$ 1.64	
Restructuring and Portfolio Optimization costs	\$ -	\$ 6	\$ 4	\$ 10	\$ (4)	\$ (2)	\$ 4	\$ -	\$ 4	\$ 0.02	
Non-cash Amortization expense	\$ -	\$ -	\$ 70	\$ 70	\$ -	\$ (17)	\$ 53	\$ -	\$ 53	\$ 0.30	
<b>Adjusted Results</b>	<b>\$ 2,644</b>	<b>\$ 880</b>	<b>\$ (370)</b>	<b>\$ 510</b>	<b>\$ (49)</b>	<b>\$ (113)</b>	<b>\$ 348</b>	<b>\$ (2)</b>	<b>\$ 346</b>	<b>\$ 1.96</b>	
<b>Fully Diluted Shares Outstanding</b>										<b>176.0</b>	

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Second Quarter Year-to-Date 2024 Actual Results									
		<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Expenses</u>	<u>Income from Operations</u>	<u>Interest &amp; Other Exp</u>	<u>Tax</u>	<u>Net Income</u>	<u>Noncontrolling Interest</u>	<u>Wabtec Net Income</u>	<u>EPS</u>
<b>Reported Results</b>	\$ 5,141	\$ 1,689	\$ (847)	\$ 842	\$ (94)	\$ (180)	\$ 568	\$ (7)	\$ 561	\$ 3.17	
Restructuring and Portfolio Optimization costs	-	12	8	20	(4)	(4)	12	-	12	\$ 0.07	
Non-cash Amortization expense	-	-	143	143	-	(34)	109	-	109	\$ 0.61	
<b>Adjusted Results</b>	<b>\$ 5,141</b>	<b>\$ 1,701</b>	<b>\$ (696)</b>	<b>\$ 1,005</b>	<b>\$ (98)</b>	<b>\$ (218)</b>	<b>\$ 689</b>	<b>\$ (7)</b>	<b>\$ 682</b>	<b>\$ 3.85</b>	
<b>Fully Diluted Shares Outstanding</b>										<b>176.6</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 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)		Second Quarter 2023 Actual Results									
		<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Expenses</u>	<u>Income from Operations</u>	<u>Interest &amp; Other Exp</u>	<u>Tax</u>	<u>Net Income</u>	<u>Noncontrolling Interest</u>	<u>Wabtec Net Income</u>	<u>EPS</u>
<b>Reported Results</b>	\$ 2,407	\$ 723	\$ (411)	\$ 312	\$ (53)	\$ (66)	\$ 193	\$ (2)	\$ 191	\$ 1.06	
Restructuring costs	-	8	2	10	-	(3)	7	-	7	\$ 0.04	
Non-cash Amortization expense	-	-	73	73	-	(17)	56	-	56	\$ 0.31	
<b>Adjusted Results</b>	\$ 2,407	\$ 731	\$ (336)	\$ 395	\$ (53)	\$ (86)	\$ 256	\$ (2)	\$ 254	\$ 1.41	
<b>Fully Diluted Shares Outstanding</b>										<u>179.4</u>	

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)		Second Quarter Year-to-Date 2023 Actual Results									
		<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Expenses</u>	<u>Income from Operations</u>	<u>Interest &amp; Other Exp</u>	<u>Tax</u>	<u>Net Income</u>	<u>Noncontrolling Interest</u>	<u>Wabtec Net Income</u>	<u>EPS</u>
<b>Reported Results</b>	\$ 4,601	\$ 1,388	\$ (800)	\$ 588	\$ (96)	\$ (126)	\$ 366	\$ (6)	\$ 360	\$ 2.00	
Restructuring costs	-	12	7	19	-	(5)	14	-	14	\$ 0.08	
Non-cash Amortization expense	-	-	148	148	-	(37)	111	-	111	\$ 0.61	
<b>Adjusted Results</b>	\$ 4,601	\$ 1,400	\$ (645)	\$ 755	\$ (96)	\$ (168)	\$ 491	\$ (6)	\$ 485	\$ 2.69	
<b>Fully Diluted Shares Outstanding</b>										<u>180.0</u>	

# 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 Year-to-Date 2023 Actual Results										
	<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Expenses</u>	<u>Income from Operations</u>	<u>Interest &amp; Other Exp</u>	<u>Tax</u>	<u>Net Income</u>	<u>Noncontrolling Interest</u>	<u>Wabtec Net Income</u>	<u>EPS</u>
<b>Reported Results</b>	\$ 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
<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>	<b>\$ 5.92</b>
<b>Fully Diluted Shares Outstanding</b>										<b>179.5</b>

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 &amp; Other Exp</u>	<u>Tax</u>	<u>Net Income</u>	<u>Noncontrolling Interest</u>	<u>Wabtec Net Income</u>	<u>EPS</u>
<b>Reported Results</b>	\$ 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
<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>	<b>\$ 4.86</b>
<b>Fully Diluted Shares Outstanding</b>										<b>182.8</b>

# 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 2024 Q2 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	\$430		\$4		\$116	\$550		\$5		\$555

Wabtec Corporation 2024 Q2 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	\$842		\$2		\$238	\$1,082		\$13		\$1,095

Wabtec Corporation 2023 Q2 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	\$312		\$2		\$122	\$436		\$8		\$444

Wabtec Corporation 2023 Q2 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	\$588		\$7		\$243	\$838		\$14		\$852



# SALES BY PRODUCT LINE

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

<i>In millions</i>	<b>Three Months Ended June 30,</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Freight Segment		
Equipment	\$ 570	\$ 418
Components	322	274
Digital Intelligence	199	195
Services	829	810
Total Freight Segment	<u>\$ 1,920</u>	<u>\$ 1,697</u>
Transit Segment		
Original Equipment Manufacturer	\$ 310	\$ 334
Aftermarket	414	376
Total Transit Segment	<u>\$ 724</u>	<u>\$ 710</u>

<i>In millions</i>	<b>Six Months Ended June 30,</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Freight Segment		
Equipment	\$ 1,096	\$ 822
Components	615	532
Digital Intelligence	375	382
Services	1,658	1,517
Total Freight Segment	<u>\$ 3,744</u>	<u>\$ 3,253</u>
Transit Segment		
Original Equipment Manufacturer	\$ 620	\$ 623
Aftermarket	777	725
Total Transit Segment	<u>\$ 1,397</u>	<u>\$ 1,348</u>

# SEGMENT GROSS MARGIN & OPERATING MARGIN RECONCILIATION

APPENDIX G

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

<i>In millions</i>	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
	<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>
<b>Freight Segment Reported Results</b>	\$ 669	\$ 391	\$ 538	\$ 269	\$ 1,294	\$ 759	\$ 1,016	\$ 495
<i>Freight Segment Reported Margin</i>	34.8%	20.4%	31.8%	15.9%	34.6%	20.3%	31.2%	15.2%
Restructuring and Portfolio Optimization costs	5	5	5	6	8	8	6	8
Non-cash Amortization expense	-	66	-	69	-	134	-	137
<b>Freight Segment Adjusted Results</b>	<u>\$ 674</u>	<u>\$ 462</u>	<u>\$ 543</u>	<u>\$ 344</u>	<u>\$ 1,302</u>	<u>\$ 901</u>	<u>\$ 1,022</u>	<u>\$ 640</u>
<i>Freight Segment Adjusted Margin</i>	35.1%	24.1%	32.0%	20.3%	34.8%	24.1%	31.4%	19.7%
<b>Transit Segment Reported Results</b>	\$ 205	\$ 82	\$ 185	\$ 68	\$ 395	\$ 156	\$ 372	\$ 138
<i>Transit Segment Reported Margin</i>	28.3%	11.3%	26.0%	9.6%	28.3%	11.2%	27.6%	10.3%
Restructuring costs	1	5	3	6	4	12	6	11
Non-cash Amortization expense	-	4	-	4	-	9	-	11
<b>Transit Segment Adjusted Results</b>	<u>\$ 206</u>	<u>\$ 91</u>	<u>\$ 188</u>	<u>\$ 78</u>	<u>\$ 399</u>	<u>\$ 177</u>	<u>\$ 378</u>	<u>\$ 160</u>
<i>Transit Segment Adjusted Margin</i>	28.6%	12.7%	26.5%	11.1%	28.6%	12.7%	28.1%	11.9%





# 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 2024 Q2 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	\$235		\$291	\$118	57%

Wabtec Corporation 2024 Q2 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	\$569		\$568	\$241	70%

Wabtec Corporation 2023 Q2 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	\$115		\$193	\$123	36%

Wabtec Corporation 2023 Q2 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	\$90		\$366	\$246	15%

