



Wabtec Statement on Erie Strike

Wabtec was informed earlier this evening that UE Locals 506 and 618 voted against ratification of the Company's most recent proposal. After the vote results were announced, UE members walked off the job and remain on strike in support of the Union's bargaining demands. We are disappointed that the UE decided to engage in a strike at this time rather than return to the bargaining table. No one benefits from a walkout.

In six weeks of negotiations, the Company repeatedly informed the UE that the Erie facility was burdened with high labor costs and restrictive work rules that negatively impact productivity and competitiveness. We made every effort to reach a new agreement that would, at a minimum, not further degrade the competitive position of the Erie Facility. Although neither party got everything it wanted out of the negotiations, the Company believes that its June 10 proposal would continue to provide industry-leading wages and benefits, preserve work opportunities for Erie employees, and position the Erie facility for future success. However, UE members have rejected these terms, and are striking in support of Union proposals that would significantly increase our wage and benefit costs, further limit operational flexibility and create an on-going risk of disruption in our manufacturing operations.

Despite the UE's unfortunate decision to engage in a strike, the Company remains willing to work with the Union to finalize a new agreement. However, any agreement must allow the Company to remain competitive for existing and future business. In the meantime, the Erie site remains operational and focused on meeting customer commitments.