

Wabtec 4th Quarter 2020

Financial Results & Company Highlights

February 18, 2021



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 acquisition by Wabtec of GE Transportation (the “GE Transportation merger”), 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 synergies from the GE Transportation merger; statements regarding Wabtec’s plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from the GE Transportation merger; (2) uncertainty of Wabtec’s expected financial performance; (3) failure to realize the anticipated benefits of the GE Transportation merger, including as a result of integrating GE Transportation into Wabtec; (4) Wabtec’s ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets; and (14) other risk factors as detailed from time to time in Wabtec’s reports filed with the SEC, including Wabtec’s annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

This presentation as well as Wabtec’s earnings release and 2021 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 cash conversion rate. Wabtec defines EBITDA earnings before interest, taxes, depreciation and 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.

4Q and full-year 2020 highlights

Strong execution

Delivered results in face of disruptive environment ... global transportation markets recovering

Growth through technology & solutions

World-class technology (FLXDrive, Zero-to-Zero) while leveraging installed base (key int'l loco & service agreements orders)

Strengthened financial position

Strong cost management; paid down \$190M in debt; improvements in working capital; returned capital to shareholders

Aggressive cost actions

EBIT driven by cost controls, LEAN actions, execution on synergies and ~200 bps adj margin improvement in Transit

Delivering on integration

On-track to deliver full run-rate of \$250M in synergies in '21

FULL-YEAR 2020 PERFORMANCE

\$7.6B

SALES

15.1% ^{ADJUSTED}
(9.9% GAAP)

OPERATING MARGIN

\$784M

(Including ~\$220M in 1x costs)

CASH FROM OPS

~90%

CASH CONVERSION

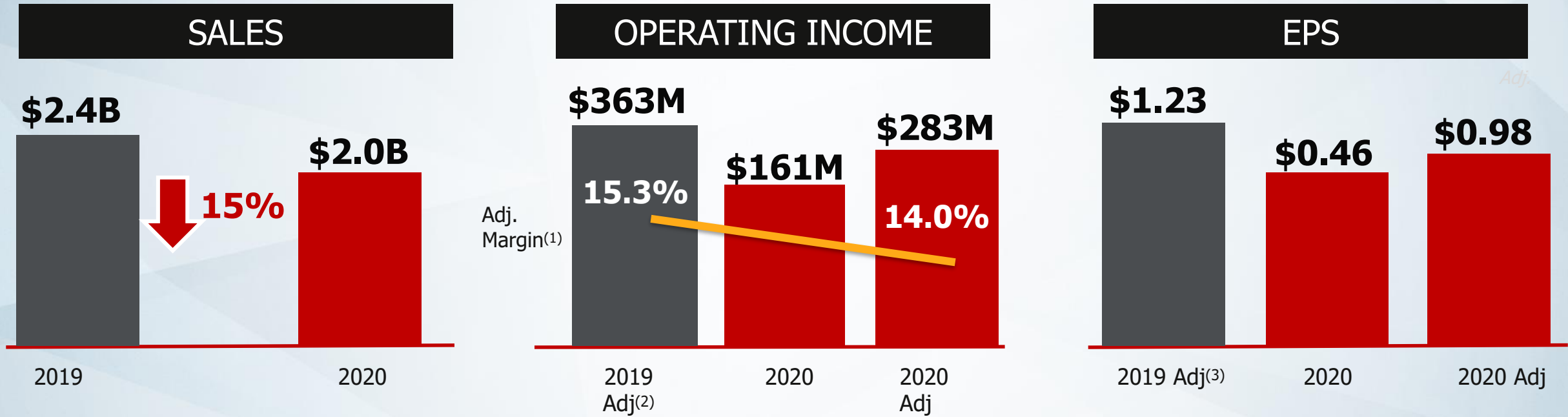
\$3.79 ^{ADJUSTED}
(\$2.17 GAAP)

EPS

\$21.6B

TOTAL BACKLOG

4Q 2020 financial summary



Focused execution as end markets recover

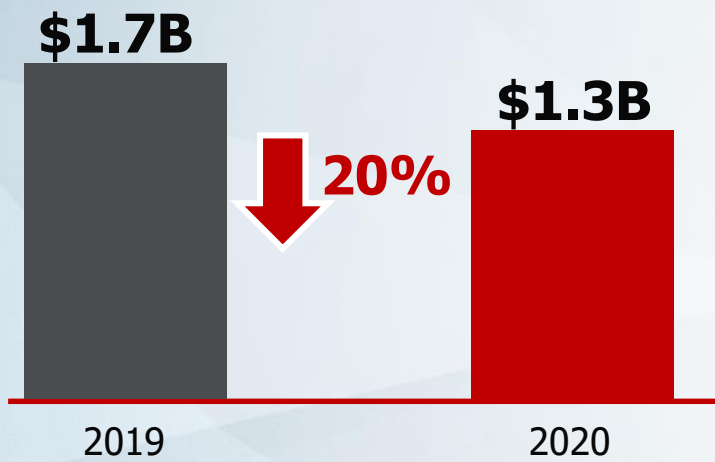
(1) 4Q 2019 GAAP margin was 9.5% and 4Q 2020 GAAP operating margin was 8.0%.

(2) 4Q 2019 GAAP operating income was \$226 million.

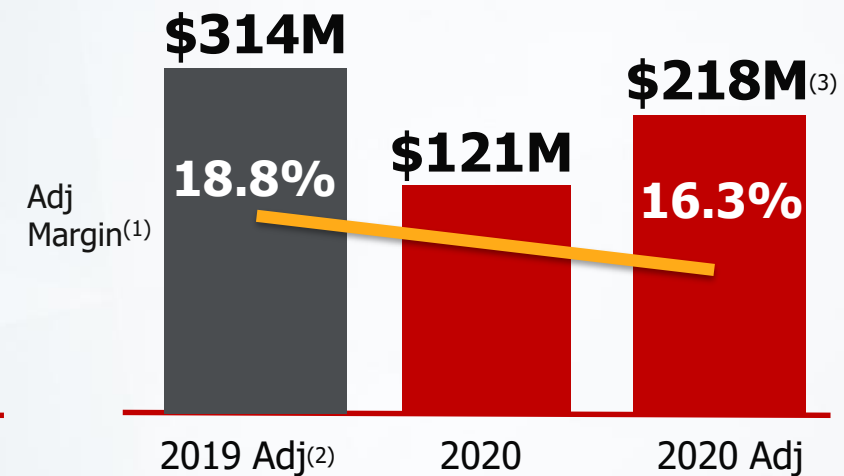
(3) 4Q 2019 GAAP EPS was \$0.71

4Q 2020 Freight segment performance

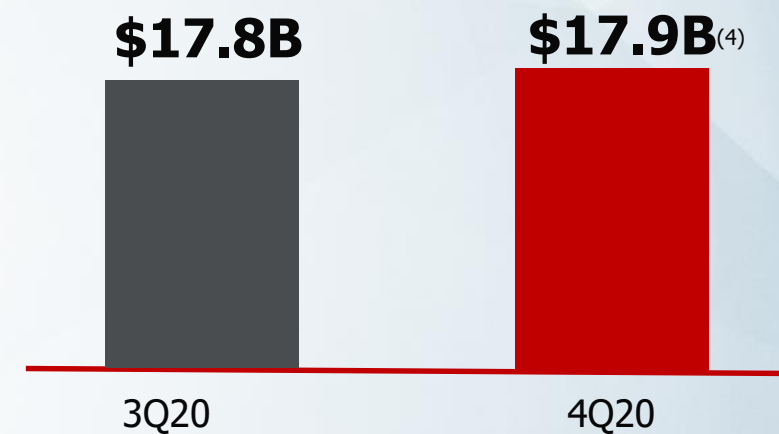
SALES



OPERATING INCOME



BACKLOG



PRODUCT LINE	YoY
--------------	-----

Equipment	(32%)	Timing of locomotive deliveries
Components	(22%)	Improving sequential aftermarket offset by lower NA OE railcar build
Services	(4%)	Improving YoY freight trends offset by high loco parkings; overhaul timing delayed
Digital Electronics	(22%)	Strong demand for distributed power products; lower PTC sales; order momentum

(1) 4th quarter 2019 Freight segment margin was 14.3% and 4th quarter 2020 Freight segment margin was 9.0%.

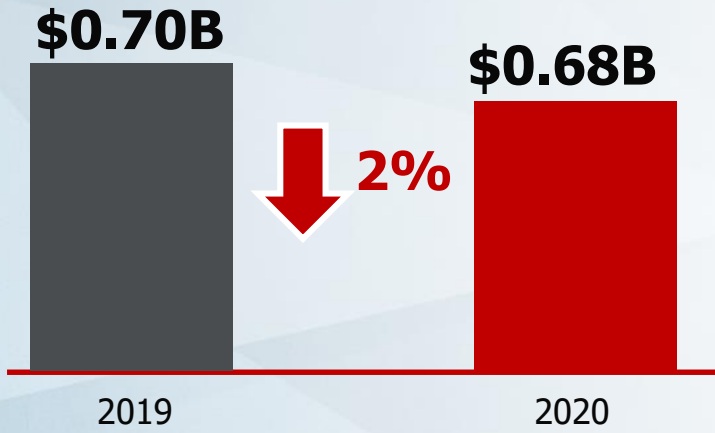
(2) 4th quarter 2019 Freight segment operating income was \$239 million.

(3) Freight segment income from operations was positively impacted by below market intangible amortization of \$20 million. Freight segment income was adjusted by the following expenses: \$32 million for restructuring and transaction and \$66 million for amortization expenses.

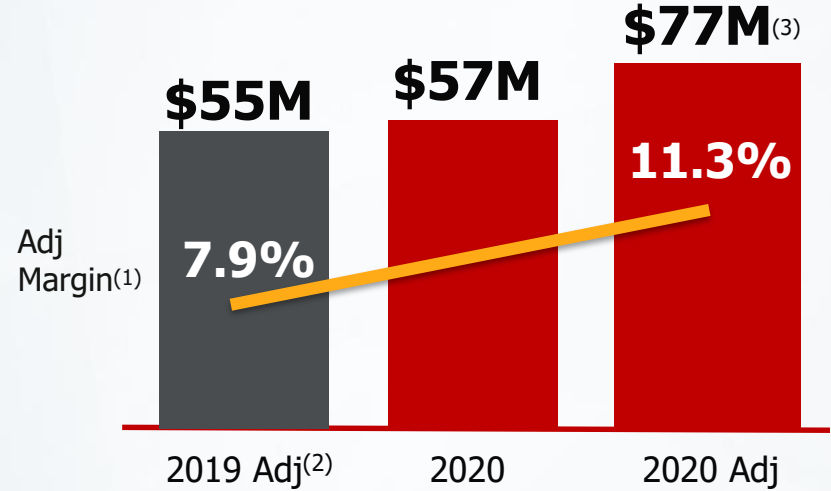
(4) Foreign exchange rates had positive \$100 million impact on the segment backlog.

4Q 2020 Transit segment performance

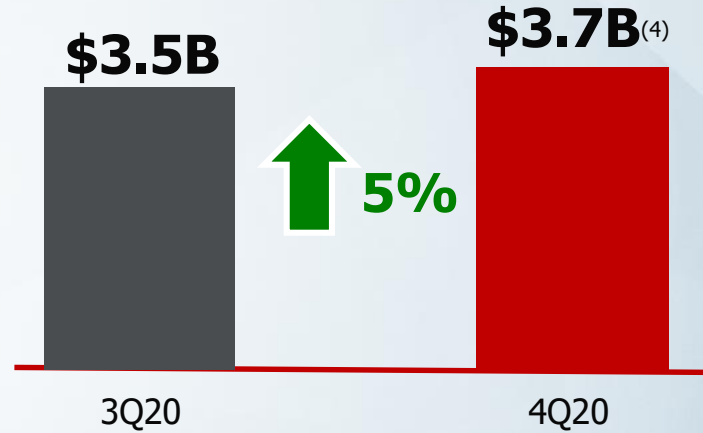
SALES



OPERATING INCOME



BACKLOG



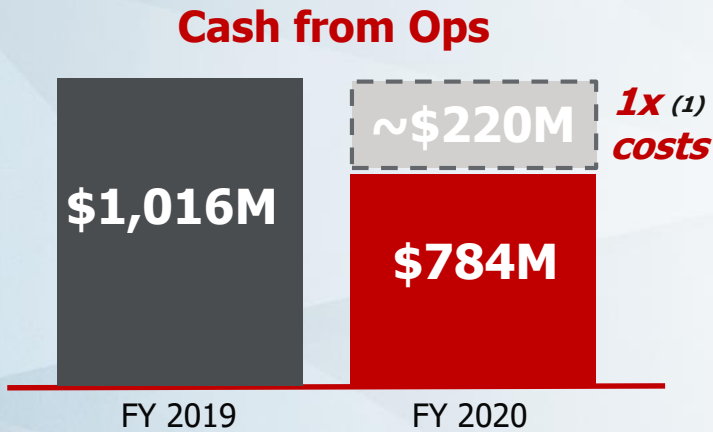
PRODUCT LINE	YoY
--------------	-----

OE	2%	Sequential recovery from COVID disruption in OE projects
Aftermarket	(6%)	Aftermarket resilient despite COVID resurgence

(1) 4th quarter 2019 Transit segment margin was 5.6% and 4th quarter 2020 Transit segment margin was 8.3%.
 (2) 4th quarter 2019 Transit segment operating income was \$39 million.
 (3) Transit Segment income from operations was adjusted by \$15 million for restructuring expenses and \$5 million for amortization expenses.
 (4) Foreign exchange rates had a positive \$165 million impact on segment backlog.

Resilient business allows for execution on financial priorities

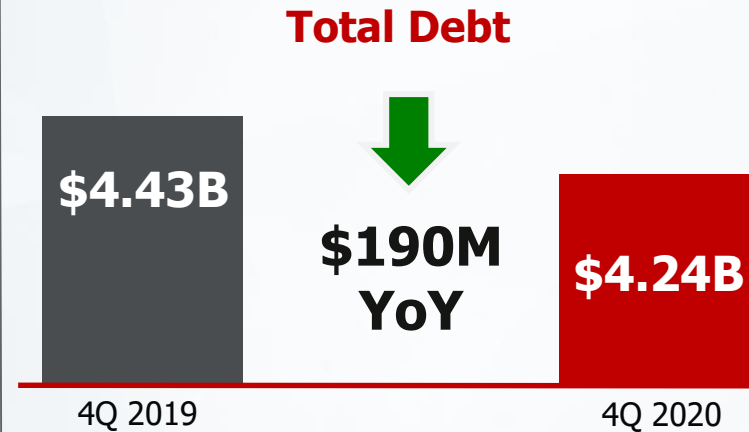
FOCUSED ON CASH CONVERSION



Substantial cash generation ... strong cash conversion & working capital management

Executing on synergy goals ... on track to deliver \$250M run-rate in '21

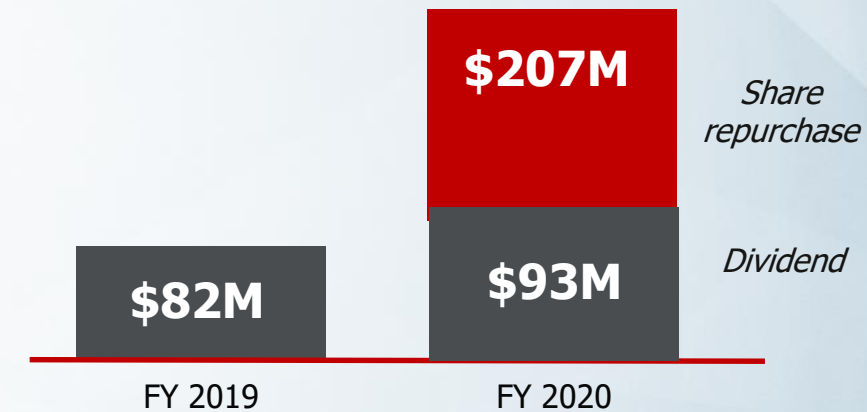
STRENGTHENED BALANCE SHEET



Solid financial position ... paid down \$190M in debt in '20; paid down \$723M since GET merger in Feb '19

First payment of tax matters agreement ... paid GE ~\$115M

RETURNED CAPITAL TO SHAREHOLDERS



Returning capital to shareholders ... >35% of '20 cash flow from operations paid in dividends & share repurchase

Strong financial position ... executing on strategic plan

(1) One time cash outflows of ~\$220M related to transaction, restructuring and litigation expenses in 2020.

2021 outlook and guidance

Freight

Equipment



- Challenging NA loco market, somewhat offset by international deliveries
- Strong Int'l pipeline ... order momentum building

Components



- Uncertain outlook for new railcar builds ... expected to be ~25K
- Industrial end markets stabilizing ... improving aftermarket

Services



- Continued growth in modernizations & international aftermarket sales
- Lower parkings ... higher service intensity per loco as active fleet runs harder via PSR

Digital Electronics



- Constrained NA capex budgets
- Leverage PTC installed base to increase efficiency; grow PTC internationally

Transit

Transit OE



- Continue to deliver on backlog
- Supportive fiscal environment and stimulus expected to support Transit end markets

Transit AM



- Trains in operation increasing as economies recover ... watching new COVID impacts
- Increase transit services drives aftermarket

2021 GUIDANCE

\$7.6B to \$7.9B

REVENUES

\$2.65 to \$3.05

GAAP EPS

\$3.90 to \$4.30

ADJUSTED EPS

>90%

CASH CONVERSION⁽¹⁾

(1) Cash from operations conversion % is defined as GAAP cash from operations divided by GAAP net income plus depreciation & amortization

ESG commitment and defined targets to drive progress

Innovate with purpose

Products . Services . Solutions . Reman.

We are committed to developing responsible and sustainable products that minimize the impact on the planet.

By 2030 **30%**

of net sales to be driven by Wabtec's eco-efficient portfolio



1st 100% **battery-electric** locomotive

10-30% fuel & emissions savings

Responsible operations

Safe operations . Climate . Resource efficiency

We are committed to providing safe work environments and products that enable productive and efficient use of resources.

By 2030 **30%**

of all GHG emissions intensity and energy intensity to be reduced

100% By 2025, **Hosur, India** plant to be 100% energy self-sufficient

13M gallons of rain water harvested

3T solar panels eliminated 3T of CO₂

Empower people & communities

People . Community . Integrity

We are committed to a diverse & inclusive culture grounded in integrity, and focused investing in our communities.

By 2030 **30%**

of workforce to be people of color; 25% to be female



70% Marhowrah, India workforce from local community

25% workforce is female

Solid foundation for growth and increased shareholder value

Leading in **decarbonization and automation** technology ... leveraging installed base ... profitable growth via new products

2021

~6-7%

organic investment in technology as % of sales

Driving continuous **operational improvement** and **margin expansion** ... delivering on synergies ... advancing lean culture

\$250MM

total run-rate synergies to be delivered

Generating **strong cash flow** with **disciplined capital allocation**

>90%

cash from operations conversion

Building stronger Wabtec with purpose-driven culture on sustainability and accountability



Wabtec
CORPORATION

Appendix

Income statement

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2020	2019	2020	2019
Net sales	\$ 2,023.7	\$ 2,368.4	\$ 7,556.1	\$ 8,200.0
Cost of sales	(1,518.2)	(1,693.5)	(5,419.0)	(5,922.0)
Gross profit	505.5	674.9	2,137.1	2,278.0
<i>Gross profit as a % of Net Sales</i>	25.0%	28.5%	28.3%	27.8%
Selling, general and administrative expenses	(235.2)	(323.7)	(948.1)	(1,166.6)
Engineering expenses	(38.4)	(59.6)	(162.1)	(209.9)
Amortization expense	(70.8)	(65.5)	(282.4)	(238.4)
Total operating expenses	(344.4)	(448.8)	(1,392.6)	(1,614.9)
<i>Operating expenses as a % of Net Sales</i>	17.0%	18.9%	18.4%	19.7%
Income from operations	161.1	226.1	744.5	663.1
<i>Income from operations as a % of Net Sales</i>	8.0%	9.5%	9.9%	8.1%
Interest expense, net	(48.6)	(58.3)	(198.9)	(219.1)
Other income (expense), net	5.8	6.9	11.6	2.8
Income before income taxes	118.3	174.7	557.2	446.8
Income tax expense	(31.5)	(37.7)	(144.9)	(120.3)
<i>Effective tax rate</i>	26.6%	21.6%	26.0%	26.9%
Net income	86.8	137.0	412.3	326.5
Less: Net loss (income) attributable to noncontrolling interest	1.1	(1.3)	2.1	0.2
Net income attributable to Wabtec shareholders	\$ 87.9	\$ 135.7	\$ 414.4	\$ 326.7
Earnings Per Common Share				
Basic				
Net income attributable to Wabtec shareholders	\$ 0.46	\$ 0.71	\$ 2.18	\$ 1.91
Diluted				
Net income attributable to Wabtec shareholders	\$ 0.46	\$ 0.71	\$ 2.17	\$ 1.84
Basic	<u>189.2</u>	<u>191.1</u>	<u>189.9</u>	<u>170.5</u>
Diluted	<u>189.7</u>	<u>191.6</u>	<u>190.4</u>	<u>177.3</u>

Income statement (cont.)

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2020 AND 2019
(AMOUNTS IN MILLIONS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2020	2019	2020	2019
Segment Information				
Freight Net Sales	\$ 1,339.3	\$ 1,667.1	\$ 5,082.3	\$ 5,441.4
Freight Income from Operations	\$ 120.5	\$ 239.2	\$ 583.9	\$ 642.9
Freight Operating Margin	9.0%	14.3%	11.5%	11.8%
Transit Net Sales	\$ 684.4	\$ 701.3	\$ 2,473.8	\$ 2,758.6
Transit Income from Operations	\$ 56.8	\$ 39.0	\$ 229.7	\$ 214.4
Transit Operating Margin	8.3%	5.6%	9.3%	7.8%
Backlog Information (Note: 12-month is a sub-set of total)				
	<u>December 31, 2020</u>	<u>September 30, 2020</u>		
Freight Total	\$ 17,887.1	\$ 17,840.5		
Transit Total	3,704.2	3,541.9		
Wabtec Total	<u>\$ 21,591.3</u>	<u>\$ 21,382.4</u>		
Freight 12-Month	\$ 3,586.3	\$ 3,626.7		
Transit 12-Month	1,934.4	1,557.6		
Wabtec 12-Month	<u>\$ 5,520.7</u>	<u>\$ 5,184.3</u>		

Balance sheet

Appendix B

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

	<u>December 31, 2020</u>	<u>December 31, 2019</u>
<i>In millions</i>		
Cash and cash equivalents	\$ 598.7	\$ 604.2
Receivables, net	1,412.5	1,663.9
Inventories	1,642.1	1,773.1
Current assets - other	<u>226.5</u>	<u>150.9</u>
Total current assets	3,879.8	4,192.1
Property, plant and equipment, net	1,601.6	1,655.8
Goodwill	8,485.2	8,360.6
Other intangibles, net	3,869.2	4,104.0
Other long term assets	<u>618.7</u>	<u>631.7</u>
Total assets	<u>\$ 18,454.5</u>	<u>\$ 18,944.2</u>
Current liabilities	\$ 3,226.3	\$ 3,258.0
Long-term debt	3,792.2	4,333.6
Long-term liabilities - other	<u>1,283.3</u>	<u>1,359.0</u>
Total liabilities	8,301.8	8,950.6
Shareholders' equity	10,122.3	9,956.5
Non-controlling interest	<u>30.4</u>	<u>37.1</u>
Total shareholders' equity	<u>10,152.7</u>	<u>9,993.6</u>
Total Liabilities and Shareholders' Equity	<u>\$ 18,454.5</u>	<u>\$ 18,944.2</u>

Cash flow

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

	Twelve Months Ended December 31,	
	<u>2020</u>	<u>2019</u>
<i><u>In millions</u></i>		
<i>Operating activities</i>		
Net income	\$ 412.3	\$ 326.5
Non-cash expense	404.6	369.2
Receivables	315.0	(6.3)
Inventories	180.8	255.9
Accounts Payable	(269.0)	(144.3)
Other assets and liabilities	(260.0)	214.5
Net cash provided by operating activities	<u>783.7</u>	<u>1,015.5</u>
Net cash used for investing activities	(155.4)	(3,177.8)
Net cash (used for) provided by financing activities	(619.0)	461.5
Effect of changes in currency exchange rates	(14.8)	(37.3)
Decrease in cash	(5.5)	(1,738.1)
Cash, cash equivalents, and restricted cash, beginning of period	<u>604.2</u>	<u>2,342.3</u>
Cash and cash equivalents, end of period	<u><u>\$ 598.7</u></u>	<u><u>\$ 604.2</u></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-to-Date 2020 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	\$ 2,023.7	\$ 505.5	\$ (344.4)	\$ 161.1	\$ (42.8)	\$ (31.5)	\$ 86.8	\$ 1.1	\$ 87.9	\$ 0.46
Restructuring & Transaction costs	-	21.1	30.3	51.4	-	(12.4)	39.0	-	39.0	\$ 0.20
Non-cash Amortization expense	-	-	70.8	70.8	-	(16.2)	54.6	-	54.6	\$ 0.29
Foreign Currency Loss	-	-	-	-	0.5	(0.2)	0.3	-	0.3	\$ -
Tax on Transaction Costs	-	-	-	-	-	5.7	5.7	-	5.7	\$ 0.03
Adjusted Results	\$ 2,023.7	\$ 526.6	\$ (243.3)	\$ 283.3	\$ (42.3)	\$ (54.6)	\$ 186.4	\$ 1.1	\$ 187.5	\$ 0.98
Fully Diluted Shares Outstanding										189.7

Wabtec Corporation Reconciliation of Reported Results to Adjusted Results (in millions)										
Q4 Year-to-Date 2020 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	\$ 7,556.1	\$ 2,137.1	\$ (1,392.6)	\$ 744.5	\$ (187.3)	\$ (144.9)	\$ 412.3	\$ 2.1	\$ 414.4	\$ 2.17
Restructuring & Transaction costs	-	44.4	70.9	115.3	-	(28.8)	86.5	-	86.5	\$ 0.45
Non-cash Amortization expense	-	-	282.4	282.4	-	(70.6)	211.8	-	211.8	\$ 1.11
Foreign Exchange Loss	-	-	-	-	8.2	(2.1)	6.1	-	6.1	\$ 0.03
Tax on Transaction Costs	-	-	-	-	-	5.7	5.7	-	5.7	\$ 0.03
Adjusted Results	\$ 7,556.1	\$ 2,181.5	\$ (1,039.3)	\$ 1,142.2	\$ (179.1)	\$ (240.7)	\$ 722.4	\$ 2.1	\$ 724.5	\$ 3.79
Fully Diluted Shares Outstanding										190.4

EPS

and non-GAAP Reconciliation

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Wabtec Corporation										
Reconciliation of Reported Results to Adjusted Results										
(in millions)										
Fourth Quarter-to-Date 2019 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	\$ 2,368.4	\$ 674.9	\$ (448.8)	\$ 226.1	\$ (51.4)	\$ (37.7)	\$ 137.0	\$ (1.3)	\$ 135.7	\$ 0.71
Restructuring, Transaction, & Litigation costs	-	9.9	61.1	71.0	3.5	(18.0)	56.5	-	56.5	\$ 0.29
Non-cash Amortization expense	-	-	65.5	65.5	-	(15.9)	49.6	-	49.6	\$ 0.26
One-time PPA	-	-	-	-	-	-	-	-	-	\$ -
Foreign Exchange Loss	-	-	-	-	(2.7)	0.7	(2.0)	-	(2.0)	\$ (0.01)
Tax on Transaction Costs	-	-	-	-	-	(3.5)	(3.5)	-	(3.5)	\$ (0.02)
Adjusted Results	\$ 2,368.4	\$ 684.8	\$ (322.2)	\$ 362.6	\$ (50.7)	\$ (74.4)	\$ 237.6	\$ (1.3)	\$ 236.3	\$ 1.23
Fully Diluted Shares Outstanding										191.6

Wabtec Corporation										
Reconciliation of Reported Results to Adjusted Results										
(in millions)										
Q4 Year-to-Date 2019 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	\$ 8,200.0	\$ 2,278.0	\$ (1,614.9)	\$ 663.1	\$ (216.3)	\$ (120.3)	\$ 326.5	\$ 0.2	\$ 326.7	\$ 1.84
Restructuring, Transaction, & Litigation costs	-	38.3	191.5	229.8	25.0	(61.6)	193.2	-	193.2	\$ 1.08
Non-cash Amortization expense	-	-	238.4	238.4	-	(57.7)	180.7	-	180.7	\$ 1.02
One-time PPA	-	185.0	-	185.0	-	(44.8)	140.2	-	140.2	\$ 0.79
Foreign Exchange Loss	-	-	-	-	13.5	(3.2)	10.3	-	10.3	\$ 0.06
Tax on Transaction Costs	-	-	-	-	-	12.5	12.5	-	12.5	\$ 0.07
Adjusted Results	\$ 8,200.0	\$ 2,501.3	\$ (1,185.0)	\$ 1,316.3	\$ (177.8)	\$ (275.1)	\$ 863.4	\$ 0.2	\$ 863.6	\$ 4.86
Fully Diluted Shares Outstanding										177.3

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 2020 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 & Transaction Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$161.1	\$5.8	\$118.3	\$285.2	\$51.4	\$336.6

Wabtec Corporation 2020 Q4 Year-to-Date EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	+ <u>Other Income (Expense)</u>	+ <u>Depreciation & Amortization</u>	= <u>EBITDA</u>	+ <u>Restructuring & Transaction Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$744.5	\$11.6	\$465.5	\$1,221.6	\$115.3	\$1,336.9

Wabtec Corporation 2019 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 & Transaction Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$226.1	\$6.9	\$110.8	\$343.8	\$71.0	\$414.8

Wabtec Corporation 2019 Q4 Year-to-Date EBITDA Reconciliation (in millions)						
	<u>Reported Income from Operations</u>	+ <u>Other Income (Expense)</u>	+ <u>Depreciation & Amortization</u>	= <u>EBITDA</u>	+ <u>Restructuring & Transaction Costs</u>	= <u>Adjusted EBITDA</u>
Consolidated Results	\$663.1	\$2.8	\$396.2	\$1,062.1	\$414.8	\$1,476.9

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>2020</u>	<u>2019</u>
Freight Segment		
Equipment	\$ 433.3	\$ 638.0
Components	194.6	250.1
Digital Electronics	163.9	210.8
Services	547.5	568.2
Total Freight Segment	<u>1,339.3</u>	<u>1,667.1</u>
 Transit Segment		
Original Equipment Manufacturer	\$ 321.2	\$ 313.8
Aftermarket	363.2	387.5
Total Transit Segment	<u>684.4</u>	<u>701.3</u>
<i><u>In millions</u></i>	Twelve Months Ended December 31,	
	<u>2020</u>	<u>2019</u>
Freight Segment		
Equipment	\$ 1,531.5	\$ 1,699.7
Components	818.7	1,073.5
Digital Electronics	664.0	677.1
Services	2,068.1	1,991.1
Total Freight Segment	<u>5,082.3</u>	<u>5,441.4</u>
 Transit Segment		
Original Equipment Manufacturer	\$ 1,138.6	\$ 1,286.6
Aftermarket	1,335.2	1,472.0
Total Transit Segment	<u>2,473.8</u>	<u>2,758.6</u>

Segment 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,	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Freight Segment Reported Income from Operations	\$ 120.5	\$ 239.2	\$ 583.9	\$ 642.9
<i>Freight Segment Reported Margin</i>	9.0%	14.3%	11.5%	11.8%
One-time PPA	-	-	-	185.0
Restructuring & Transaction costs	32.4	14.9	75.9	66.6
Non-cash Amortization expense	65.5	60.0	262.3	218.3
Freight Segment Adjusted Income from Operations	\$ 218.4	\$ 314.1	\$ 922.1	\$ 1,112.8
<i>Freight Segment Adjusted Margin</i>	16.3%	18.8%	18.1%	20.5%
Transit Segment Reported Income from Operations	\$ 56.8	\$ 39.0	\$ 229.7	\$ 214.4
<i>Transit Segment Reported Margin</i>	8.3%	5.6%	9.3%	7.8%
Restructuring & Transaction costs	15.0	10.7	28.3	18.0
Non-cash Amortization expense	5.3	5.5	20.1	20.1
Transit Segment Adjusted Income from Operations	\$ 77.1	\$ 55.2	\$ 278.1	\$ 252.5
<i>Transit Segment Adjusted Margin</i>	11.3%	7.9%	11.2%	9.2%