

**WABTEC CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2011 AND 2010**  
**(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)**  
**(UNAUDITED)**

	First Quarter <u>2011</u>	First Quarter <u>2010</u>
Net sales	\$ 455,259	\$ 363,927
Cost of sales	<u>(322,064)</u>	<u>(255,538)</u>
Gross profit	133,195	108,389
<i>Gross profit as a % of Net Sales</i>	29.3%	29.8%
Selling, general and administrative expenses	(54,816)	(44,631)
Engineering expenses	(8,888)	(10,695)
Amortization expense	<u>(3,114)</u>	<u>(1,887)</u>
Total operating expenses	(66,818)	(57,213)
<i>Operating expenses as a % of Net Sales</i>	14.7%	15.7%
Income from operations	66,377	51,176
<i>Income from operations as a % of Net Sales</i>	14.6%	14.1%
Interest (expense) income, net	(3,684)	(3,912)
Other income (expense), net	<u>460</u>	<u>(721)</u>
Income from operations before income taxes	63,153	46,543
Income tax expense	<u>(22,201)</u>	<u>(16,179)</u>
<i>Effective tax rate</i>	35.2%	34.8%
Net income attributable to Wabtec shareholders	<u>\$ 40,952</u>	<u>\$ 30,364</u>
<b>Earnings Per Common Share</b>		
<b>Basic</b>		
Net income attributable to Wabtec shareholders	\$ 0.85	\$ 0.64
<b>Diluted</b>		
Net income attributable to Wabtec shareholders	\$ 0.85	\$ 0.63
Weighted average shares outstanding		
Basic	<u>47,738</u>	<u>47,461</u>
Diluted	<u>48,251</u>	<u>47,895</u>
<b>Sales by Segment</b>		
Freight Group	\$ 264,856	\$ 165,144
Transit Group	<u>190,403</u>	<u>198,783</u>
Total	<u>\$ 455,259</u>	<u>\$ 363,927</u>