

WABTEC CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2011 AND 2010
(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Second Quarter <u>2011</u>	Second Quarter <u>2010</u>	For the Six Months <u>2011</u>	For the Six Months <u>2010</u>
Net sales	\$ 478,899	\$ 374,137	\$ 934,158	\$ 738,064
Cost of sales	<u>(336,155)</u>	<u>(260,673)</u>	<u>(658,219)</u>	<u>(516,211)</u>
Gross profit	142,744	113,464	275,939	221,853
<i>Gross profit as a % of Net Sales</i>	29.8%	30.3%	29.5%	30.1%
Selling, general and administrative expenses	(73,943)	(51,243)	(128,759)	(95,874)
Engineering expenses	(9,132)	(10,425)	(18,020)	(21,120)
Amortization expense	<u>(3,307)</u>	<u>(2,144)</u>	<u>(6,421)</u>	<u>(4,031)</u>
Total operating expenses	(86,382)	(63,812)	(153,200)	(121,025)
<i>Operating expenses as a % of Net Sales</i>	18.0%	17.1%	16.4%	16.4%
Income from operations	56,362	49,652	122,739	100,828
<i>Income from operations as a % of Net Sales</i>	11.8%	13.3%	13.1%	13.7%
Interest (expense) income, net	(3,793)	(4,092)	(7,477)	(8,004)
Other income (expense), net	<u>(410)</u>	<u>1,086</u>	<u>50</u>	<u>365</u>
Income from operations before income taxes	52,159	46,646	115,312	93,189
Income tax expense	<u>(15,825)</u>	<u>(15,435)</u>	<u>(38,026)</u>	<u>(31,614)</u>
<i>Effective tax rate</i>	30.3%	33.1%	33.0%	33.9%
Net income attributable to Wabtec shareholders	<u>\$ 36,334</u>	<u>\$ 31,211</u>	<u>\$ 77,286</u>	<u>\$ 61,575</u>
Earnings Per Common Share				
Basic				
Net income attributable to Wabtec shareholders	\$ 0.75	\$ 0.65	\$ 1.61	\$ 1.29
Diluted				
Net income attributable to Wabtec shareholders	\$ 0.75	\$ 0.65	\$ 1.60	\$ 1.28
Weighted average shares outstanding				
Basic	<u>47,950</u>	<u>47,725</u>	<u>47,805</u>	<u>47,539</u>
Diluted	<u>48,463</u>	<u>48,089</u>	<u>48,303</u>	<u>47,911</u>
Sales by Segment				
Freight Group	\$ 280,036	\$ 189,974	\$ 544,892	\$ 355,118
Transit Group	<u>198,863</u>	<u>184,163</u>	<u>\$ 389,266</u>	<u>\$ 382,946</u>
Total	<u>\$ 478,899</u>	<u>\$ 374,137</u>	<u>\$ 934,158</u>	<u>\$ 738,064</u>