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**Press
Release**

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**Wabtec Reports E.P.S. Of 25 Cents From Operations For Fourth Quarter;
Debt, Working Capital Reduced Significantly**

WILMERDING, Pa., Feb. 14, 2001 -- Wabtec Corporation (NYSE: WAB) today reported earnings per diluted share of 25 cents for the fourth quarter of 2000, excluding restructuring charges and a previously announced legal settlement. For the same period, Wabtec had cash earnings per diluted share of 30 cents and EBITDA of \$39 million, excluding restructuring charges and the legal settlement. In addition, during the quarter the company reduced debt, net of cash, by \$27 million and working capital by \$36 million.

In the 1999 fourth quarter, Wabtec had earnings per diluted share of 39 cents, cash earnings per diluted share of 46 cents and EBITDA of \$46 million, excluding restructuring and related charges.

The company said the earnings decrease compared to the prior-year period resulted mainly from lower margins due to an unfavorable product mix, production inefficiencies from restructuring actions and pricing pressures. These factors more than offset improved operating results in the company's Transit Group.

"Although our results were below the year-ago quarter, we're pleased that we finished the year by meeting earnings expectations and by generating significant cash flow to reduce debt during the fourth quarter," said William E. Kassling, Wabtec's chairman and chief executive officer. "We hope to build on that momentum in 2001 by continuing to focus on producing cash from earnings and working capital reductions so that we can continue to reduce debt. This will give us the flexibility to explore a variety of strategic growth opportunities to position Wabtec for better results when demand strengthens."

Future Outlook

The company expects its operating results in the first quarter of 2001 to be similar to its operating results in the fourth quarter of 2000, excluding a previously announced charge of up to \$5 million to complete its restructuring program. Based on current sales expectations of about \$1 billion, the company continues to expect earnings per diluted share to be about \$1.25 for the full year 2001, as benefits from the company's restructuring and higher Transit Group sales more than offset lower Freight Group sales.

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Fourth Quarter Results

During the fourth quarter, the company generated \$39 million of adjusted EBITDA, which funded \$27 million of net debt reduction, \$8 million of restructuring costs and \$2 million of stock repurchases. The company also funded capital expenditures of \$8 million.

In the quarter, the company incurred charges of \$8 million, or 12 cents per diluted share after-tax, for restructuring and related actions. The company also incurred an expense of \$2 million, or 3 cents per diluted share after-tax, for a legal settlement.

Net sales of \$265 million were 2 percent lower than the prior-year quarter, with lower sales in the Freight Group more than offsetting higher sales in the Transit Group. This was the company's fifth consecutive quarter with sales of between \$250 million and \$270 million. As expected, Freight Group sales decreased 7 percent compared to the prior-year quarter due to lower sales of freight car and locomotive components, primarily for original equipment. Transit Group sales increased 16 percent, reflecting increased shipments of components for passenger vehicles.

The company's adjusted gross margin was 26 percent compared to 29.2 percent in the year-ago quarter, due to an unfavorable product mix, inefficiencies from restructuring actions and pricing pressures.

Adjusted operating expenses decreased 8 percent, primarily due to lower employment and compensation costs. The company's interest expense increased 14 percent, primarily due to higher interest rates compared to the year-ago quarter.

Adjusted net income was \$11 million, compared to \$17 million in the prior-year quarter and about the same as the third quarter of 2000.

Debt, net of cash and equivalents, was \$534 million (73 percent of total capital) at Dec. 31, 2000, compared to \$562 million (74 percent of total capital) at Sept. 30, 2000 and \$562 million at Dec. 31, 1999 (75 percent of total capital). During the quarter, the company repurchased \$2 million, or 212,000 shares, of its own stock, as the continuation of a \$75 million stock repurchase program.

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Wabtec Corporation (www.wabtec.com) is North America's largest provider of value-added, technology-based products and services for the rail industry. Through its subsidiaries, the company manufactures a full range of products for locomotives, freight cars and passenger transit vehicles. The company also builds new locomotives up to 4,000 horsepower and provides aftermarket services, including locomotive and freight car fleet maintenance. Wabtec's mission is to help its customers achieve higher levels of quality, safety and productivity so they can compete more effectively. The company has facilities located throughout the world.

This press release contains forward-looking statements, such as the statements regarding the company's expectations about future earnings. The company's actual results could differ materially from the results suggested in any forward-looking statement. Factors that could cause or contribute to these material differences include, but are not limited to, the company's inability to achieve merger synergies; a further slowdown in the North American economy; and other factors contained in the company's regulatory filings, which are herein incorporated by reference. The company assumes no obligation to update these forward-looking statements or advise of changes in the assumptions on which they were based.

Summary of Earnings Per Diluted Share Adjustments

	<u>Fourth Quarter 2000</u>	<u>Full Year 2000</u>
Reported E.P.S.	\$ 0.10	\$ 0.59
Deduct gain on product line sale	--	\$(0.07)
Add back restructuring charges	\$ 0.12	\$ 0.43
Add back legal settlement	\$ 0.03	\$ 0.03
Add back ESOP charge	<u>\$ --</u>	<u>\$ 0.12</u>
Operating E.P.S.	\$ 0.25	\$ 1.10

To listen to the company's earnings conference call, log on to www.wabtec.com.
The call will be held today at 2 p.m., eastern time.

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