

WABTEC CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014
(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA
(UNAUDITED))

	Third Quarter <u>2015</u>	Third Quarter <u>2014</u>	For the Nine Months <u>2015</u>	For the Nine Months <u>2014</u>
Net sales	\$ 809,527	\$ 797,271	\$ 2,475,149	\$ 2,223,588
Cost of sales	<u>(552,458)</u>	<u>(549,813)</u>	<u>(1,694,961)</u>	<u>(1,541,903)</u>
Gross profit	257,069	247,458	780,188	681,685
<i>Gross profit as a % of Net Sales</i>	31.8%	31.0%	31.5%	30.7%
Selling, general and administrative expenses	(82,206)	(88,359)	(255,969)	(231,422)
Engineering expenses	(17,239)	(16,391)	(51,852)	(43,558)
Amortization expense	<u>(5,546)</u>	<u>(6,731)</u>	<u>(16,009)</u>	<u>(16,559)</u>
Total operating expenses	(104,991)	(111,481)	(323,830)	(291,539)
<i>Operating expenses as a % of Net Sales</i>	13.0%	14.0%	13.1%	13.1%
Income from operations	152,078	135,977	456,358	390,146
<i>Income from operations as a % of Net Sales</i>	18.8%	17.1%	18.4%	17.5%
Interest expense, net	(4,351)	(4,594)	(12,698)	(13,569)
Other (expense) income, net	<u>(2,937)</u>	<u>(154)</u>	<u>(7,690)</u>	<u>72</u>
Income from operations before income taxes	144,790	131,229	435,970	376,649
Income tax expense	<u>(45,609)</u>	<u>(41,074)</u>	<u>(139,121)</u>	<u>(117,655)</u>
<i>Effective tax rate</i>	31.5%	31.3%	31.9%	31.2%
Net income attributable to Wabtec shareholders	<u>\$ 99,181</u>	<u>\$ 90,155</u>	<u>\$ 296,849</u>	<u>\$ 258,994</u>
Earnings Per Common Share				
Basic				
Net income attributable to Wabtec shareholders	<u>\$ 1.03</u>	<u>\$ 0.94</u>	<u>\$ 3.08</u>	<u>\$ 2.69</u>
Diluted				
Net income attributable to Wabtec shareholders	<u>\$ 1.02</u>	<u>\$ 0.93</u>	<u>\$ 3.05</u>	<u>\$ 2.67</u>
Weighted average shares outstanding				
Basic	<u>96,369</u>	<u>95,935</u>	<u>96,135</u>	<u>95,745</u>
Diluted	<u>97,368</u>	<u>97,004</u>	<u>97,162</u>	<u>96,834</u>
Sales by Segment				
Freight Group	\$ 507,173	\$ 453,329	\$ 1,553,734	\$ 1,250,337
Transit Group	<u>302,354</u>	<u>343,942</u>	<u>921,415</u>	<u>973,251</u>
Total	<u>\$ 809,527</u>	<u>\$ 797,271</u>	<u>\$ 2,475,149</u>	<u>\$ 2,223,588</u>