

WABTEC CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2012 AND 2011
(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Second Quarter <u>2012</u>	Second Quarter <u>2011</u>	For the Six Months <u>2012</u>	For the Six Months <u>2011</u>
Net sales	\$ 609,820	\$ 478,899	\$ 1,193,129	\$ 934,158
Cost of sales	<u>(436,393)</u>	<u>(336,155)</u>	<u>(850,321)</u>	<u>(658,219)</u>
Gross profit	173,427	142,744	342,808	275,939
<i>Gross profit as a % of Net Sales</i>	28.4%	29.8%	28.7%	29.5%
Selling, general and administrative expenses	(59,163)	(73,943)	(121,192)	(128,759)
Engineering expenses	(10,145)	(9,132)	(20,294)	(18,020)
Amortization expense	<u>(3,254)</u>	<u>(3,307)</u>	<u>(6,347)</u>	<u>(6,421)</u>
Total operating expenses	(72,562)	(86,382)	(147,833)	(153,200)
<i>Operating expenses as a % of Net Sales</i>	11.9%	18.0%	12.4%	16.4%
Income from operations	100,865	56,362	194,975	122,739
<i>Income from operations as a % of Net Sales</i>	16.5%	11.8%	16.3%	13.1%
Interest (expense) income, net	(3,509)	(3,793)	(7,233)	(7,477)
Other income (expense), net	<u>223</u>	<u>(410)</u>	<u>109</u>	<u>50</u>
Income from operations before income taxes	97,579	52,159	187,851	115,312
Income tax expense	<u>(32,867)</u>	<u>(15,825)</u>	<u>(63,878)</u>	<u>(38,026)</u>
<i>Effective tax rate</i>	33.7%	30.3%	34.0%	33.0%
Net income attributable to Wabtec shareholders	<u>\$ 64,712</u>	<u>\$ 36,334</u>	<u>\$ 123,973</u>	<u>\$ 77,286</u>
Earnings Per Common Share				
Basic				
Net income attributable to Wabtec shareholders	\$ 1.35	\$ 0.75	\$ 2.58	\$ 1.61
Diluted				
Net income attributable to Wabtec shareholders	\$ 1.33	\$ 0.75	\$ 2.56	\$ 1.60
Weighted average shares outstanding				
Basic	<u>47,835</u>	<u>47,950</u>	<u>47,740</u>	<u>47,805</u>
Diluted	<u>48,422</u>	<u>48,463</u>	<u>48,333</u>	<u>48,303</u>
Sales by Segment				
Freight Group	\$ 407,706	\$ 280,036	\$ 804,994	\$ 544,892
Transit Group	<u>202,114</u>	<u>198,863</u>	<u>\$ 388,135</u>	<u>\$ 389,266</u>
Total	<u>\$ 609,820</u>	<u>\$ 478,899</u>	<u>\$ 1,193,129</u>	<u>\$ 934,158</u>