

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of Earliest Event Reported): March 9, 2022

WESTINGHOUSE AIR BRAKE TECHNOLOGIES
CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

033-90866
(Commission
File No.)
30 Isabella Street
Pittsburgh, PA
(Address of principal executive offices)

25-1615902
(I.R.S. Employer
Identification No.)
15212
(Zip code)

412-825-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 par value per share	WAB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure

On March 9, 2022, Westinghouse Air Brake Technologies Corporation (the “Company”) posted an investor presentation to its website at <https://ir.wabteccorp.com/investor-relations> in anticipation of the Company’s webcast of the analyst investor meeting broadcast over the Internet. Individuals wishing to listen can access the meeting through the aforementioned website. A copy of the investor presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K.

In addition, on March 9, 2022, the Company issued a press release regarding the investor conference. A copy of the press release is attached as Exhibit 99.2 to this Current Report on Form 8-K.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 7.01 in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

The following exhibits are furnished with this report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation dated March 9, 2022
99.2	Press Release dated March 9, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Caution Concerning Forward-Looking Statements

This communication contains “forward-looking” statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the “GE Transportation merger”) and Nordco, statements regarding Wabtec’s expectations about future sales and earnings, and statements about the impact of evolving global conditions on Wabtec’s business. All statements, other than historical facts, including statements regarding synergies and other benefits from acquisitions; statements regarding Wabtec’s plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec’s expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including the GE Transportation merger, including as a result of integrating acquired targets into Wabtec; (4) Wabtec’s ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, supply chain disruptions, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, (14) the imposition of economic sanctions on Russia resulting from the invasion of Ukraine, which could lead to disruption, instability, and volatility in global markets and negatively impact our operations and financial performance, and (15) other risk factors as detailed from time to time in Wabtec’s reports filed with the SEC, including Wabtec’s annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development.

future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

SIGNATURES

Pursuant to the requirements of Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION

By: _____ /s/ JOHN A. OLIN
John A. Olin
Executive Vice President and
Chief Financial Officer

(Duly Authorized Officer and Principal Financial Officer)

DATE: March 9, 2022

WABTEC
2022 **INVESTOR
CONFERENCE**



Forward-looking statements & non-GAAP financial information

This communication contains "forward-looking" statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the "GE Transportation merger") and Nordco, statements regarding Wabtec's expectations about future sales and earnings and statements about the impact of evolving global conditions on Wabtec's business. All statements, other than historical facts, including statements regarding synergies and other benefits from acquisitions; statements regarding Wabtec's plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including as a result of integrating acquired targets into Wabtec; (4) Wabtec's ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, supply chain disruptions, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets; (14) the imposition of economic sanctions on Russia resulting from the invasion of Ukraine could lead to disruption, instability, and volatility in global markets and negatively impact our operations and financial performance; and (15) other risk factors as detailed from time to time in Wabtec's reports filed with the SEC, including Wabtec's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

This presentation mentions certain non-GAAP financial performance measures, including adjusted gross profit, adjusted operating expenses, adjusted income from operations, adjusted interest and other expense, adjusted operating margin, adjusted income tax expense, adjusted effective tax rate, adjusted earnings per diluted share, EBITDA and adjusted EBITDA, net debt and operating cash flow conversion rate. Wabtec defines EBITDA as earnings before interest, taxes, depreciation and amortization. Wabtec defines operating cash flow conversion as net cash provided by operating activities divided by net income plus depreciation and amortization including deferred debt cost amortization. While Wabtec believes these are useful supplemental measures for investors, they are not presented in accordance with GAAP. Investors should not consider non-GAAP measures in isolation or as a substitute for net income, cash flows from operations, or any other items calculated in accordance with GAAP. In addition, the non-GAAP financial measures included in this presentation have inherent material limitations as performance measures because they add back certain expenses incurred by the company to GAAP financial measures, resulting in those expenses not being taken into account in the applicable non-GAAP financial measure. Because not all companies use identical calculations, Wabtec's presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Included in this presentation are reconciliation tables that provide details about how adjusted results relate to GAAP results. Wabtec is not presenting a quantitative reconciliation of its forecasted GAAP earnings per diluted share to forecasted adjusted earnings per diluted share as it is unable to predict with reasonable certainty and without unreasonable effort the impact and timing restructuring-related expenses and the outcome of certain regulatory, legal and tax matters; the financial impact of these items is uncertain and is dependent on various factors, including the timing, and could be material to Wabtec's Consolidated Statement of Earnings.

WABTEC

Our agenda

Wabtec Overview & Our Path Forward

Wabtec Overview & Our Path Forward

Rafael Santana
President & CEO

Portfolio Spotlights

Technology

Eric Gebhardt
Chief Technology Officer

Unleashing Further Growth

Gina Trombley
Executive Vice President & Chief Commercial Officer – Americas

Global Operations

Greg Sbrocco
Executive Vice President, Global Operations

Market-Led Growth Drivers

Segment Overview

Rafael Santana
President & CEO

Equipment

Rogério Mendonca
President, Equipment

Services

Pascal Schweitzer
President, Services

Components

Mike Fetsko
President, Components

Digital Electronics

Nalin Jain
President, Digital Electronics

Transit

Lilian Leroux
President, Transit

Disciplined Value Creation

Disciplined Value Creation

John Olin
Chief Financial Officer

Closing Comments

Rafael Santana
President & CEO

Q&A

What you will hear today

- 01** Portfolio positioned to drive long-term profitable growth
 - 02** Innovative, sustainable technologies expanding Wabtec's market size
 - 03** Growth strategy driving strong cash flow and margin expansion
 - 04** Strong business fundamentals driving long-term value creation for shareholders
-

Leadership team



OUR PURPOSE IS CLEAR

Move and improve
the world

ARE
BTEC



We're committed to creating a more sustainable future

SUSTAINABILITY PRINCIPLES

Innovating with Purpose

We are committed to developing responsible and sustainable products that minimize the impact on the planet

SUSTAINABILITY PRINCIPLES

Driving Responsible Operations

We are committed to providing safe work environments and products that enable productive and efficient use of resources

SUSTAINABILITY PRINCIPLES

Empowering People and Communities

We are committed to driving a diverse and inclusive culture and investing in the communities where our teams live and work

WABTEC

Delivering strong financial performance

PROGRESS SINCE
GE TRANSPORTATION
MERGER

\$250M

GE Transportation synergy run-rate achieved 15 months ahead of schedule

310BPS

Transit margin increase

~\$500M

Investment in strategic M&A...
Nordco, Relco, MASU

6-7%

Annual investment in technology (% of rev.)

2.5x

Adjusted net debt EBITDA leverage ratio (down from 3.0 post-merger)⁽¹⁾

~\$800M

Share repurchases and dividends returned to shareholders

~\$3B

Cash generated for an average cash conversion of over 100%

Net debt is defined as total debt minus cash and cash equivalents; adjusted leverage is defined as net debt divided by adjusted EBITDA

Building a solid foundation for growth

INTEGRATION OF 3 RAIL LEADERS

- ✓ Merged 3 market-leading rail companies
- ✓ Delivered on \$250M synergies 15 months ahead schedule

CULTURAL TRANSFORMATION

- ✓ Strengthened Company leadership
- ✓ Meritocracy... pay for performance
- ✓ Strengthened talent framework
- ✓ Focus on diversity and inclusion

NAVIGATED THROUGH THE TROUGH OF THE MARKET

- ✓ Covid-19, global supply chain, and labor disruptions
- ✓ Reduced capital budgets by railroads / PSR
- ✓ Zero locomotive orders in NAM
- ✓ Freight carloads down... storage up
- ✓ Transit ridership declines

INVESTED IN THE FUTURE OF RAIL

- ✓ Modernization business scaled
- ✓ International expansion / execution
- ✓ Digital and energy management
- ✓ ESG focus and acceleration

WELL-POSITIONED TO GROW, LEVERAGE COMPANY'S INFRASTRUCTURE, DRIVE PRODUCTIVITY AND GENERATE CASH

Wabtec is well-positioned to lead the industry and deliver shareholder value

WHERE WE HAVE BEEN

2019-2021
Lay the foundation

2022-2023
Lead the recovery

2024+
Deliver the future of sustainable rail

WHERE WE ARE GOING

WHERE WE ARE



2022-2023 OUTLOOK

Where we are... leading the recovery

MARKET CONDITIONS

- + Strong international pipeline... Australia, Brazil, Egypt, CIS
- + Reduced parking of locos and freight car build recovery in NAM
- + Transit operating levels improving in high speed, regional/metro
- + Continued global infrastructure spending on sustainable rail

- Significant inflationary pressures and labor shortages
- Continued customer CapEx / OpEx constraints... orders continue to push out
- COVID volatility remains... ridership volumes and budget constraints pressuring Transit

KEY ASSUMPTIONS

	2021	2022-2023
Locos	--	++
# Parkings	+	+
Mods	++	++
NAM Freight Car Build	-	+
Transit Rolling Stock	-	+
Mining Wheels	++	++

IMPROVING INDUSTRY FUNDAMENTALS

Where we are going... lead the future of sustainable rail

CUSTOMER GOALS: PRODUCTIVITY, GROWTH, SUSTAINABILITY



ENABLING CUSTOMER PRODUCTIVITY



RENEWING AGING FLEETS



TACKLING DECARBONIZATION



CUSTOMER OUTCOMES

LOWER OPERATING RATIO

+

CO₂ REDUCTION



**OPPORTUNITY TO GROW REVENUE AND EARNINGS
FASTER THAN INDUSTRY VOLUMES**

WABTEC

Value creation framework for delivering the future of rail

Extending the lead as **#1 rail technology** company in the world

DRIVERS OF PORTFOLIO OPTIMIZATION AND GROWTH

- 1 Accelerate innovation of scalable technologies**
Build high-margin, innovative and scalable products to increase customer productivity, automation, utilization, and capacity
- 2 Grow and refresh expansive global installed base**
Increase share across asset lifecycle (Locos/Mining, Freight Cars & Transit)
- 3 Lead decarbonization of rail**
Drive the industry in innovative, low-carbon technologies and transformative solutions
- 4 Expand high-margin recurring revenue streams**
Increase revenues and expand margins while reducing exposure to economic cycles
- 5 Drive continuous operational improvement**
Accelerate Lean; drive cost competitiveness; deploy capital efficiently; build a stronger, better Wabtec

#1 Accelerate innovation of scalable technologies

~6-7%

target annual organic investment in technology as % of sales



ENHANCE EXISTING PRODUCTS

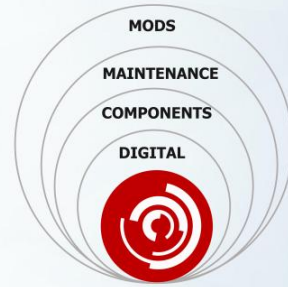


INVENT, TEST AND SCALE FUTURE TECHNOLOGIES

#2 Grow and refresh expansive global installed base

LOCOMOTIVE MARKET

	IB	Age (years)	WAB%	2022-2026
NORTH AMERICA	31K	20	51%	↔
APAC	20K	16	9%	↑
RUSSIA/CIS/EU	47K	22	3%	↑
LATAM	3K	19	61%	↔
SUB-SAHARAN AFRICA	4K	17	28%	↔



Customers projected to spend **1-1.5X** the original price of loco on service alone

TRANSIT

- ✓ Opportunity for pantograph pull through on FLXdrive
- ✓ High-margin friction products

DIGITAL ELECTRONICS

- ✓ Pull-through content of up to \$250K per new loco
- ✓ Recurring software services

FREIGHT SERVICES

- ✓ 120+ service events over asset life
- ✓ >1,000 Mod units in operation
- ✓ High market share with Class I customers

FREIGHT CAR COMPONENTS

- ✓ Average \$6K+ on freight car
- ✓ Opportunity to pull through new deliveries, manufacturing & aftermarket sales

WABTEC

#3 Lead the decarbonization of rail

GROWING DEMAND

2x

Global demand for transport growing fast... **freight and passenger activity projected to grow more than double by 2050**

TODAY



CARBON REDUCTION

75% reduction in carbon emissions per ton-mile than trucking



SAFER

22x fewer deaths and injuries per year than trucking



MORE EFFICIENT

3-4x more fuel efficient than trucking

ENVIRONMENTAL IMPACT

~300M TONS

Annual CO₂ Reduction Globally

Decarbonization drives strong customer returns

FLXdrive

Price

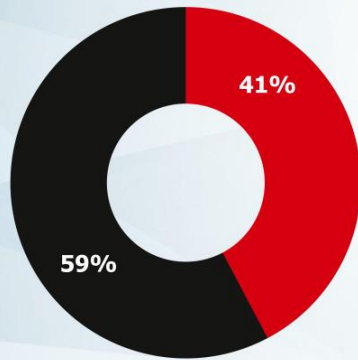
2-3x vs. T4

ROI

Double-digit returns

Sources: AAR sustainability Fact Sheet, Wabtec internal data

#4 Expand high-margin recurring revenue streams



— Recurring Revenues

RECURRING REVENUES

- » Driven by expansive installed base of locomotives and significant content on transit / freight cars
- » Includes service businesses, replacement parts, software licenses, digital services and consumables

* 2021 FY results

~60% OF COMPANY PROFIT DRIVEN BY RECURRING REVENUES

#5 Drive continuous operational improvement

ACCELERATE LEAN

- Deliver best-in-class manufacturing cost productivity and material cost deflation
- >90% on-time delivery
- Engineering productivity focus; yr/yr cost improvement
 - >20% flexible workforce capacity
- Achieve over-the-cycle working capital cycle improvement

DRIVE COST COMPETITIVENESS

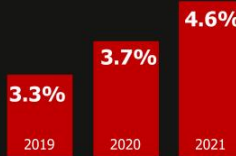
- ~135 manufacturing sites... drive best cost footprint
- >25% sites in best-cost countries
- >30% of engineers in best-cost countries
- "Should cost" analysis & competitive product benchmarking

CAPITAL EFFICIENCY METRICS

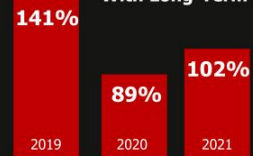
Continual Focus on Fixed Asset Productivity



Improve ROIC



Cash Conversion in Line With Long-Term Targets



Total net sales/property, plant, and equipment, net

Operational rigor underpins financial performance

STRATEGY DEPLOYMENT



WABTEC

Continued disciplined capital deployment

CAPITAL DEPLOYMENT PRIORITIES

Maintain Strong Balance Sheet

Maintain investment-grade rating

Invest In Sustainable Growth

R&D and CapEx

Increase Dividends

\$0.03 quarterly dividend increase in Q1 '22

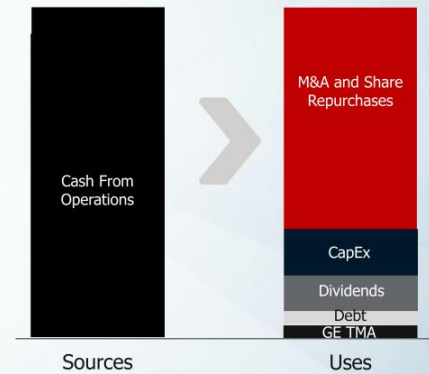
Supplement Organic Growth with M&A

Portfolio optimization; accretive investments

Repurchase Shares

Return excess cash through repurchases

CAPITAL DEPLOYMENT PLAN (2022-2026)



ACCRETIVE EARNINGS → STRONG CASH FLOW CONVERSION → REINVEST & RETURN

Attractive long-term financial profile

Resiliency tested and validated over past 5 years; proven track record of delivering growth

Attractive end markets... building momentum, renewal of locomotive fleets, strong and growing backlog

Leading market position and innovative, customer-focused solutions across major rail and industrial segments

Exceptional quality and reliability delivering leading market shares

Disciplined capital deployment generating strong returns

5-YEAR OUTLOOK

**MSD CORE ORGANIC
GROWTH CAGR**

+

**250-300 BPS MARGIN
EXPANSION**

+

**DISCIPLINED CAPITAL
DEPLOYMENT**

=

**DOUBLE-DIGIT EPS GROWTH
WITH STRONG OPERATING
CASH FLOW CONVERSION
(90%+)**

Key takeaways

Attractive long-term investment with a clear profitable growth model

Strong organic growth profile driven by our industry-leading installed base and services

Relentless focus on **innovation, customer productivity, efficiency and safety**

Unwavering focus on and **commitment to execution**

Demonstrated ability to deliver **strong cash flow generation and margin expansion**

Disciplined capital allocation with strategic alignment to our core capabilities

ERIC GEBHARDT
Technology



Global technology leadership and scale



4,000+
Engineers

25+
Years Avg. Experience
(leadership team)

7,000+
Patents*

LEGACY OF ONGOING INVENTION ... FROM FOUNDERS TO TODAY

1869

Westinghouse Air Brake Company founded

1880

Thomas Edison conducts first test of the electrified railway

1923

Faiweley introduced pantograph

1995

Introduced AC electric drive system for mining trucks

2004

Introduced Electronic Train Management System (ETMS)

2009

Launched Trip Optimizer™ and Movement Planner

2020

Introduced advanced Metroflexx braking system

2021

Launched first long-haul battery-electric diesel locomotive

* Includes issued and non-issued patents

TECHNOLOGY

Focused on making customers more productive while achieving sustainability goals

EQUIPMENT

Objective

- Reliability
- Power / haulability
- Fuel efficiency
- Carbon reduction



TRAIN OPERATIONS

Objective

- Automation
- Smart train & network optimization
- Improved train handling

CUSTOMER OUTCOMES

**LOWER
OPERATING RATIO**

+

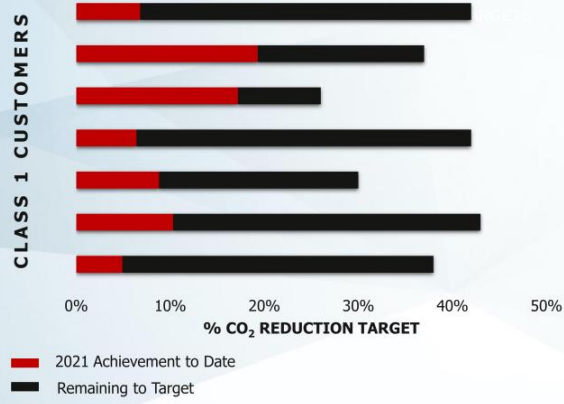
CO₂ REDUCTION



ECONOMIC PATHS TO REDUCE CO2 ARE CRITICAL FOR CUSTOMERS

TECHNOLOGY

Customer science-based targets for CO₂ reduction



TECHNOLOGY BENEFIT FOR CUSTOMERS

	TECHNOLOGY	CO ₂ BENEFIT	COST BENEFIT
UPGRADE	Trip Optimizer	+	+++
	Engine Advantage	+	+++
OPERATIONAL	Biodiesel 20%	+	+
	Renewable Diesel	++	-
NEW ASSET	FLXdrive	++	++
	Consist Hydrogen	+++	-/+

TECHNOLOGY

Digital solutions

IMPACT

UP TO ~30%

Reduction in diesel emissions and fuel utilization

- o 22% efficiencies today ... 18% EPA certified

PRODUCTS

INTEGRATED FUEL OPTIMIZATION

Movement Planner
 LOCOTROL
 Trip Optimizer Platform



CAPABILITY EVOLUTION

3% → 4%

FUEL SAVINGS ACROSS THE ENTERPRISE NETWORK

MOVEMENT PLANNER
 Optimizes the use of slack time to reduce overall fuel consumption

4% → 6%

FUEL SAVINGS ON DISTRIBUTED POWER TRAINS

LOCOTROL
 Optimizes the distribution of power to reduce total horsepower required

15% → 22%

FUEL SAVINGS PER LOCOMOTIVE

TRIP OPTIMIZER SUITE
 Plans the most fuel efficient way to arrive on time

* Non-EPA certified reductions reflect current estimates

TECHNOLOGY

Engine advantage



FDL - ADVANTAGE

>5% fuel savings
Leverage high-pressure common rail
Available now

EVO - ADVANTAGE

>5% fuel savings
Harvest exhaust energy
Available 2023-25

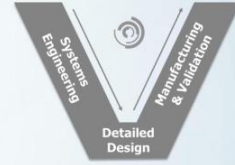
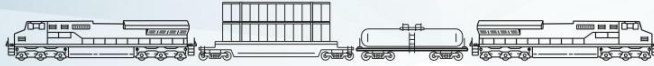
* Fuel reductions reflect current estimates

DELIVERING SIGNIFICANT EFFICIENCY AND GHG REDUCTIONS

Systems focus ... the Wabtec differentiator

WABTEC VS THE COMPETITION

	ENERGY MGT	HAULAGE	RELIABILITY	NA FREIGHT UNITS
Tier 4	+++	+	++	>1,000 vs <100
Mods	+++	++	+++	~1,200 vs ~100



PRODUCTS OPTIMIZED FOR

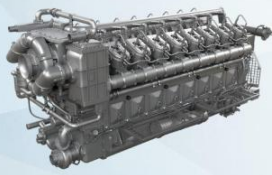
- Safety & reliability
- Fleet integration
- Performance & efficiency
- Overall life cycle cost

WORLD-CLASS SYSTEMS OPTIMIZATION DRIVING MARKET ADVANTAGE

TECHNOLOGY

Bio/renewable diesel

FULL WABTEC ENGINE PORTFOLIO BIODIESEL DEVELOPMENT PLAN



FDL Fleet



EVO Fleet

TEST
PARTNERS



BIODIESEL

B5 / R30 TODAY

20% BIODIESEL

55%+ HDRD

Industry partnership to validate
performance, durability, and
emissions impact

ADVANCING DIESEL TECHNOLOGY FOR REDUCED EMISSIONS

TECHNOLOGY

FLXdrive development progress



FLXDRIVE 2.0 VS 1.0

Energy Density	+++
Battery Life Cycle Cost	+++
Fuel & CO₂ Reduction	+++



WABTEC + GM TECHNOLOGY DELIVERING BEST IN CLASS:

- Safety
- Overall system performance
- Reliability
- Locomotive layout & maintainability
- Ongoing product evolution
- Life cycle cost & recycling

STRATEGIC INVESTMENTS ACCELERATING FLX PORTFOLIO COMPETITIVENESS

TECHNOLOGY

Alternative propulsion – hydrogen

TECHNOLOGY OPTIONS



H₂ Fuel Cells



H₂ ICE Dual Fuel



H₂ FOR FREIGHT

Longer range option for low/zero emissions

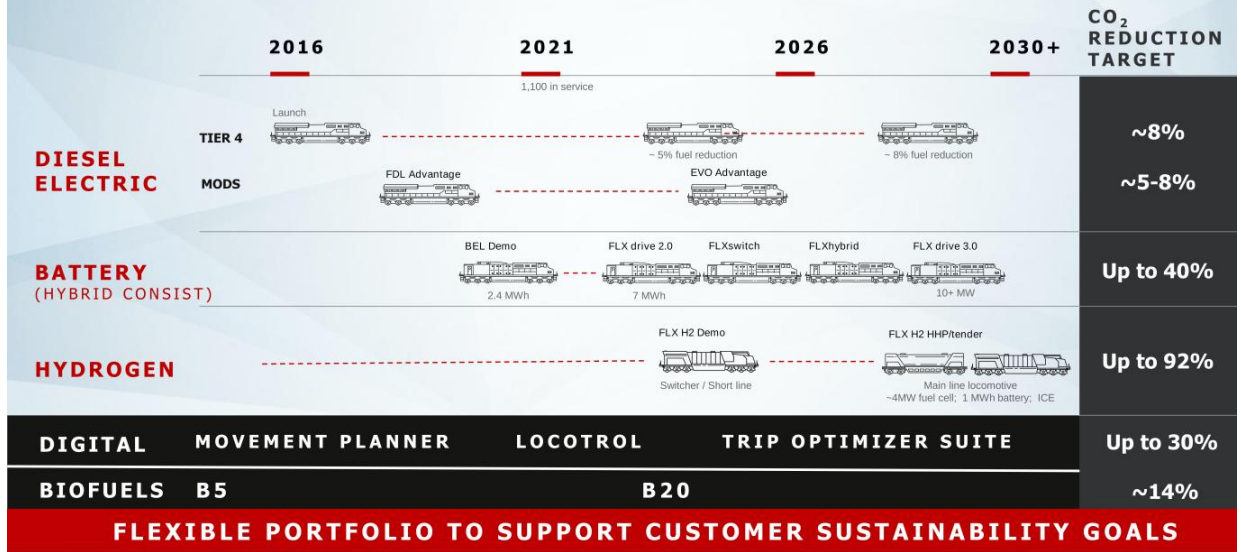
Fuel generation cost ↓ through public & private investment

Complementary to FLX technology... hybrid unit + hybrid consist

PATH TO A ZERO-EMISSION RAIL NETWORK

TECHNOLOGY

Locomotive technology road map for sustainability



FLEXIBLE PORTFOLIO TO SUPPORT CUSTOMER SUSTAINABILITY GOALS

—
GINA TROMBLEY

Unlocking further growth



Market for rail continues to expand

KEY TRENDS INFLUENCING GROWTH

Increased **focus on environmental sustainability and decarbonization**

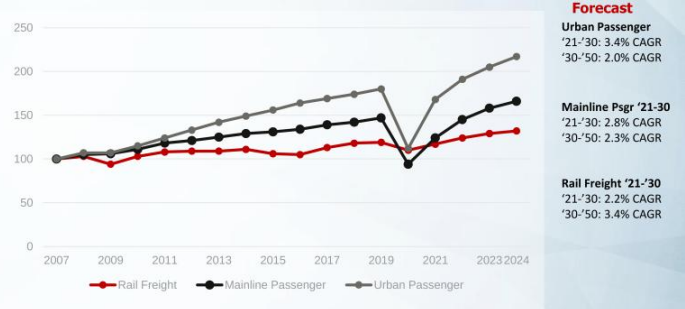
Improved rail infrastructure ... enabling economic growth in developing regions. In NA, increased government funding and Class I CAPEX

Digitization and automation driving improvements in productivity and efficiency

Continued urbanization and globalization driving greater overall demand for freight and passenger transportation

GLOBAL RAIL FORECAST

Consistent, positive outlook ahead for next 15+ years.

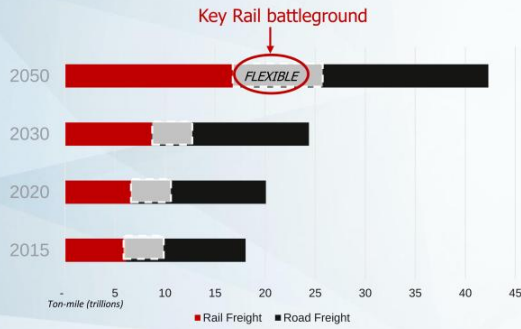


Source: Worldbank.org, SCI 2020 Worldwide Market for Railway Industries ; UNIFE World Market for Rail Supply, ITF (2021), ITF Transport Outlook 2021, OECD Publishing, Paris

RAIL FREIGHT & PASSENGER TRAFFIC EXPECTED TO DOUBLE BY 2050 ... LED BY INCREASED INFRASTRUCTURE INVESTMENT & FOCUS ON ESG

Railroads well-positioned to expand share vs. truck

GLOBAL RAIL VS. ROAD OUTLOOK



CUSTOMER INITIATIVES TO GAIN SHARE

Sustain existing share and focus on customer needs to capture flexible freight commodities

Create a **diversified supply chain and railcar visibility** to help shippers handle variability in demand

Collaborate with the government on key policies focused on decarbonization and automation

Invest in **cleaner energy, and digitalization** to improve transport efficiency and **reduce shipper scope 3 emissions**

Accelerate the **adoption of automation technologies to unlock latent capacity, efficiency and cost gains**

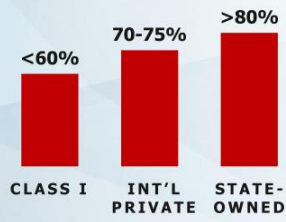
Graph sources: ITF (2021), ITF Transport Outlook 2021, OECD Publishing, Paris
Assumed Class I Rail operations to calculate these metrics

**PRODUCTIVITY, EFFICIENCY, & SUSTAINABILITY
TO CAPTURE "FLEXIBLE SHARE"**

Freight railroad imperatives

1 PRODUCTIVITY

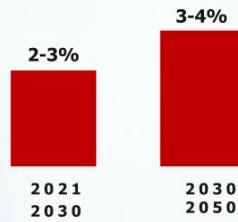
OPERATING RATIO%



Safety and productivity
 Asset utilization
 Fuel efficiency

2 GROWTH

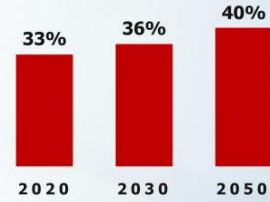
PROJECTED FREIGHT CAGR % GLOBAL TON-KM



Improved visibility/reliability
 Supply chain integration/resilience
 Asset/network optimization to unlock latent capacity

3 SUSTAINABILITY

PROJECTED MODAL SHIFT RAIL VS ROAD



Rail more energy efficient
 Reduce road congestion
 Economically attractive alternative power

Sources: Customer Annual Reports, ITF (2021), ITF Transport Outlook 2021, OECD Publishing, Paris






WABTEC PORTFOLIO POSITIONED TO ENABLE RAILROAD + WABTEC GROWTH

WABTEC

Wabtec enabling NAM railroads competitiveness

	2000	2019 (PRE-COVID)	V%
REVENUE TON MILE (B)	1,466	1,614	+10%
FUEL GALLONS PER 1000 RTM	2.4	2.1	(16)%
EMPLOYEE PER 1000 RTM	114.8	86.7	(25)%

GO-FORWARD OUTCOMES CLASS I LOCOMOTIVE ILLUSTRATIVE EXAMPLE

- 
20% Gross ton mile per locomotive for AC adoption
- 
~8% Fuel consumption for T1 to T4 conversion
- 
up to 40% In carbon emissions through FLXdrive in a consist
- 
36% Longer trains driven by Class I AC adoption
- 
40% Reliability improvement from modernization

TECHNOLOGIES SUPPORTING SAFEST & MOST PRODUCTIVE RAIL OPERATION

Reimagining rail yards ... impacting rail communities

THE YARD SOLUTION

01 ELECTRIFY ASSETS

Tangible immediate **impact on emissions reduction**

02 IMPROVE CAPACITY & ENHANCE SAFETY

Create capacity in yards to **handle variability in demand** & loads from trucks

03 FOCUS ON EFFICIENCY & THROUGHPUT

Derive insights from operations to minimize waste & **enhance safety**

LOCAL SOCIAL IMPACT (ILLUSTRATIVE EXAMPLE)

Annual estimate for converting a yard with 20 Tier 1 Switchers

70%
REDUCTION IN
LOCOMOTIVE NOISE

10K
TONS OF CO2 ELIMINATED
= 2K CARS OFF THE HIGHWAY

4T / 190T
4 TONS OF PARTICULATE MATTER
& 190 TONS OF NITROGEN OXIDES

Local
PARTNER WITH COMMUNITIES
TRADE SCHOOLS

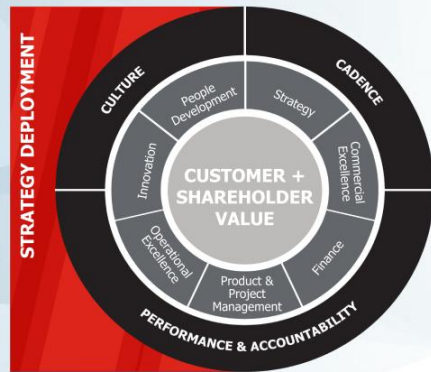
—
GREG SBROCCO

Global Operations



GLOBAL OPS

Wabtec operating model



AREA OF EXCELLENCE

PROCESS RIGOR

PEOPLE DEVELOPMENT	Talent reviews & succession planning Talent acquisition & leadership Employee learning & development
STRATEGY	Strategic annual planning M&A
INNOVATION	IP strategy & protection Technology incubation/disruption Investment in strong IRR projects & products
COMMERCIAL EXCELLENCE	Strategic selling process Customer knowledge & relationships Commercial operations (bidding & contracting)
OPERATIONAL EXCELLENCE	Strategic sourcing Productivity & footprint optimization Working capital efficiency
FINANCE	Annual operating plan Safeguarding assets & asset utilization Balanced capital allocation and returns to shareholders
PRODUCT & PROJECT MANAGEMENT	Rigorous tollgate process Multi-generational product plan Enterprise view

Wabtec operating model... operational excellence



GLOBAL OPS

Responsible operations

Employee safety

Regulatory compliance excellence

Environmentally responsible manufacturing

Leadership development

2030 GOAL
~30%
REDUCTION*



SAFETY AND SUSTAINABILITY 2021 RESULTS

12

SAFETY
YEARS OF INJURY RATE
REDUCTIONS
(12 OF 13 YEARS)

12%

GHG
REDUCTION IN GHG
SCOPE 1&2 EMISSIONS
2020 VS 2019

18%

**ENERGY
INTENSITY**
REDUCTION IN ENERGY
INTENSITY
2020 VS 2019

* Reduction goal reflects targeted safety, GHG, and energy intensity targets outlined in Wabtec's 2021 Sustainability Report

GLOBAL OPS

Quality + reliability

WHAT

Best in class quality performance



Prevention & responsiveness



Minimizing waste & rework



HOW

Continuous improvement mindset
Knowledge sharing

Fleet performance monitoring + prognostics
Commercial partnerships and risk-based commercial tollgates

Continuous improvement and automation
Leadership engagement, rigor and reviews
Measure key process indicators

EXCEEDING CUSTOMER EXPECTATIONS BY
20% ON 95%
LOCO FLEET

15%
AVG COST OF QUALITY REDUCTION OVER LAST 3 YEARS

**DRIVING FOR CONTINUOUS CUSTOMER SATISFACTION...
DELIVERING QUALITY AS A DIFFERENTIATOR**

Customer commitments

WHAT

HOW

Strategy and Planning



Strategic commodity evaluations (*geographic & sole/single source*)

Business planning/lean rigor (*forecasting, scheduling, inventory, labor planning excellence & tollgate adherence*)

Risk Mitigation



Monitoring (*tools to proactively monitor supply base spend across risks: business continuity, geopolitical, financial health*)

"What if" planning (*mitigation activities of critical materials risks and shop disruptions*)

Delivery



Customer focus (*on-time delivery to support our customers and enable future growth*)

>90%
HISTORICAL ON-TIME DELIVERY OF LOCOMOTIVES AND MODERNIZATIONS

ONGOING CULTURE OF SOLUTION AND RESOLVE

GLOBAL OPS

Cost optimization

WHAT

HOW

Manufacturing competitiveness



Lean/continuous improvement and industry 4.0
Rooftop reductions, make vs. buy, local production

Material cost reduction



Should-cost analysis, total landed cost, low-cost country
Supplier cost reduction ideas, long-term contracts with shared benefits

Connected production cycle
(quote to delivery)



Rigorous planning and evaluation connected to sales through delivery
3-D model-based engineering designs, connected systems to enable change management

Value-add process enablement



System and tools to eliminate/automate transactional work

3-5%

HISTORICAL AVERAGE
MANUFACTURING
VARIABLE COST
PRODUCTIVITY / YEAR
SINCE 2019

2-3%

HISTORICAL AVERAGE
MATERIAL COST
DEFLATION / YEAR SINCE
2019 (excl. commodities)

30%

ROOFTOP REDUCTION
SINCE GE
TRANSPORTATION
ACQUISITION

PROVEN TRACK RECORD OF MARGIN EXPANSION THROUGH PROGRAMMATIC COST REDUCTION AND EFFICIENT EXECUTION

GLOBAL OPS

Spotlight on: Lean and continuous improvement

Wabtec views Lean as the way:

We align on strategic deployment
We unify the "One Wabtec Culture"
We problem solve and eliminate waste
We drive productivity
We drive velocity in cycle and responsiveness

Leader led... team ownership

**LEAN IS BEING EMBEDDED INTO
WABTEC'S CULTURE AND FUNDAMENTAL
TO HOW WE EXECUTE OUR STRATEGY**

TRANSFORMATIONAL LEAN BY 2025

90%**COGS COVERAGE**

PROGRESS TO DATE

33%**COGS COVERAGE**

**EXPANDING TRANSFORMATIONAL LEAN AND DRIVING
CONTINUOUS IMPROVEMENT MINDSET**

GLOBAL OPS

Spotlight on consolidation and integration

PROGRESS SINCE GE TRANSPORTATION ACQUISITION

GE TRANSPORTATION SYNERGY PLAN

Consolidated operations...120 sites reduced
Exited GE Services Agreement.....100+ workstreams
Eliminated headcount redundancy
Consolidated material/service buy
Vertical integration of product lines

\$250M

**DELIVERED 15 MONTHS
AHEAD OF PLAN**

INTEGRATION ENABLEMENT

Transit transformation initiated
Intercompany transfer pricing
ERP migration
Common chart of accounts
Outsourcing many back-office operations
Deployment of manufacturing centers playbook
Systems harmonization

**STRONG DELIVERY ON LONG-TERM BUSINESS OPTIMIZATION
PLAN...INCREASING COMMITMENT TO DELIVER ADDITIONAL VALUE**

Ready to embark on next phase of restructuring

INTEGRATION 2.0

CONSOLIDATE / STREAMLINE / SIMPLIFY

CONSOLIDATE FOOTPRINT

15+ facilities
Headcount redundancy
Office/facility rationalization

STREAMLINE MANUFACTURING

Restructure NAM distribution
Reman localization
Best-Cost-Country capacity expansion

SIMPLIFY THROUGH SYSTEMS ENABLEMENT

Rewire Indirect Source-to-Pay
Data/process simplification

\$135-165M

EXPENSE*

\$25M NON-CASH

\$75-90M

**ADDITIONAL BENEFIT
TARGETED BY 2025**

* Restructuring expense and one-time charges

—
RAFAEL SANTANA

Wabtec's business segments



WABTEC

Wabtec operates its business in two segments

50+ COUNTRIES
~25K EMPLOYEES

FREIGHT: 67%

TRANSIT: 33%

31%
Services

17%
Equipment

11%
Components

8%
Digital Electronics



33%
Transit

GLOBAL LEADER IN FREIGHT AND TRANSIT RAIL TECHNOLOGIES

WABTEC

Industry-leading
scale across
major rail
segments

#1

MARKET LEADER IN
FREIGHT
LOCOMOTIVES

BROADEST TRANSIT
PRODUCT PORTFOLIO
IN INDUSTRY

1st HEAVY-HAUL
BATTERY-ELECTRIC LOCOMOTIVE

RAIL SUPPLIER TO CAR BUILDERS

LEADER IN FUEL EFFICIENCY
AND ENERGY MANAGEMENT

LEADER IN LOCO
MODERNIZATIONS

LEADER IN FRICTION PRODUCTS

WABTEC

Wabtec has been a partner in rail innovation for over 150 years

FREIGHT SEGMENT

TRANSIT SEGMENT

EQUIPMENT

SERVICES

COMPONENTS

DIGITAL ELECTRONICS

TRANSIT

~20%

Of the world's rail freight is moved by a Wabtec locomotive

~1.5B

Miles traveled by Wabtec's fleet of locomotives in 2021

~20%

Of global freight cars have Wabtec products on them

\$1.3B

Of fuel savings achieved through Wabtec's digital solutions

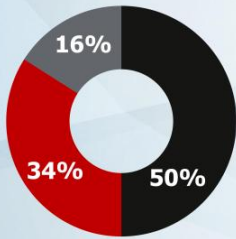
>90%

Provide equipment to nearly every major transit system in the world*

* In accessible transit markets
Source: Internal Wabtec data

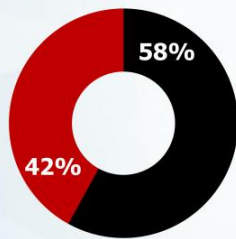
Attractive revenue profile

**ATTRACTIVE
END MARKETS**



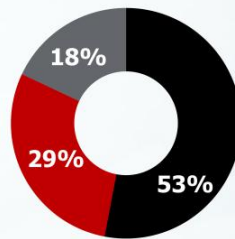
- Freight
- Transit
- All Other (Industrial and Mining)

**ROBUST AFTERMARKET
PORTFOLIO**



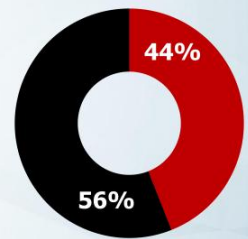
- Aftermarket
- OE

**BROAD SCALE IN
GLOBAL MARKETS**



- Americas (42% in U.S.)
- EMEA
- APAC

**STRONG MIX OF
RECURRING REVENUES**



- Non-Recurring
- Recurring

* 2021 FY results

STRONG GLOBAL INDUSTRIAL PORTFOLIO WITH TRACK RECORD OF INNOVATION AND SIGNIFICANT RECURRING REVENUE

Primary growth drivers

- 1** Rail cycle recovery
- 2** International expansion / share gains
- 3** Increase customer productivity, capacity and safety
 - Locomotive fleet renewal
 - Innovative digital technology
 - Lead decarbonization of rail
- 4** Integration 2.0
- 5** Strategic M&A

5-YEAR GROWTH EXPECTATIONS

Equipment
Digital Electronics
Services
Transit
Components



—
ROGERIO MENDONCA

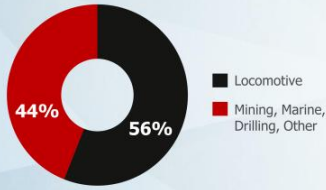
Equipment



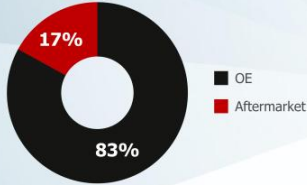
EQUIPMENT

Diversified global base to drive growth

REVENUE BY END MARKET

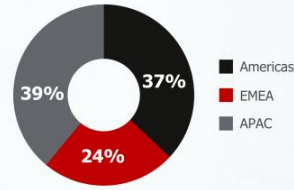


AFTERMARKET REVENUE

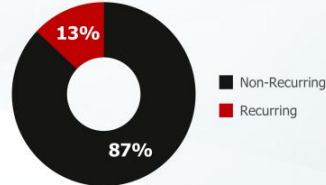


\$1.3B
2021 REVENUE

REVENUE BY GEOGRAPHY



RECURRING REVENUE



* 2021 FY results

KEY CUSTOMERS



Business dynamics

INDUSTRY TRENDS

- Intermodal growth
- Decarbonization, sustainability, automation
- Government funding
- Mining electrification

STRATEGY IN ACTION

- Best-in-class Tier 4 technology
- Alternative fuels for internal combustion
- FLXdrive locomotives leading decarbonization
- Mining truck systems flexibility to alternative power sources
- Integration with Digital portfolio

ROAD AHEAD

- Continue strong international orders
- North American fleet upgrade
- Accelerate FLXdrive adoption
- Hybrid solutions for ICE locomotive
- Mining truck renewal and growth
- Hydrogen solutions ... ICE, fuel cell

Primary growth drivers

- 1 INTERNATIONAL DIESEL ELECTRIC GROWTH**
 - Commodities and global trade
 - Leverage local partnerships
- 2 NORTH AMERICA FLEET UPGRADE**
 - Intermodal growth
 - Aging fleet
 - Higher haulage and efficiency needs
- 3 EXPAND FLXDRIVE WINS - CAPITALIZE ON GHG GOALS**
 - Product design fit for application, energy & power needs
 - Investor oversight to progress on decarbonization
 - Successful deployment of FLXdrive launch orders
- 4 CAPTURE GROWTH IN NEW SEGMENTS**
 - Leverage FLX technology for shunting applications
 - Zero emissions opens door to Europe
 - Government & local funding
- 5 SURFACE MINING TRUCK ELECTRIFICATION & FLEET RENEWAL... VOLUME UP**
 - Trolley assist & power agnostic propulsion
 - Sustained copper & iron ore production growth

EQUIPMENT

Locomotive international markets

STRATEGY IN ACTION

International fleet renewal & upgrades with EVO technology

Strategic partnership for light weight applications

Expand battery electric mainline & switcher

Drive supply chain productivity through regional footprint

GROWTH DRIVERS

AUSTRALIA

Mining growth
Decarbonization targets

BRAZIL

New concessions
Agriculture growth

INDIA

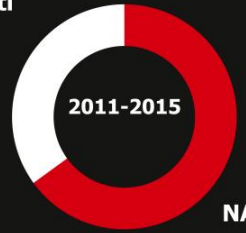
Economic growth
Dedicated freight corridors

CIS

Gateway Asia → Europe
Fleet renewal & efficiency

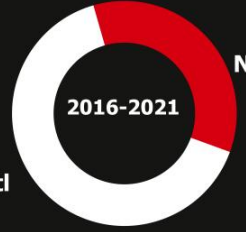
REVENUE PROFILE

Intl



NAM

Intl



NAM

INTERNATIONAL FLEETS GROWING 5% CAGR SINCE 2016... WELL-POSITIONED TO CAPITALIZE ON CONTINUED GROWTH

EQUIPMENT

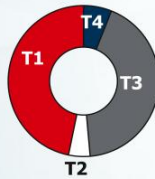
North America fleet renewal opportunity

FLEET PROFILE

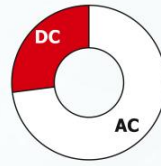
20 YRS
AVERAGE

6K UNITS
> 20YRS

FLEET BY EMISSION



FLEET BY TRACTION



CUSTOMER OUTCOMES

1 PRODUCTIVITY

AC traction
Reliability

2 FUEL EFFICIENCY

Engine improvements
Digital solutions

3 SUSTAINABILITY

Alternative fuel
New technology

CONTINUE TO INVEST/GROW THE CORE DIESEL ELECTRIC

STRATEGY IN ACTION

Enable & support alternative fuels

Continue to invest in fuel improvement technologies

Hybrid battery upgrade for additional fuel & GHG reduction

Enabling locomotive automation with Modular control architecture

Leverage regulation & subsidies

EQUIPMENT

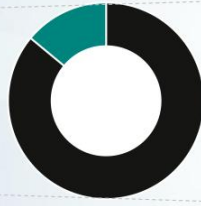
Growth driven by fleet renewal & technology mix

FLEET RENEWAL MAINLINE & SWITCHER

- ALTERNATIVE TECH (INCL. BATTERY + HYDROGEN)
- DIESEL

DRIVERS

2030



- Efficiency w/ AC
- Fuel economy
- GHG SBTi targets
- Low impact to operations

2040



- Operational flexibility
- 20% GHG ↓
- Technology readiness
- Fleet productivity

2050



- Net zero commitments
- Technology maturity
- Infrastructure availability

TRANSITION TO MORE EFFICIENT AND SUSTAINABLE FLEET

EQUIPMENT

Commercialization of FLXdrive 2.0

2018-2021

2020-2023

2024+

SUCCESSFUL CARB DEMO

COMMERCIAL LAUNCH

EXPAND PORTFOLIO & PARTNERS

**FLXdrive 1.0****2.4**
MWh*10%+ fuel & emissions savings***FLXdrive pilot**Spanned >13,000 miles
6,000 gallons of fuel saved
0 major failures**FLXdrive 2.0****7-8**
MWh*20-30% fuel & emissions savings***FLXswitch****2-4**
MWh*Local yard emissions***Hybrid Transit****700**
kWh*Fuel & emissions***FLXdrive 3.0****FLXswitch 4 axle***Industrial and short lines***Tier 4 Hybrid***Diesel hybrid***Integrated charging solutions***Wabtec FLX Smart Control Interface
Moving AC Charging Option***SOLUTIONS TO HELP ACHIEVE CUSTOMER DECARBONIZATION GOALS**

EQUIPMENT

FLX value proposition

WABTEC DIFFERENCE

RAIL PURPOSE BATTERY

1

Reliability & serviceability... designed for heavy haul application

Safety... battery thermal management pack and design

Future Proof... modular design

TRAIN PERFORMANCE & AUTOMATION

2

FLX optimizer... train-level energy management

Modular Control Architecture... next gen micro-processing with over-the-air capability

PTC... #1 train safety

FLX360 ECOSYSTEM

3

Up to 40% fuel savings on battery consist ... "zero cost fuel" through regenerative braking

Recharging solutions... smart control interface and moving charging

Sustainability... battery pack remanufacturing, renewable electricity, battery recycling

LEVERAGING PORTFOLIO TO DELIVER AN OPTIMIZED TOTAL ENGINEERED SYSTEM

EQUIPMENT

Comprehensive locomotive portfolio... short & long term

	DIESEL ELECTRIC	ALTERNATIVE FUELS	BATTERY ELECTRIC	FUEL CELL ELECTRIC
TECHNOLOGY	DIESEL, HYBRID OPTION	BIO, HDRD, LNG	REGEN, PLUG-IN	HYDROGEN
KEY METRICS	Fuel efficiency Reliability Availability	Emissions & sustainability Reliability Availability	Safety & energy optimization Operational flexibility	Performance Reliability H2 fuel price & carbon intensity
OUTCOME	FUEL ECONOMY & GHG REDUCTION	SHORT-MEDIUM TERM GHG ↓	ZERO-EMISSION & SAVE ENERGY	ZERO-EMISSION & RANGE
EXTERNAL FACTORS	POLICY & INCENTIVES	INVESTMENTS & CAPACITY	PARTNERSHIPS & ECOSYSTEM	
INVESTING IN BALANCED PORTFOLIO TO PROVIDE CUSTOMER PRODUCTIVITY AND DECARBONIZATION				

EQUIPMENT

Mining truck propulsion path to electrification

PRIME MOVER	DIESEL POWER	HYBRID POWERED	ELECTRIC POWERED
	<i>DIESEL ENGINE ONLY</i>	<i>DIESEL ENGINE & BATTERY</i>	<i>TROLLEY ASSIST, BATTERY, FUEL CELL</i>
PROPULSION	ELECTRIC, MECHANICAL	ELECTRIC	ELECTRIC-POWER AGNOSTIC
ELECTRIC DRIVE ADVANTAGE	Fuel efficiency Lower maintenance Better traction, 4-wheel drive Supports automation	Recapture energy Lower emissions Boost or auxiliary power from battery	Easy transition to zero emissions Lower noise Lower life cycle cost Higher productivity
WABTEC AT THE CENTER OF SURFACE TRUCK ELECTRIFICATION			

Key takeaways



- 01** Globally positioned for locomotive and mining growth, fleet renewal and supply chain productivity
- 02** Introducing new technologies to accelerate customer transition to cleaner power
- 03** Proven technologies that deliver safety, reliability, productivity and reduced emissions
- 04** Leverage partnerships to accelerate technology development

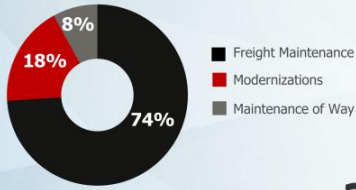
—
PASCAL SCHWEITZER
Services



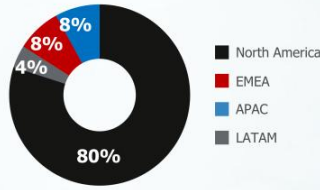
SERVICES

Accelerating growth across Services

REVENUE BY END MARKET

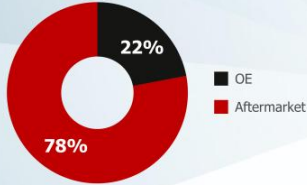


REVENUE BY GEOGRAPHY

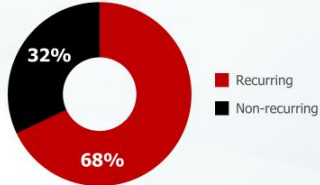


\$2.4B
2021 REVENUE

AFTERMARKET REVENUE



RECURRING REVENUE



* 2021 FY results

KEY CUSTOMERS

BNSF

CP

CN

Metrolink

[CSX]

rumo

NJS
NORFOLK SOUTHERN

UNION PACIFIC

TRANSNET

VA

GOODYEAR

AG

RioTinto

VALE

Business dynamics

INDUSTRY TRENDS

- Relentless focus on safety, cost, and productivity
- ESG fast becoming top priority for customers
- Improving intermodal product to drive road to rail

STRATEGY IN ACTION

- Leverage technology to achieve targeted outcomes ... partner with customers around comprehensive fleet strategies
- Grow MoW to enable productivity gains in engineering
- LEAN and cost reduction

ROAD AHEAD

- Introduce new solutions targeting younger fleets
- Leverage data analytics and new tools to invent the services of the future
- Leverage fleet growth to continue international expansion -- Egypt, India, CIS

A UNIQUE SERVICE FRANCHISE

Primary growth drivers



MODERNIZATIONS

Fleet transformation (hauling, reliability, fuel, & carbon) through modernizations to help customers achieve operational outcomes



PERFORMANCE UPGRADES

Leveraging technology to deliver on fuel efficiency and reliability

MAINTENANCE TECHNOLOGIES

Asset management, material management, remote monitoring and technical advisory capabilities



MAINTENANCE OF WAY

Diverse portfolio of maintenance equipment and material movers to support the rail industry

GLOBAL REMANUFACTURING

20+ global remanufacturing locations for critical components including engines & traction motors



INTERNATIONAL EXPANSION

Accelerating portfolio footprint specifically across APAC & CIS regions

SERVICES

Modernizations

Maximize asset value and fleet performance by transforming 20+ year old locomotives to extend life and step-change their performance.

Solutions jointly defined with each customer based on modular technology building blocks.

Enabling structural changes in railroad dispatch strategies.

**CUSTOMER OUTCOMES***

50% more tractive effort
25% less fuel & carbon
40% more reliability

WABTEC IMPACT

Developed and scaled Mods business
Turning underutilized assets into preferred fleet
Significant content pull-through
Customer partner of choice

LOOKING AHEAD

15,000+ available market | <10% penetration
Install Wabtec T4 engine on competitor's switcher
Alternative fuels
Alternative energy: battery, hydrogen, fuel cell

* Source: Internal Wabtec data

SERVICES

Leading rail technical innovation

Developing solutions that align with our customers' desired outcomes, with a focus on operating ratio savings – fuel, asset availability, and labor

PRIME MOVER

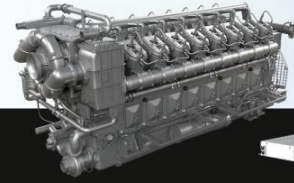
T4 engine family with best reliability and no aftertreatment
FDL Advantage offering 5-8% fuel efficiency
Safe batteries and fuel cells

PROPULSION

AC traction
Individual axle control and high tractive effort software
Improved gearcase with no oil leakage

CONTROLS

MCA
Digital suite of solutions



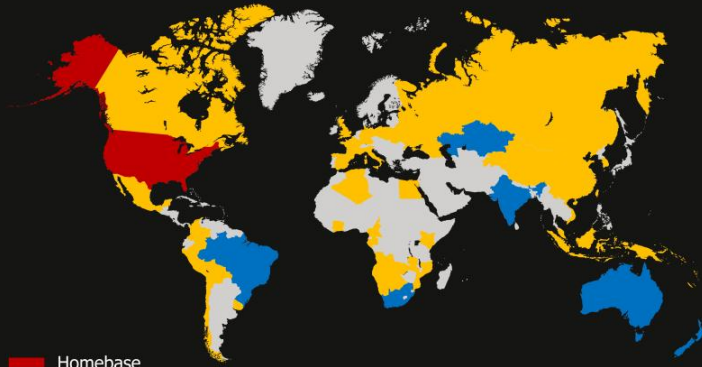
RELIABILITY AND AVAILABILITY

Predictive maintenance
Work scopes customized at asset level; 50% less shop dwell
Locomotive allocation to priority trains

SERVICES

International expansion

Organized territory coverage supporting fleet expansion while leveraging scale



- Homebase
- Execution center capabilities: commercial and customer support; application engineering; parts distribution; remanufacturing
- Other markets with locomotives in service



INDIA

Introducing world-class fleet maintenance

2 fully designed, staffed and operated maintenance sheds

Dedicated remote monitoring and diagnostics center ... reliability team delivering world-class performance



AUSTRALIA

Leveraging technology to decarbonize mining fleet



KAZAKHSTAN

Full-fledged maintenance and engineering capabilities

Parts distribution

Engine overhauls

SERVICES

FLXdrive will accelerate Services growth

Accelerated growth of battery locomotive fleet presents Services with a sizeable growth opportunity

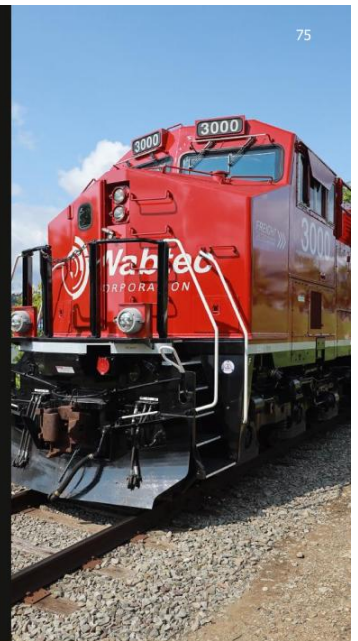
Integrated system designed for safety, reliability, performance, and maintainability ... proprietary spares

Service support key to the successful launch and early performance

Battery lifecycle economics attractive to customer and Wabtec

Total lifecycle cost (including fuel) lower than diesel-electric locomotive ... higher lifecycle service revenue

Opportunity to leverage battery technology for next generation of Modernization ... 70% of DC-to-AC content reusable



POSITIONED AS PREFERRED SERVICE PROVIDER FOR BATTERY TECHNOLOGY

SERVICES

Maintenance of way... path to accelerate growth

ROADWAY WORK EQUIPMENT



INDUSTRIAL



INSPECTION TECHNOLOGIES



GROWTH STREAMS



01 INNOVATION

- New Product Introduction
- Electrification – decarbonization
- Automation – labor & productivity

02 EXPANSION

- Leverage Wabtec relationships & footprint to increase penetration with Class 1 & international customers

03 M&A

- Acquire technology that complements existing portfolio

NORDCO IS A STRONG PLATFORM FOR GROWTH THROUGH WORLD-CLASS PRODUCTS AND ENGINEERING

Key takeaways



- 01** Fast-growing, high-quality recurring revenues through cycles
- 02** Clear path for further growth: leveraging the fleet; continued innovation; international expansion
- 03** Nordco is a strong foundation to grow in maintenance of way

MIKE FETSKO

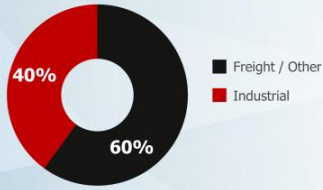
Components



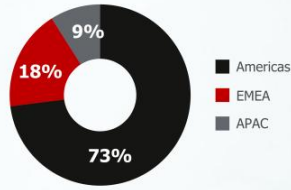
COMPONENTS

Diversified portfolio brings new growth

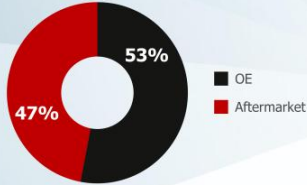
REVENUE BY END MARKET



REVENUE BY GEOGRAPHY

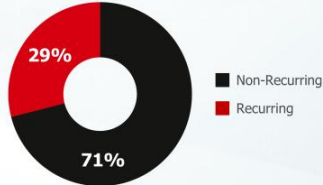


AFTERMARKET REVENUE



\$0.9B
2021 REVENUE

RECURRING REVENUE



* 2021 FY results

KEY CUSTOMERS



COMPONENTS

Business dynamics

INDUSTRY TRENDS

- Recovering demand for freight cars and locomotive builds
- Strong industrial end markets
- International expansion & market growth ... APAC, LATAM, INDIA, EMEA
- Increasing demand for clean energy solutions

STRATEGY IN ACTION

- Leverage Wabtec products to expand North American freight car market share
- Expand content pull-through on locomotives
- Drive innovation into new products and solutions
- Extend core competencies and technologies into new industrial applications/products
- Increase international market share of freight and industrial components

ROAD AHEAD

- Market demand and penetration driving profitable freight and locomotive products growth
- Developing technologies to drive profitable growth in existing and new industrial markets
- Continued focus on operational improvement & portfolio rationalization
- M&A focused on extending reach and acquiring new technology

DELIVERING RESULTS FOR CUSTOMERS ACROSS DIVERSE FREIGHT & INDUSTRIAL PRODUCT PORTFOLIO

COMPONENTS

Primary growth drivers

STRENGTHEN OUR CORE IN NORTH AMERICA

Package freight car product offerings with car builders
Leverage full Wabtec portfolio in aftermarket
Consolidate industrial go-to-market approach

DRIVE INNOVATION INTO NEW PRODUCTS & SOLUTIONS

Sensing/digitalization to improve product performance
Health monitoring to reduce maintenance cycles
Apply advanced material technology to engine cooling

INTERNATIONAL EXPANSION USING ONE WABTEC NETWORK

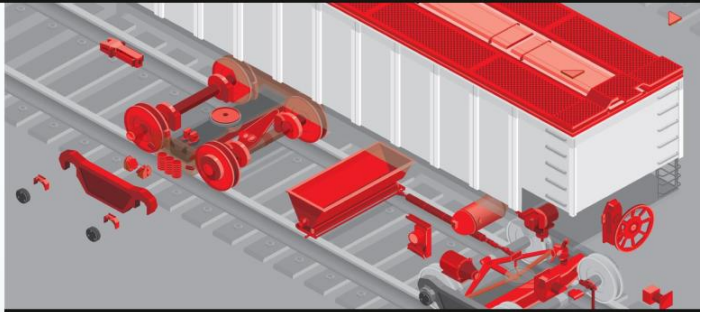
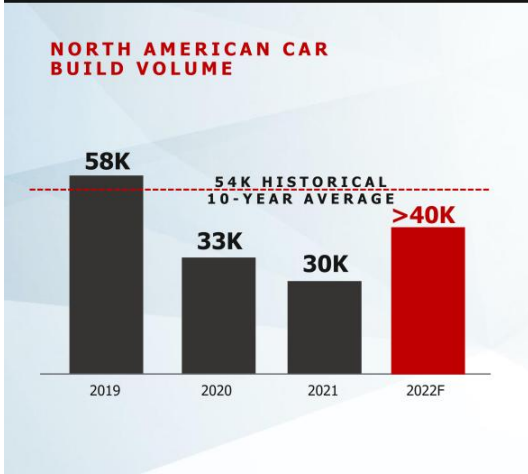
Freight and loco opportunities in LATAM, APAC, India, and EMEA
Industrial expansion and global partnerships to support ESG
Scaling and developing new products for wind, grid solutions, carbon reduction, and energy storage

CONTINUOUS OPERATIONAL IMPROVEMENT

Leverage best-cost country sources
Rationalize and simplify structure to drive profitability
Footprint consolidation to drive out duplication

COMPONENTS

Well-positioned to capitalize on increasing North American car build volume



Increasing railcar build
+
Strong share position
+
Operating leverage

**REVENUE GROWTH
AND
MARGIN ACCRETION**

COMPONENTS

The power of one Wabtec

BATTERY PACK

AIR COMPRESSOR

COUPLERS

HVAC

CONTROL SYSTEM

POWER SUPPLY

BOGIE BRAKE EQUIPMENT

AIR BRAKE

Industrial growth opportunities

MARKET TRENDS

Global shift to renewable energy sources to drive decarbonization

Growing demand for data centers & power generation

Industry transition to advanced material technology for engine cooling

Product innovation & productivity for next-gen turbochargers

WABTEC STRATEGY

Capture market share ... leveraging bundled product packages

Capitalize renewables growth with new / existing products

Displace competition with aluminum brazing technology

Enhance strategic partnerships with selective end-customers

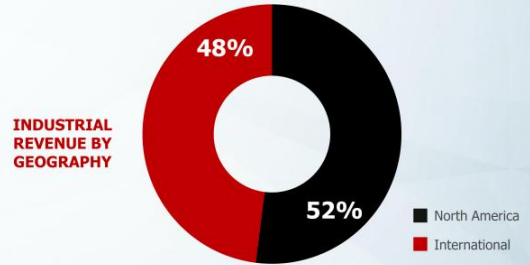
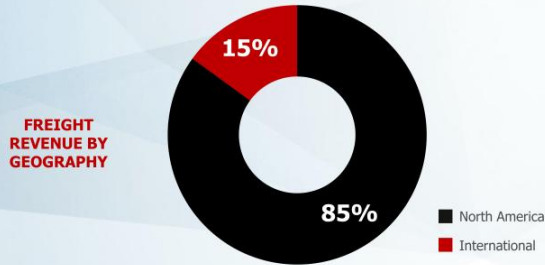
Launch new products to facilitate customer productivity

**CAPITALIZING ON MARKET GROWTH WITH
FOCUSED INDUSTRIAL STRATEGY**

International growth opportunities

FREIGHT AND INDUSTRIAL

- Growing international opportunities in APAC, LATAM, India, and EMEA
- Leveraging one Wabtec to scale across the globe
- Develop strategic partnerships to win international share



* 2021 FY results

FOCUSED ON INTERNATIONAL GROWTH

Key takeaways



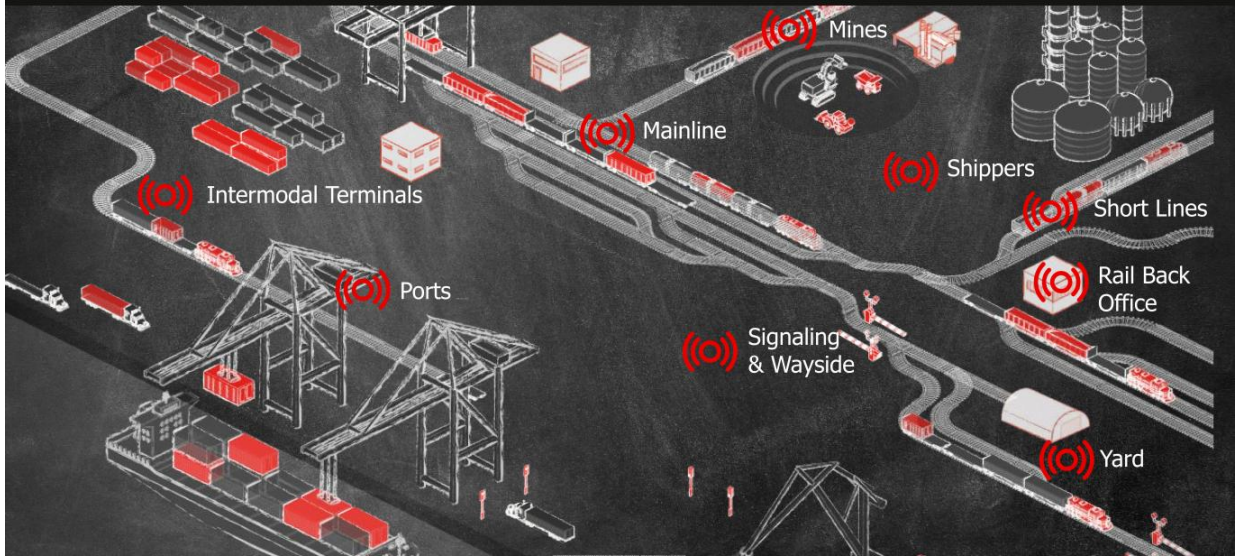
- 01** Well-positioned to drive profitable growth over growing freight & locomotive demand globally
- 02** Leverage consolidated industrial go-to-market strategy to grow share in traditional and emerging end markets in domestic and international regions
- 03** Push our strong innovative product development pipeline to help customers improve safety and operational efficiency with cost-efficient solutions
- 04** Grow profitability through continuous improvement culture by driving Lean and cost-out


NALIN JAIN

Digital Electronics



Connecting the physical + digital rail logistics network

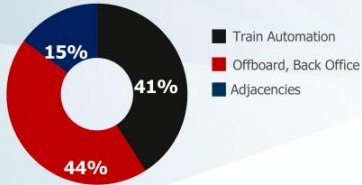


DIGITAL ELECTRONICS

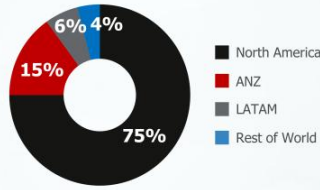
Well-positioned for growth

\$0.6B 2021 REVENUE

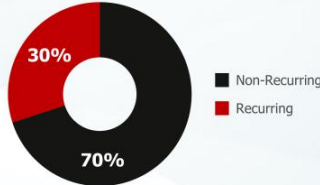
REVENUE BY END MARKET



REVENUE BY GEOGRAPHY



RECURRING REVENUE



* 2021 FY results

KEY CUSTOMERS



Business dynamics

INDUSTRY TRENDS

- Continued productivity
- Focus on sustainability
- Changing mix... increasing role of Intermodal
- Continued investment on safety
- Growing investment around asset management... rolling stock, track

STRATEGY IN ACTION

- Leveraging installed base to expand recurring revenues (SaaS and subscription models)
- Next-gen products & enhancements driving growth
- Grow in international markets
- Expand portfolio offering and grow in adjacent markets

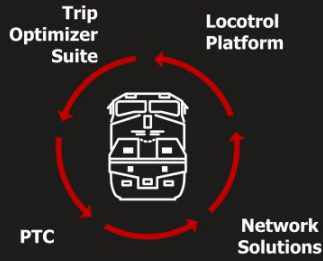
ROAD AHEAD

- Continued R&D investment in Automation
- International focus on LATAM, APAC, Europe
- Growth in asset management and logistics solutions
- Bolt-on M&A ... drive increased customer value

**UNPARALLELED PORTFOLIO OF DIGITAL PRODUCTS AND SOLUTIONS
ENABLING PRODUCTIVITY AND SUSTAINABILITY FOR CUSTOMERS**

Digital solutions impact operations and fuel emissions

INTEGRATED PRODUCT SUITE



FUEL OPTIMIZATION

ESG IMPACT

UP TO ~30%

Reduction in diesel emissions and fuel utilization
CO₂/NO_x/PM

PRODUCTIVITY IMPACT

Asset utilization
Fuel savings
Crew utilization

HELPING CUSTOMERS MEET ESG & PRODUCTIVITY COMMITMENTS

Primary growth drivers



LEVERAGE PTC

PTC 2.0, precision reference, moving block; NAM upgrades & international expansion



EXPAND TRIP OPTIMIZER

Zero-to-Zero & Smart Horse Power/Ton (SHPT); TO on non-Wabtec locos, FLXDrive, Alt fuels



EVOLVE LOCOTROL PLATFORM

Locotrol Expanded Architecture (LXA); Road Remote Control Locomotive (RoadRCL); Drone Trains



NEXT-GEN NETWORK SOLUTIONS

Precision Dispatch 2.0, migrate to Cloud Pacing, Service Design & Yard Planner



INTERNATIONAL MARKETS

Expand digital capabilities across Latin America, Europe, and Asia Pacific



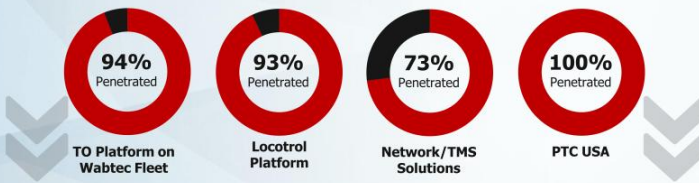
KEY ADJACENCIES

Expand reach in digital mining; logistics, asset management & analytics

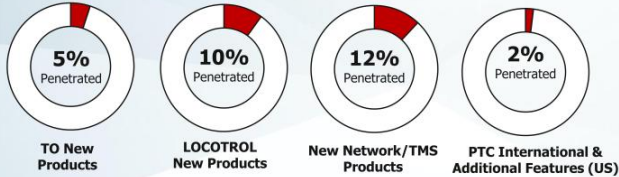
DIGITAL ELECTRONICS

Pillar apps are foundation for 2-3x industry growth

STRONG NORTH AMERICA PRODUCT PENETRATION



NEW PRODUCT PENETRATION OPPORTUNITIES



KEY PRODUCT AREAS

FUEL EFFICIENCY
Energy Management

TERMINAL DWELL
Remote Control Locomotive

LABOR OPTIMIZATION
Drone Control, Remote Control Locomotive, Energy Management, PTC

ASSET UTILIZATION
Distributed Power

Automation will unlock the next generation of PSR

☑ Technology Foundation >>

PTC
Trip Optimizer
Distributed Power
Movement Planner

☑ Attended Automation >>

PTC + Trip Optimizer
Zero-to-Zero
SmartHPT
Pacing

Path To Crew Efficiencies >>

Advanced Dispatch
Road RCL-Drone Train
Vital Standalone PTC
Yard Automation
5G Communication

Full Automation

Full Situational Awareness
High Availability Systems

Up to:

25%

REDUCTION IN
TRAIN DELAYS

50%

POTENTIAL
PRODUCTIVITY SAVINGS

75%

REDUCTION IN
ACCIDENTS DUE TO
HUMAN ERRORS

30%

FUEL EFFICIENCY
IMPROVEMENT

DIGITAL ELECTRONICS

Leveraging PTC, TO and Track IQ to drive international expansion

GROWING DEMAND

2x

On track toward goal of increasing international sales 2X over 5 years



Market-leading position... long-term service agreements driving recurring revenues



International market opportunity to expand PTC and other Digital technologies

Key takeaways



- 01** Digital expected to grow 2-3X the industry growth rate
- 02** Leverage digital pillar-apps and enhancements to drive recurring revenues
- 03** International expansion led by PTC, Trip Optimizer and Track IQ
- 04** Bolt-on M&As to drive increased customer value

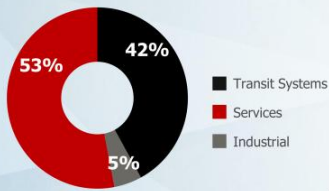
LILIAN LEROUX
Transit



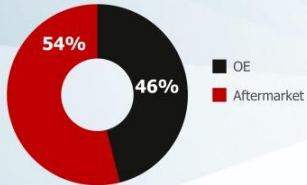
TRANSIT

Safety, efficiency & passenger comfort

REVENUE BY END MARKET

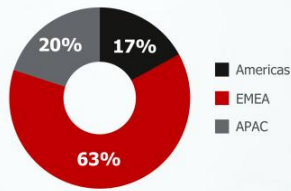


AFTERMARKET REVENUE

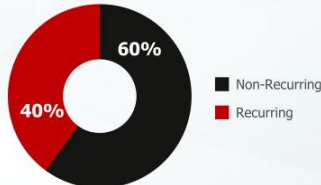


\$2.6B
2021 REVENUE

REVENUE BY GEOGRAPHY



RECURRING REVENUE



* 2021 FY results

KEY CUSTOMERS



Business dynamics

INDUSTRY TRENDS

- Beneficiary of worldwide climate economic policies
- Rail digitization and train automation
- Transit operators and car builders seeking efficiencies and OPEX optimization
- Ridership expected to increase in post-Covid era

STRATEGY IN ACTION

- Lead innovation:
 - Breakthrough sustainable solutions
 - Productivity gains to transit operators
- Journey to automation and digitization
- Drive productivity through lean culture and integration 2.0

ROAD AHEAD

- Product development focused on sustainability
- Digitalization of operations, digital asset management, and solutions for automated trains
- Journey to mid-teens adjusted EBIT

ENABLING THE SHIFT TO RAIL

Primary growth drivers

- 1 GOVERNMENT FUNDING ... FUELING TRANSIT TRANSPORT**
Investment in rail technologies to decarbonize transport and reduce congestion
- 2 INNOVATION AND SCALABLE TECHNOLOGIES**
Enhancing train performance; maintenance optimization through digitization for transit operators
- 3 SHIFT TO GREEN ... SUSTAINABILITY AND ESG**
Suite of energy management, pollution/CO2 reduction, charging, and electrification solutions
- 4 SERVICES**
Leveraging a significant install base and wide geographic footprint to help transit operators gain efficiencies, reliability, and productivity



Government funding, decarbonizing passenger transport

TAILWIND TO TRANSIT SYSTEMS PORTFOLIO



U.S.
\$109B over 5 years
for passenger



EUROPEAN UNION
\$63B in 2021-2026
for rail



GERMANY
\$95B in 2020-2030
for rail



INDIA
\$330B in 2021-2051
for passenger



PASSENGER RAIL
(28 CO₂/PKM)



ROAD
(102 CO₂/PKM)



AIR
(244 CO₂/PKM)

Grams of CO₂

UNIQUELY POSITIONED TO CAPTURE GROWTH ACROSS VAST PORTFOLIO AND GEOGRAPHICAL REACH

TRANSIT

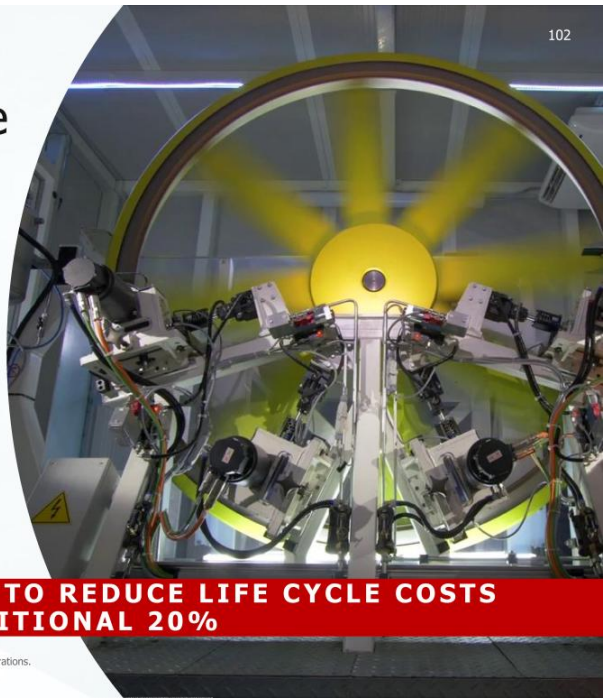
Enhancing train performance

**LATEST PORTFOLIO OF RAIL TECHNOLOGIES
DELIVERS SIGNIFICANT IMPROVEMENTS**

12%
PRODUCT WEIGHT REDUCTION... 3 TONS
PER TRAIN

20-25%
LIFECYCLE COST REDUCTION

15%
ENERGY REDUCTION



**DIGITALIZATION EXPECTED TO REDUCE LIFE CYCLE COSTS
BY AN ADDITIONAL 20%**

Comparison of the current generation of Brakes, HVAC, Doors, Couplers, and Passenger Information Systems offered vs previous generations.
Source, internal analysis based on an illustrative EMU and metro

Innovations supporting a more attractive commute

GREEN FRICTION

Reduce brake dust and emissions by up to 90%

METROFLEXX & REGIOFLEXX

Industry's most advanced braking system ... 50% less weight, 95% recyclability, greater performance

GREEN AIR

1st air conditioning system using natural R290 refrigerant

BLUEFILTER

Removes more than 99.9% of contaminants in minutes



REDUCE EMISSIONS



REDUCE WEIGHT & SIZE



INCREASE RECYCLABILITY



REDUCE ENERGY CONSUMPTION

Redefining braking distance to improve performance, reduce cost and prepare for automation

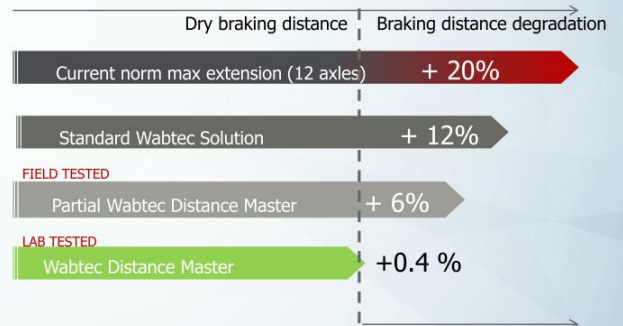
PRODUCTIVITY GAINS

Wabtec Distance Master

- Breakthrough braking performance in fall and winter conditions
- 90% reduction in braking distance degradation
- 50% reduction in costs generated by wheel sliding
- Improve train availability, punctuality, and assets utilization for transit operators



WITH BRAKING DISTANCE REDUCTION*



*Results evaluated in low conditions adhesion (0,05-0,08) according to EN15595

TRANSIT

Spotlight on adjacent opportunities: charging and electrification solutions

PASSENGER BUS



MARINE



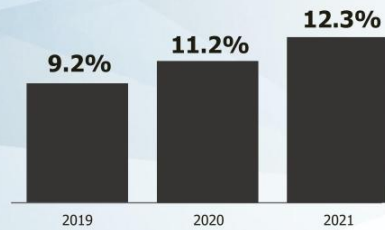
MINING



TRANSIT

Successfully turned around business and continuing journey to mid-teens adjusted EBIT margins

ADJUSTED EBIT MARGIN



Adjusted numbers represent non-GAAP financial metrics, see appendix for additional details and reconciliations

- Backlog margin ↑
- Project execution ↑
- Engineering in best-cost countries ↑
- Cost of poor quality ↓
- Lean and integration 2.0 ↑

TRANSIT

Key takeaways



01 Driving lean culture to continuously improve operations and competitiveness

02 Transit rail is benefitting from government transport policies

03 Sustainability and productivity... new technology as differentiator to win share

04 Leveraging installed base and footprint to capture attractive and profitable growth

—
JOHN OLIN

Disciplined value creation



WABTEC

Attractive long-term financial profile

Resiliency tested and validated over past 5 years; proven track record of delivering growth

Attractive end markets... building momentum, renewal of locomotive fleets, strong and growing backlog

Leading market position and innovative, customer-focused solutions across major rail and industrial segments

Exceptional quality and reliability delivering leading market shares

Disciplined capital deployment generating strong returns

5-YEAR OUTLOOK

**MSD CORE ORGANIC
GROWTH CAGR**

+

**250-300 BPS MARGIN
EXPANSION**

+

**DISCIPLINED CAPITAL
DEPLOYMENT**

=

**DOUBLE-DIGIT EPS GROWTH
WITH STRONG OPERATING
CASH FLOW CONVERSION
(90%+)**

Path to the future... maximize shareholder value

DRIVERS



INVEST IN THE BUSINESS

Driving long-term profitable growth

Deploy proven strategies / exploit growth drivers
Execute on increasing backlog
Mix headwinds driven by fleet renewal
Invest in innovative technologies that drive profitable growth
Best-in-class productivity & integration



INVEST IN THE FUTURE

Through M&A with strategic fit & accretive returns

M&A as core competency
Strategic markets... bolt-ons, adjacencies
Attractive assets / end markets that drive growth
Valuations that are accretive to earnings and ROIC



RETURN VALUE TO SHAREHOLDERS

Through disciplined capital allocation

Capital allocation priorities
Increasing asset productivity
Improving ROIC
Robust cash generation and cash flow



WABTEC

Delivering profitable growth

STRATEGY DEPLOYMENT

Accelerate innovation of scalable technology
 Grow & refresh expansive installed base
 Lead decarbonization of rail
 Expand high-margin recurring revenue streams
 Drive continuous operational improvement

GROWTH DRIVERS

Rail cycle recovery
 Increase customer productivity, capacity and safety

- ✓ Locomotive fleet renewal
- ✓ Innovative digital technology
- ✓ Lead decarbonization of rail

 International expansion / share gains
 Best-in-class productivity
 Integration 2.0

»
**REVENUE
 GROWTH**

»
**MARGIN
 EXPANSION**

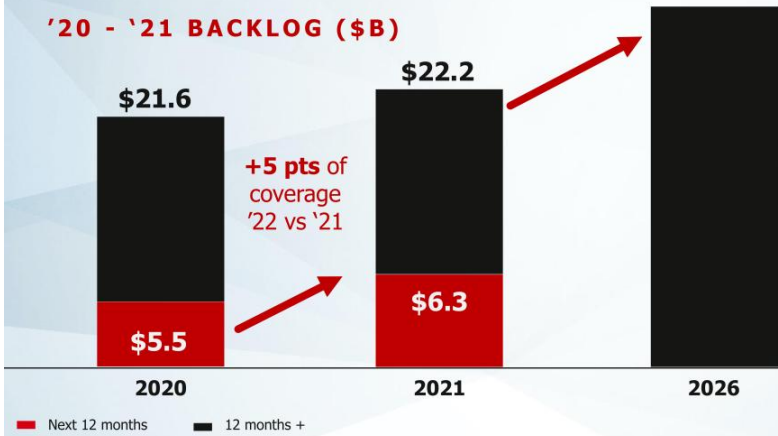
»
**CASH
 GENERATION**

»
**IMPROVED
 ROIC**

DEPLOYING PROVEN STRATEGIES WHILE EXECUTING ON GROWTH DRIVERS

Expanding long-term backlog while converting near-term orders

'20 - '21 BACKLOG (\$B)



'22 BACKLOG DYNAMICS

\$8.7B in orders in 2021... \$5.9B in Freight and \$2.8B in Transit

13.5% increase in 12-month backlog

75% of 2022 midpoint revenue guidance covered in backlog... 5 points higher than 2021

MULTI-YEAR BACKLOG PROVIDES STABILITY AND VISIBILITY

Mix dynamics changing as industry renews aging locomotive fleet

PRODUCT MIX

Margin Drivers

- Digital Electronics
- Services
- Components
- Equipment
- Transit

MARGIN ACCRETION



5-YEAR GROWTH EXPECTATIONS

- Equipment
- Digital Electronics
- Services
- Transit
- Components



Sensitivity to the cycle

- High
- Medium
- Low
- Low
- High

EQUIPMENT + DIGITAL TO GROW FASTER THAN AVERAGE ACROSS WABTEC PORTFOLIO

WABTEC

Investing in the core business

CAPITAL

Funding business model with capex of ~2% of revenue

Managing working capital investment below 20% of sales

TECHNOLOGY

Continue to invest in engineering & technology at ~6-7% of sales

Invest-in-the-future technology breakthroughs

Product innovation

Engineering as a competitive advantage



HIGH RETURNS ON CAPITAL DEPLOYMENT



LONG-TERM PROFITABLE GROWTH

DRIVING STRONG RETURNS ON CAPITAL AND TECHNOLOGY INVESTMENTS

Best-in-class productivity and aggressive cost management

CONTINUOUS IMPROVEMENT

Objective: Cover normal cost inflation and drive sustainable margin expansion

Manufacturing productivity

Continuous improvement & lean initiatives
Best cost country
Quality improvement

Manufacturing absorption

Supply chain & deflation projects

Purchasing efficiencies
"Should" cost
Low-cost sourcing

Non-manufacturing cost reductions

Engineering efficiencies
Office productivity

CONSOLIDATION & INTEGRATION

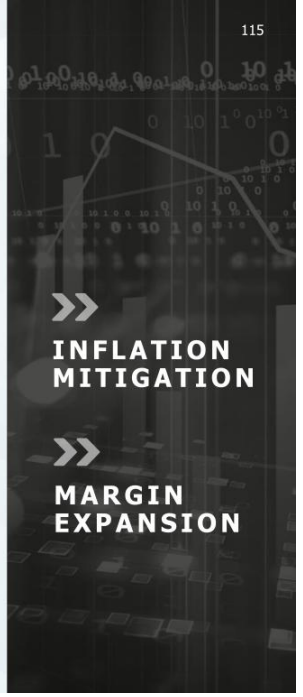
Objective: Drive sustainable margin expansion

GE Transportation synergies

Achieved \$250M of run-rate synergies 15-months ahead of schedule

Integration 2.0

Target benefit of \$75-90M by 2025
Consolidate footprint
Streamline manufacturing
Simplify through systems enablement



Future revenue growth target

**ANNUAL REVENUE GROWTH EXPECTATIONS:
MID-SINGLE DIGITS**

+2.0-3.0%

UNDERLYING RAIL INDUSTRY GROWTH TRENDS

- Freight carloads
- Railcar build
- Passenger ridership
- Economic strength (GDP)

1.0-2.0%

LONG-TERM LOCO FLEET RENEWAL

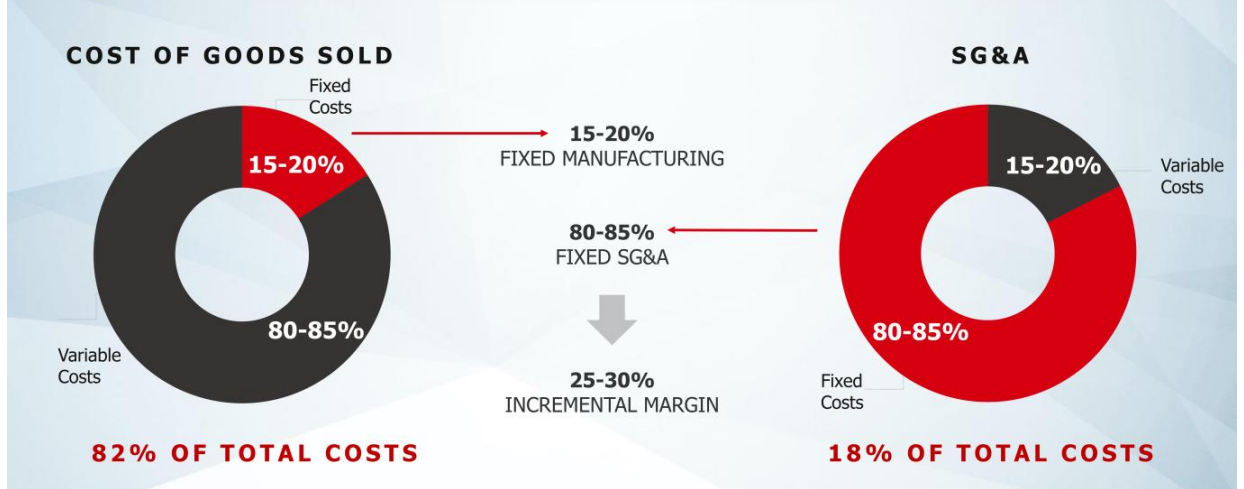
- Mods
- Tier 4
- Alternative fuels
- Battery electric

1.0%

ACCELERATED GROWTH

- Share gains in portfolio
- International expansion
- Technology-driven growth
- Digital revenue growth 2-3X industry

Sales growth expected to drive incremental margins of 25-30% based on Wabtec's fixed-cost structure



Growing sales and aggressive cost management expected to expand adjusted margins

5-YEAR ADJUSTED MARGIN IMPROVEMENT
250 – 300 BPS

+150 TO 200 BPS

+60 BPS

+40 BPS

CAPITAL & TECHNOLOGY INVESTMENT
Strong IRR capital projects
Technology to expand margins

REVENUE GROWTH
MSD annual growth CAGR
Opportunistic pricing
International expansion

COST IMPROVEMENT
Continuous improvement, lean
Integration 2.0 savings of \$75-\$90M
Manufacturing fixed cost absorption

Path to the future ... maximize shareholder value



INVEST IN THE BUSINESS

Driving long-term profitable growth

DRIVERS

- Deploy proven strategies / exploit growth drivers
- Execute on increasing backlog
- Mix headwinds driven by fleet renewal
- Invest in innovative technologies that drive profitable growth
- Best-in-class productivity & integration



INVEST IN THE FUTURE

Through M&A with strategic fit & accretive returns

- M&A as core competency
- Strategic markets... Bolt-ons, adjacencies
- Attractive assets / end markets that drive growth
- Valuations that are accretive to earnings and ROIC



RETURN VALUE TO SHAREHOLDERS

Through disciplined capital allocation

- Capital allocation priorities
- Increasing asset productivity
- Improving ROIC
- Robust cash generation and cash flow



Invest in the future through strategic M&A

STRATEGIC MARKETS

Bolt-ons/adjacencies focused on:

- Highly engineered products
- Rail & industrial services
- Digital technologies & solutions

Secular growth profile/sustainable end-markets

Geographic reach

High aftermarket & recurring revenue streams

Complimentary customer base & technologies

COMPELLING VALUATIONS

Accretive earnings within 2 years

ROIC enhancing (ROIC > WACC)

Above-average synergies (% of revenue)

Similar capital intensity / working capital requirements to core business

ATTRACTIVE ASSETS

Complements Wabtec's strategic plan

Revenue growth and/or margin enhancement

Highly competitive market position

- Product leadership
- Technology & engineering leadership
- Leading market shares

Cash conversion strength and/or opportunities

FOCUSED ON ACQUISITIONS THAT ARE A STRATEGIC FIT AND DRIVE ATTRACTIVE RETURNS

WABTEC

Spotlight on acquisitions



\$400M
TRANSACTION

- 01** **Significant levers to drive profitable growth...** adjacent MOW & railcar movers markets, international expansion with leading technology portfolio
- 02** **Large installed base...** mission critical products and services... 58% aftermarket revenues
- 03** **Sizeable cost synergy opportunity...** >\$10M+ run-rate within 3-years with limited integration risk
- 04** **Compelling financial profile...** accretive to EBITDA % margin, EPS & cash flow in 2022

Path to the future... maximize shareholder value



INVEST IN THE BUSINESS

Driving long-term profitable growth

DRIVERS

- Deploy proven strategies / exploit growth drivers
- Execute on increasing backlog
- Mix headwinds driven by fleet renewal
- Invest in innovative technologies that drive profitable growth
- Best-in-class productivity & integration



INVEST IN THE FUTURE

Through M&A with strategic fit & accretive returns

- M&A as core competency
- Strategic markets... bolt-ons, adjacencies
- Attractive assets / end markets that drive growth
- Valuations that are accretive to earnings and ROIC



RETURN VALUE TO SHAREHOLDERS

Through disciplined capital allocation

- Capital allocation priorities
- Increasing asset productivity
- Improving ROIC
- Robust cash generation and cash flow



Return value to shareholders through disciplined capital allocation



Capital allocation priorities

PRIORITIES	OBJECTIVES	ACTIONS
Maintain strong balance sheet to manage through economic cycles & world crises	Adjusted net debt leverage ratio of 2.0 to 2.5x. Maintain investment-grade ratings	Current ratio at 2.5x... hold debt levels in 2022 as we grow EBITDA
Appropriately invest in the business for revenue & profit growth	CAPEX ~2% of sales Working capital ~20% of sales Tech spend ~6-7% of sales	Execute 2022-2026 plan
Increase dividends	Target dividend payout ratio of 10-15% of adjusted net income Grow dividends in-line with earnings over time	Increased Q1 '22 dividend to \$0.15/share... \$0.60 annually
Supplement organic growth with M&A	Optimize portfolio through bolt-ons and adjacencies, as well as divestitures	Execute accretive M&A... manage pipeline of opportunities
Return excess FCF after dividends and M&A through share repurchases	Offset incentive plan dilution and supplement EPS growth	Authorized \$750M share repurchase program in Q1 '22

WABTEC

Disciplined capital allocation highlighted by improving productivity

DRIVERS

Revenue growth

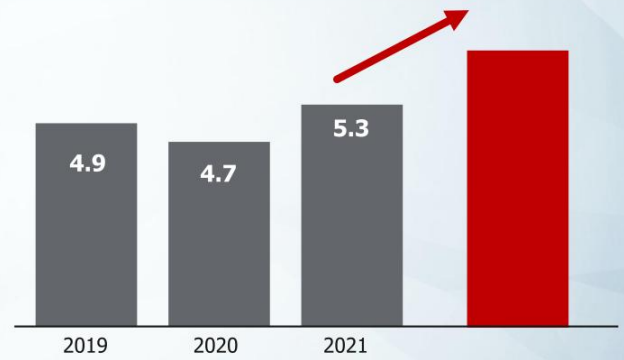
Growth capex = higher return, faster payback, low risk growth projects

Capacity utilization

Disciplined capex (capex \leq depreciation)

Maintain low-cost operating model

FIXED ASSET PRODUCTIVITY



Total net sales/property, plant, and equipment, net

OBJECTIVE: INCREASE REVENUE PER EVERY DOLLAR OF FIXED ASSETS INVESTED

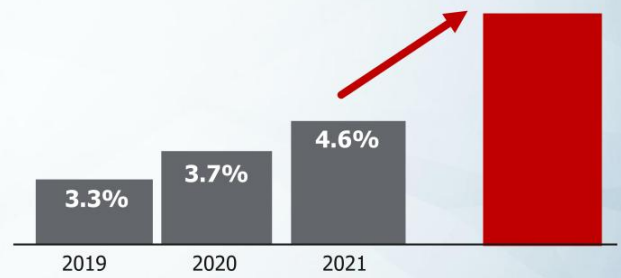
WABTEC

Improving returns on invested capital

DRIVERS

- Revenue growth
- Margin expansion
- Cash efficiencies
- Working capital improvement
- Capital utilization
- Accretive M&A
- Return of cash to shareholders through dividends and share repurchases

RETURN ON INVESTED CAPITAL



OBJECTIVE: INCREASE ROIC TO DOUBLE-DIGIT RETURNS

WABTEC

Spotlight on cash tax benefits ... \$1.1 billion value

AS OF FEBRUARY 2019

~\$150M
AVG. CASH TAX BENEFIT
OVER 15 YEARS

Tax step-up associated with the GET transaction drives average annual cash tax benefit of ~\$150M through 2034

AS OF DECEMBER 2021

~\$150M
AVERAGE CASH TAX
BENEFIT OVER 13 YEARS

~\$470M
INITIAL BENEFIT TO
BE PAID TO GE

First \$470M of gross cash tax benefits to be paid to GE by Wabtec (expected to be realized during first 4-5 years)

~\$256M
REMAINING BENEFIT
TO BE PAID TO GE

~\$1.1B
NPV BENEFIT
TO WABTEC

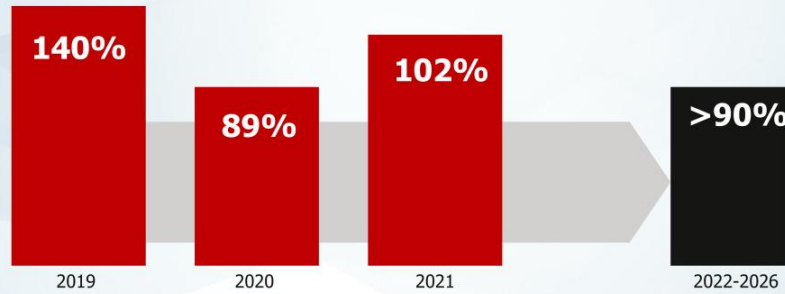
Remaining cash tax benefits accrue to Wabtec

~\$1.1B
NPV BENEFIT
TO WABTEC

SIGNIFICANT VALUE CREATION

Strong returns are coupled with strong focus on cash generation

CASH CONVERSION⁽¹⁾



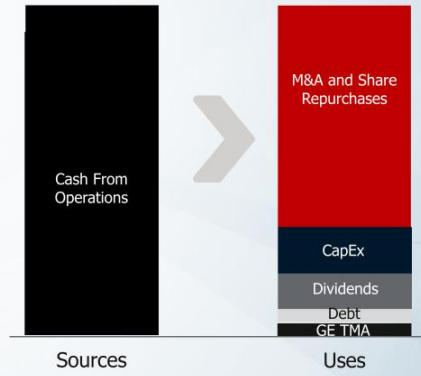
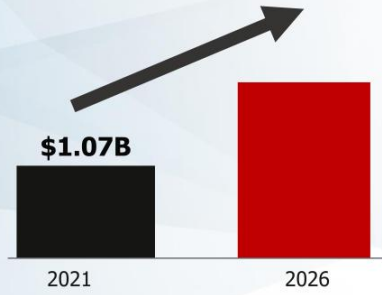
(1) Cash from operations conversion % is defined as GAAP cash from operations divided by GAAP net income plus depreciation & amortization

Future cash flows

EXPECTED TO BE INVESTED IN THE BUSINESS, INVESTED IN THE FUTURE, AND RETURNED TO SHAREHOLDERS

CAPITAL DEPLOYMENT PLAN (2022-2026)

ANNUAL CASH GENERATION



ACCRETIVE EARNINGS → STRONG CASH FLOW CONVERSION → REINVEST & RETURN

—
RAFAEL SANTANA

Closing comments



WABTEC

Attractive long-term financial profile

Resiliency tested and validated over past 5 years; proven track record of delivering growth

Attractive end markets... building momentum, renewal of locomotive fleets, strong and growing backlog

Leading market position and innovative, customer-focused solutions across major rail and industrial segments

Exceptional quality and reliability delivering leading market shares

Disciplined capital deployment generating strong returns

5-YEAR OUTLOOK

**MSD CORE ORGANIC
GROWTH CAGR**

+

**250-300 BPS MARGIN
EXPANSION**

+

**DISCIPLINED CAPITAL
DEPLOYMENT**

=

**DOUBLE-DIGIT EPS GROWTH
WITH STRONG OPERATING
CASH FLOW CONVERSION
(90%+)**

Key takeaways



- 01** Portfolio positioned to drive long-term profitable growth
- 02** Innovative, sustainable technologies expanding Wabtec's market size
- 03** Growth strategy driving strong cash flow and margin expansion
- 04** Strong long-term business fundamentals driving long-term value creation for shareholders

WABTEC
2022 **INVESTOR
CONFERENCE**



WABTEC

Appendix



Transit segment operating margin reconciliation

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
RECONCILIATION OF REPORTED RESULTS TO ADJUSTED RESULTS - TRANSIT SEGMENT
(UNAUDITED)

In millions	2019	2020	2021
Reported Income from Operations	\$ 214	\$ 230	\$ 238
Reported Margin	7.8%	9.3%	9.2%
Restructuring & Transaction costs	48	27	59
Non-cash Amortization expense	19	20	20
Adjusted Income from Operations	<u>\$ 281</u>	<u>\$ 277</u>	<u>\$ 317</u>
Adjusted Margin	9.2%	11.2%	12.3%

Cash conversion reconciliation

Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation 2021 Cash Conversion Calculation (in millions)							
	Reported Cash from Operations	+	(Net Income)	+	Depreciation & Amortization	=	Cash Conversion
Consolidated Results	\$1,073		\$565		\$491		102%

Wabtec Corporation 2020 Cash Conversion Calculation (in millions)							
	Reported Cash from Operations	+	(Net Income)	+	Depreciation & Amortization	=	Cash Conversion
Consolidated Results	\$784		\$412		\$473		89%

Wabtec Corporation 2019 Cash Conversion Calculation (in millions)							
	Reported Cash from Operations	+	(Net Income)	+	Depreciation & Amortization	=	Cash Conversion
Consolidated Results	\$1,016		\$327		\$401		140%

Return on invested capital reconciliation

Set forth below is the calculation of the non-GAAP performance measures included in this press release. We believe that these measures provide useful supplemental information to assess our operating performance and to evaluate period-to-period comparisons. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Wabtec's reported results prepared in accordance with GAAP.

Wabtec Corporation
Return on invested capital calculation
(in millions)

	2019	2020	2021
Income from operations	\$ 663	\$ 745	\$ 876
Annual effective tax rate	26.9%	26.0%	23.2%
Net operating profit after tax	\$ 485	\$ 551	\$ 673
Total Debt	\$ 4,429	\$ 4,239	\$ 4,058
Operating lease liability	273	295	318
Wabtec Equity	9,957	10,123	10,201
Noncontrolling interest	37	30	38
Allowance for doubtful accounts	20	37	32
Net pension liabilities	84	87	48
Total Invested Capital	\$ 14,800	\$ 14,811	\$ 14,695
Return on Invested Capital	3.3%	3.7%	4.6%

Wabtec Hosts 2022 Investor Day, Outlines Strategy for Long-Term Growth and Value Creation

- **Five-year financial targets include significant margin expansion, above market growth, double-digit EPS growth, and strong cash generation**
- **Announces next phase of integration with target of \$75 million to \$90 million benefit**
- **Disciplined capital allocation to maintain strong financial position and drive higher return on invested capital**

PITTSBURGH, March 9, 2022 – [Wabtec Corporation](https://www.WabtecCorp.com) (NYSE: WAB) is hosting its virtual 2022 Investor Day meeting today, beginning at 8 a.m. ET. During the event, Wabtec leadership will provide updates on the industry and the company's five-year outlook, including its long-term growth strategy, margin expansion drivers, and capital allocation plans. Wabtec's Investor Day meeting, along with the corresponding presentation, can be accessed on the Investor Relations tab at www.WabtecCorp.com.

"Wabtec is uniquely positioned to drive strong shareholder returns as a result of our global installed base, strategic investments in innovative and sustainable technologies" said Rafael Santana, Wabtec's President and CEO. "These competitive strengths, along with our commitment to margin expansion and robust cash generation, will drive significant value for our shareholders. Looking ahead, Wabtec is at the center of some of the industry's most critical trends, including zero-emission transportation, automation, safety, and productivity. We are confident we have the strategic focus, experienced team, and financial position required to drive significant value creation for our employees and shareholders."

Five-Year Value Creation Framework

- Mid-single digits core organic growth CAGR
- Adjusted operating margin expansion of 250 to 300 basis points
- Double-digit adjusted EPS growth CAGR
- Strong cash flow generation of greater than 90 percent conversion driving disciplined capital deployment

Integration 2.0

Wabtec announced today the next phase of its restructuring plans designed to further consolidate, streamline, and simplify Wabtec's operations and systems. Wabtec expects expenses of \$135 million to \$165 million over the next three years to drive a targeted benefit savings of \$75 million to \$90 million.



About Wabtec Corporation

Wabtec Corporation (NYSE: WAB) is focused on creating transportation solutions that move and improve the world. The company is a leading global provider of equipment, systems, digital solutions and value-added services for the freight and transit rail industries, as well as the mining, marine and industrial markets. Wabtec has been a leader in the rail industry for over 150 years and has a vision to achieve a zero-emission rail system in the U.S. and worldwide. Visit Wabtec's website at: www.WabtecCorp.com.

Information about Forward-Looking Statements

This communication contains "forward-looking" statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements regarding the impact of acquisitions by Wabtec, including the acquisition of GE Transportation (the "GE Transportation merger") and Nordco, statements regarding Wabtec's expectations about future sales and earnings, and statements about the impact of evolving global conditions on Wabtec's business. All statements, other than historical facts, including statements regarding synergies and other expected benefits from acquisitions; statements regarding Wabtec's plans, objectives, expectations and intentions; and statements regarding macro-economic conditions and evolving production and demand conditions; and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, (1) unexpected costs, charges or expenses resulting from acquisitions, including the GE Transportation merger; (2) uncertainty of Wabtec's expected financial performance; (3) failure to realize the anticipated benefits of acquisitions, including the GE Transportation merger, including as a result of integrating acquired targets into Wabtec; (4) Wabtec's ability to implement its business strategy; (5) difficulties and delays in achieving revenue and cost synergies; (6) inability to retain and hire key personnel; (7) evolving legal, regulatory and tax regimes; (8) changes in general economic and/or industry specific conditions, including the impacts of tax and tariff programs, supply chain disruptions, industry consolidation and changes in the financial condition or operating strategies of our customers; (9) changes in the expected timing of projects; (10) a decrease in freight or passenger rail traffic; (11) an increase in manufacturing costs; (12) actions by third parties, including government agencies; (13) the severity and duration of the evolving COVID-19 pandemic and the resulting impact on the global economy and, in particular, our customers, suppliers and end-markets, (14) the imposition of economic sanctions on Russia resulting from the invasion of Ukraine could lead to disruption,



News Release

instability, and volatility in global markets and negatively impact our operations and financial performance; and (15) other risk factors as detailed from time to time in Wabtec's reports filed with the SEC, including Wabtec's annual report on Form 10-K, periodic quarterly reports on Form 10-Q, periodic current reports on Form 8-K and other documents filed with the SEC. The foregoing list of important factors is not exclusive. Any forward-looking statements speak only as of the date of this communication. Wabtec does not undertake any obligation to update any forward-looking statements, whether as a result of new information or development, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

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