
**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): April 24, 2018 (April 24, 2018)

**WESTINGHOUSE AIR BRAKE
TECHNOLOGIES CORPORATION**

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other Jurisdiction
of Incorporation)

033-90866
(Commission
File No.)

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

1001 Air Brake Avenue
Wilmerding, Pennsylvania
(Address of Principal Executive Offices)

15148
(Zip Code)

(412) 825-1000
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, 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))

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 2.02 Results of Operations and Financial Condition.

On April 24, 2018, Westinghouse Air Brake Technologies Corporation (the “Company”) issued a press release reporting, among other things, the Company’s 2018 first quarter results. A copy of this press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated into this Item 2.02 by reference.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 2.02 in this Current Report on Form 8-K, including Exhibit 99.1, 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 7.01. Regulation FD Disclosure.

On April 24, 2018, the Company issued a press release which, among other things, affirmed previously provided earnings guidance for fiscal year 2018. A copy of the press release is attached to this report as Exhibit 99.1 and the paragraph under the heading “2018 Guidance Affirmed” which discusses 2018 guidance is incorporated into this Item 7.01 by reference.

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 Exhibit 99.1, 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) Exhibit.

The following exhibit is furnished with this report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated April 24, 2018

SIGNATURE

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

WESTINGHOUSE AIR BRAKE
TECHNOLOGIES CORPORATION

By: /s/ Patrick D. Dugan

Patrick D. Dugan

Executive Vice President and Chief Financial Officer

Date: April 24, 2018



Wabtec Reports 1Q EPS Of 92 Cents, Affirms Full-Year Guidance

WILMERDING, PA, April 24, 2018 – Wabtec Corporation (NYSE: WAB) today reported earnings per diluted share of 92 cents in the 2018 first quarter and affirmed its full-year guidance for revenues and earnings per diluted share.

2018 First Quarter Consolidated Results

- Sales were \$1.06 billion, a 15 percent increase compared to the year-ago quarter. Compared to the year-ago quarter, organic sales increased \$35 million; sales from acquisitions increased \$35 million; and changes in foreign currency exchange rates increased sales by \$70 million, mainly in Transit.
- Income from operations was \$131 million including expenses of \$1 million for restructuring and integration actions. SG&A expenses increased mainly due to changes in foreign currency exchange rates and acquisitions.
- Net interest expense was \$20 million, reflecting a higher debt balance mainly due to acquisitions.
- Other income was \$2.6 million, lower than the prior year mainly due to non-cash foreign currency exchange gains in the 2017 quarter.
- Income tax expense was \$26 million for an effective tax rate of 23 percent, compared to 27.6 percent in the year-ago quarter.
- Earnings per diluted share were 92 cents compared to 77 cents in the year-ago quarter. The 2017 first quarter included restructuring and transaction expenses, a tax adjustment and non-controlling interest from the Faiveley Transport acquisition, the combination of which reduced earnings per diluted share by a net of 7 cents.

2018 First Quarter Segment Results

- In the Transit segment, sales increased 19 percent and income from operations increased 39 percent compared to the year-ago first quarter. Transit sales increased by \$109 million; the increase resulted mainly from changes in foreign currency exchange rates of \$64 million and organic sales growth of \$32 million. Acquisitions increased sales by \$12 million. Income from operations was \$68 million, or 10.1 percent of sales.
- In the Freight segment, sales increased 9 percent and income from operations decreased 2 percent. Freight sales increased by \$32 million; the increase resulted from acquisitions of \$23 million, organic growth of \$3 million and changes in foreign currency exchange rates of \$6 million. Freight sales increased sequentially for the second straight quarter and were the highest since the second quarter of 2016. Income from operations as a percent of sales was 18.3 percent, lower than the year-ago quarter mainly due to increased investments in strategic growth initiatives.

Cash Flow Summary

- The company generated cash from operations of \$24 million for the first quarter compared to cash used in operations of \$26 million in the year-ago quarter. The increase resulted from improved working capital performance and higher net income in the 2018 first quarter.
- At March 31, the company had cash of \$250 million and debt of \$1.92 billion. Total debt was 3 percent higher than at the end of 2017, mainly due to acquisitions.

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Wabtec Corporation
 1001 Air Brake Avenue
 Wilmerding, PA 15148

Backlog and Other Information

- During the quarter, the company's total, multi-year backlog increased 7 percent compared to the end of 2017, to a record \$4.9 billion. The company's 12-month backlog, a subset of the total, increased 7 percent to a record \$2.5 billion. Recent new orders included projects in all major markets around the world and in all major product categories, including more than \$75 million of contracts for train control and signaling.
- During the first quarter, Wabtec acquired Annax, a market-leading supplier of public address and passenger information systems for transit vehicles and stations; and Lynxrail, a manufacturer of vision-based wayside inspection systems for the rail industry. The companies have combined annual sales of about \$60 million.

2018 Guidance Affirmed

Based on its first-quarter results and full-year forecast, Wabtec affirmed its guidance for the year, with revenues expected to be about \$4.1 billion and earnings per diluted share expected to be about \$3.80 excluding estimated restructuring and integration charges. The company's operating margin target for the full year is about 13.5 percent, and its effective tax rate for the full year is expected to be about 23.5 percent. For the year, Wabtec expects cash flow from operations to exceed net income.

Raymond T. Betler, Wabtec's president and chief executive officer, said: "Our first-quarter results exceeded our expectations slightly and represent a solid start to the year. With a record backlog and the positive indicators we're seeing in our core markets, we are well positioned to meet our financial targets in 2018. Our transit business delivered improved margins in the quarter and maintained a record backlog. In freight, we are seeing a meaningful pick-up in the aftermarket. We continue to make progress on the integration of Faiveley Transport and remain ahead of our synergy targets. As we focus on short-term performance, we are investing in our long-term growth strategies and are confident we can deliver improved earnings, margins and cash flow in the future."

Wabtec Corporation (www.wabtec.com) is a leading global provider of equipment, systems and value-added services for transit and freight rail. Through its subsidiaries, the company manufactures a range of products for locomotives, freight cars and passenger transit vehicles. The company also builds new switcher and commuter locomotives, and provides aftermarket services. The company has facilities located throughout the world.

This release contains forward-looking statements, such as statements regarding the company's expectations about future sales and earnings. Actual results could differ materially from the results suggested in any forward-looking statement. Factors that could cause or contribute to these material differences include, but are not limited to, an economic slowdown in the markets we serve; changes in the expected timing and profitability of projects; a decrease in freight or passenger rail traffic; an increase in manufacturing costs; and other factors contained in the company's filings with the Securities and Exchange Commission. The company assumes no obligation to update these statements or advise of changes in the assumptions on which they are based.

Wabtec will host a call with analysts and investors at 10 a.m., eastern time, today. To listen via webcast, go to www.wabtec.com and click on "Webcasts" in the "Investor Relations" section.

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Wabtec Corporation
1001 Air Brake Avenue
Wilmerding, PA 15148

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2018 AND 2017
(AMOUNTS IN THOUSANDS EXCEPT PER SHARE DATA)
(UNAUDITED)

	First Quarter 2018	First Quarter 2017
Net sales	\$ 1,056,177	\$ 916,034
Cost of sales	(745,296)	(646,327)
Gross profit	310,881	269,707
<i>Gross profit as a % of Net Sales</i>	29.4%	29.4%
Selling, general and administrative expenses	(147,201)	(122,687)
Engineering expenses	(22,049)	(23,464)
Amortization expense	(10,352)	(9,044)
Total operating expenses	(179,602)	(155,195)
<i>Operating expenses as a % of Net Sales</i>	17.0%	16.9%
Income from operations	131,279	114,512
<i>Income from operations as a % of Net Sales</i>	12.4%	12.5%
Interest expense, net	(20,284)	(19,858)
Other (expense) income, net	2,586	4,811
Income from operations before income taxes	113,581	99,465
Income tax expense	(26,124)	(27,461)
<i>Effective tax rate</i>	23.0%	27.6%
Net Income	87,457	72,004
Less: Net (Gain) Loss attributable to noncontrolling interest	909	1,885
Net income attributable to Wabtec shareholders	\$ 88,366	\$ 73,889
Earnings Per Common Share		
Basic		
Net income attributable to Wabtec shareholders	\$ 0.92	\$ 0.77
Diluted		
Net income attributable to Wabtec shareholders	\$ 0.92	\$ 0.77
Weighted average shares outstanding		
Basic	95,810	95,243
Diluted	96,371	95,991
Segment Information		
Freight Net Sales	\$ 379,554	\$ 347,946
Freight Income from Operations	\$ 69,623	\$ 71,222
Freight Operating Margin	18.3%	20.5%
Transit Net Sales	\$ 676,623	\$ 568,088
Transit Income from Operations	\$ 68,084	\$ 48,975
Transit Operating Margin	10.1%	8.6%
Backlog Information (Note: 12-month is a sub-set of total)		
Freight Total	\$ 631,558	\$ 549,188
Transit Total	\$ 4,265,552	\$ 4,050,460
Wabtec Total	\$ 4,897,110	\$ 4,599,648
Freight 12-Month	\$ 501,374	\$ 423,805
Transit 12-Month	\$ 1,976,307	\$ 1,891,079
Wabtec 12-Month	\$ 2,477,681	\$ 2,314,884

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

<i>In thousands</i>	<u>Unaudited</u> <u>March 31, 2018</u>	<u>December 31, 2017</u>
Cash and cash equivalents	\$ 249,886	\$ 233,401
Receivables, net	1,268,697	1,166,787
Inventories	829,276	742,634
Current assets - other	117,955	122,291
Total current assets	<u>2,465,814</u>	<u>2,265,113</u>
Property, plant and equipment, net	573,401	573,972
Goodwill	2,528,819	2,460,103
Other intangibles, net	1,231,727	1,204,432
Other long term assets	76,020	76,360
Total assets	<u>\$ 6,875,781</u>	<u>\$ 6,579,980</u>
Current liabilities	\$ 1,648,048	\$ 1,573,330
Long-term debt	1,871,076	1,823,303
Long-term liabilities - other	368,428	354,815
Total liabilities	<u>3,887,552</u>	<u>3,751,448</u>
Shareholders' equity	2,969,118	2,808,868
Non-controlling interest	19,111	19,664
Total shareholders' equity	<u>\$ 2,988,229</u>	<u>\$ 2,828,532</u>
Total Liabilities and Shareholders' Equity	<u>\$ 6,875,781</u>	<u>\$ 6,579,980</u>

WESTINGHOUSE AIR BRAKE TECHNOLOGIES CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Unaudited
Three Months Ended
March 31,
2018

<u><i>In thousands</i></u>		
Net cash provided by operating activities	\$	24,200
Net cash used in investing activities		(43,865)
Net cash (used in) provided by financing activities		28,668
Effect of changes in currency exchange rates		7,482
(Decrease) increase in cash		16,485
Cash, beginning of period		233,401
Cash, end of period	\$	<u>249,886</u>