
**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): May 7, 2018 (May 7, 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 7.01. Regulation FD Disclosure.

On May 7, 2018, Westinghouse Air Brake Technologies Corporation (the “Company”) issued a press release which, among other things, affirmed 2018 Financial Guidance and long-term financial targets. A copy of the press release is attached to this report as Exhibit 99.1 and the first paragraph, which discusses 2018 guidance, is incorporated into this Item 7.01 by reference.

On May 7, 2018, the Company is holding an Investor Conference at 11:00 ET in New York City, New York. The Investor Conference materials are attached to this report as Exhibit 99.2 and incorporated herein 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 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	Press release dated May 7, 2018
99.2	Investor Conference materials dated May 7, 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: May 7, 2018

**Wabtec Plans To Affirm 2018 Financial Guidance And Long-Term Financial Targets At Investor Day**

WILMERDING, PA, May 7, 2018 – Wabtec Corporation (NYSE: WAB) today plans to affirm the following at its Investor Day:

- In 2018, revenues are expected to be about \$4.1 billion, earnings per diluted share are expected to be about \$3.80 excluding estimated restructuring and integration charges, operating margin is expected to be about 13.5 percent, and the company expects cash flow from operations to exceed net income for the year.
- The company's long-term vision is to average double-digit growth in revenues and earnings per diluted share through the business cycle, with its operating margin expected to improve about 100 basis points annually, and cash from operations expected to exceed net income annually.

To view the presentations from today's Investor Day, please visit www.wabtec.com and click on "Investor Presentation" in the "Investor Relations" section.

This release contains forward-looking statements, such as statements regarding the company's expectations about its 2018 results and long-term financial targets. 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 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.

Contact:

Tim Wesley

Phone: 412.825.1543
E-mail: twesley@wabtec.com
Website: www.wabtec.com

Wabtec Corporation
1001 Air Brake Avenue
Wilmerding, PA 15148



/// INVESTOR CONFERENCE

May 7, 2018

/// FORWARD-LOOKING STATEMENTS

Statements contained in this presentation, which are not historical facts, are forward-looking statements as that item is defined in the Private Securities Litigation Reform Act of 1995. This presentation contains forward-looking statements and certain information contained in this presentation involves risks and uncertainties that could result in actual results differing materially from expected results. Forward-looking statements represent the Company's expectations and beliefs concerning future events, based on information available to the Company as of the date of this presentation. The Company undertakes no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this presentation. Additional information regarding these and other factors is contained in the Company's SEC filings, including without limitation, the Company's Form 10-K and Form 10-Q filings.

/// AGENDA

- Welcome Tim Wesley, VP-Investor Relations
- Strategic Plan Ray Betler, CEO
Stéphane Rambaud-Measson, COO
Pat Dugan, CFO
- Transit Segment Stéphane
- Freight Segment Ray
- PTC Status/Roadmap Bob Bourg, VP-Signaling, Strategy & Growth
- Q&A

/// OVERVIEW

Business Overview

- Leading, global provider of equipment, components and value-added services for freight and transit rail
- History of innovation dating back to 1869 when George Westinghouse invented air brakes
 - 3,000+ active patents and 1,500+ engineers
- Operations in 30+ countries and sales in 100+ countries
- World-class lean manufacturing, process excellence and culture of continuous improvement
- 13% EPS CAGR since 2006
- \$4.9B of backlog at 3/31/18
- ~18,000 employees globally
- Headquarters in Wilmerding, PA

Portfolio Highlights

- Comprehensive portfolio and leading positions in freight car and locomotive products
- Leadership position in PTC with strong backlog
- Strong positions in locomotive electronics
- Well positioned in global transit brake, coupler market
- Global leader in rail friction, HVAC and pantographs
- North American leader in transit bus doors
- Strong position in rail and platform doors
- Strong aftermarket presence in core markets
- Participate in niche, high-margin industrial markets

Financial Overview

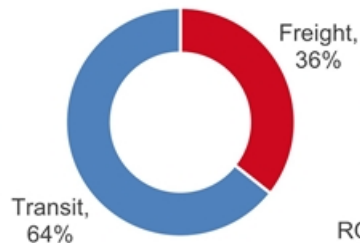
2017 Results



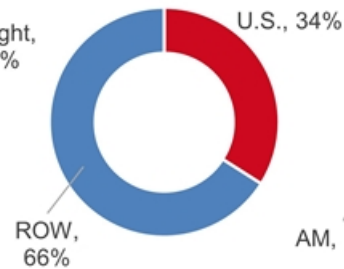
* Non-GAAP; see reconciliation in Appendix.

4 /// Investor Conference, May 7, 2018

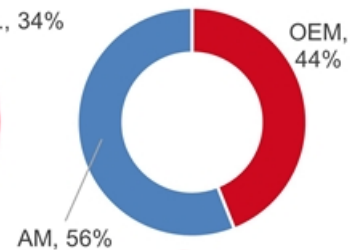
Segment Mix



Sales by Region



Business Mix



/// GLOBAL PRESENCE

 Operating Units
 People

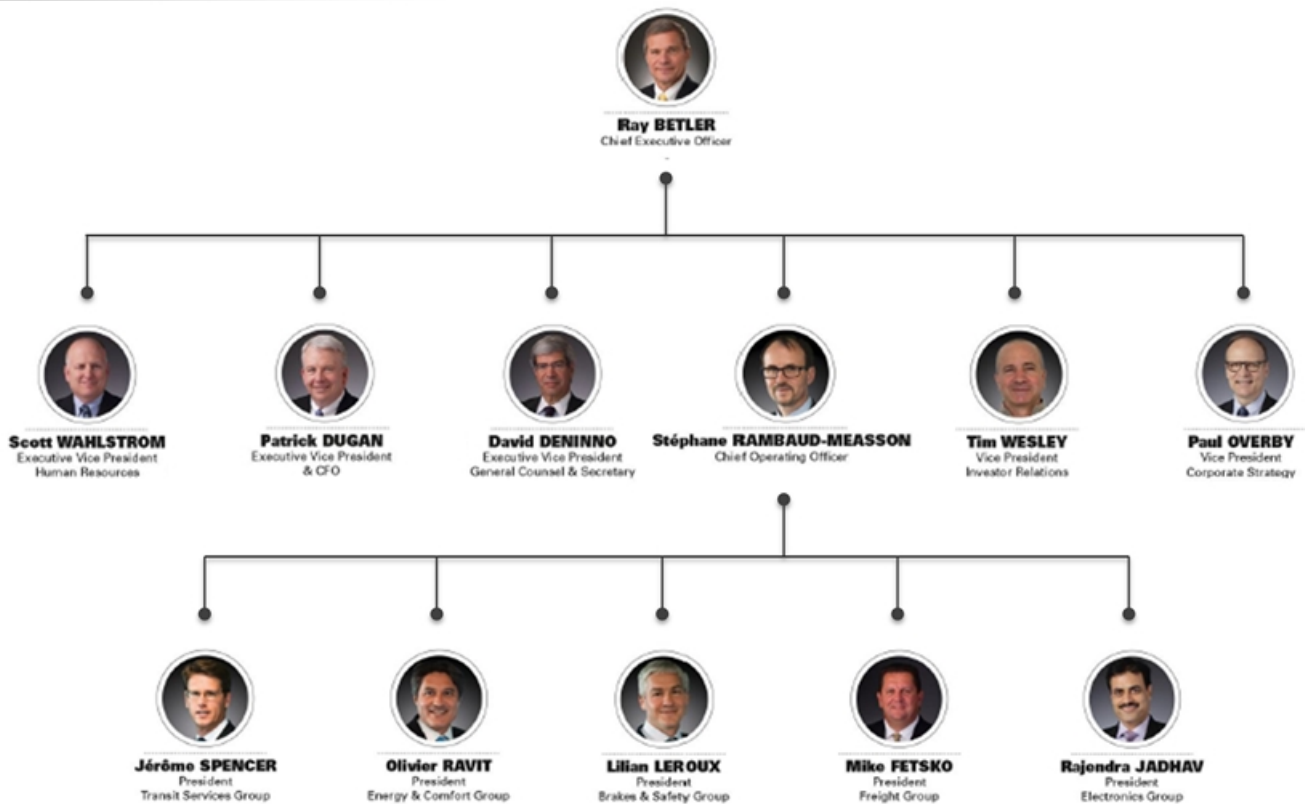


/// COMPELLING INDUSTRY DYNAMICS

- Global, accessible rail supply market exceeds \$100 billion annually, with average annual growth of about 3% through 2021
 - New rolling stock expected to grow at about 3% CAGR, mainly in Europe (Metro and Regional) and Asia-Pacific (India: Multiple Units and Coaches; China: Metro)
 - Services expected to grow at 3-4% CAGR, mainly in Asia-Pacific (driven by growth of installed base in recent years)
- Secular trends also driving investment
 - Urbanization
 - Focus on safety
 - Awareness of environmental issues/benefits
- Efficient transportation system/infrastructure essential to global economic growth in developed, emerging countries

Source: World Rail Market Study 2016 - UNIFE/Roland Berger.

/// EXPERIENCED MANAGEMENT TEAM



Management has average of more than 20 years in transportation industry and more than 10 years with Wabtec, highlighted by extensive international experience.

/// A TRACK RECORD OF GROWTH

\$ millions, unless indicated	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016*	2017*
Sales	\$1,088	\$1,360	\$1,575	\$1,402	\$1,507	\$1,968	\$2,391	\$2,566	\$3,044	\$ 3,308	\$2,931	\$3,882
Income from Operations	\$ 130	\$ 180	\$ 213	\$ 180	\$ 203	\$ 281	\$ 392	\$ 437	\$ 527	\$ 608	\$ 513	\$ 508
Operating Margin	11.9%	13.2%	13.5%	12.8%	13.5%	14.3%	16.4%	17.0%	17.3%	18.4%	17.5%	13.1%
Net Income	\$ 85	\$ 110	\$ 131	\$ 115	\$ 123	\$ 180	\$ 252	\$ 292	\$ 352	\$ 399	\$ 352	\$ 331
Diluted EPS from cont. ops (\$)	\$ 0.88	\$ 1.12	\$ 1.34	\$ 1.20	\$ 1.28	\$ 1.86	\$ 2.59	\$ 3.01	\$ 3.62	\$ 4.10	\$ 3.85	\$ 3.43
Cash from operations	\$ 151	\$ 143	\$ 159	\$ 161	\$ 176	\$ 249	\$ 237	\$ 236	\$ 472	\$ 448	\$ 449	\$ 189
Debt net of cash	\$ (38)	\$ (85)	\$ 245	\$ 203	\$ 185	\$ 109	\$ 101	\$ 165	\$ 94	\$ 267	\$ 1,500	\$1,638

* Non-GAAP; see reconciliation in Appendix.

TO AVERAGE
DOUBLE-DIGIT
EPS GROWTH THROUGH
THE BUSINESS CYCLE

(Actual Performance, 2006-17:
Sales CAGR of 12% • EPS CAGR of 13%)

/// PERFORMANCE-DRIVEN GROWTH STRATEGIES

Wabtec Excellence Program drives
our investment in these Growth Strategies:

PRODUCT
INNOVATION
& NEW
TECHNOLOGIES

GLOBAL
& MARKET
EXPANSION

AFTERMARKET
PRODUCTS
AND SERVICES

ACQUISITIONS



/// STRATEGIC PLAN

/// THE WABTEC VISION & DNA

Vision: To achieve and maintain best-in-class performance that drives customer satisfaction and ongoing product innovation enabling average double-digit EPS growth through the business cycle across our global operations

Core Values: Serve our three main stakeholders: customers, investors and employees

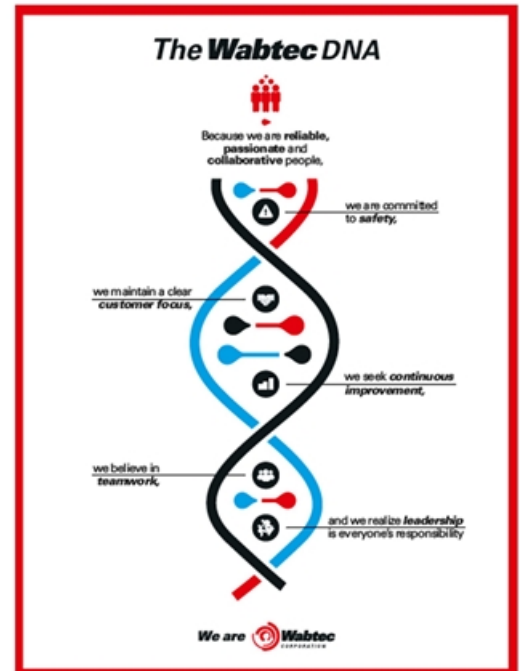
Safety: *Zero accident goal across company*

Customer Focus: *Dedication to customer satisfaction: quality, on-time delivery, service and support*

Continuous Improvement: *Measurable progress via strict adherence to Lean practices and disciplined processes*

Teamwork: *Stronger as One*

Leadership: *Single-minded accountability for financial, customer and employee commitments*



/// MISSION & CORE COMPETENCIES

Mission: To provide highly engineered, value-added products and services to our freight rail, passenger transit and industrial customers around the world to help them increase their safety, efficiency and productivity

Core Competencies:

- Adhering to the Wabtec Excellence Program, which:
 - Fosters state-of-the-art processes and continuous improvements;
 - Promotes a constant pursuit of quality; and
 - Drives practical innovations and best-in-class modern manufacturing
- Utilizing best-in-class Lean operating principles with an evolution towards digitalization of the entire business
- Providing a safe and satisfying environment for increasingly diverse workforce
- Leveraging low-cost manufacturing and supply bases
- Innovating at product and system levels
- Generating cash for investment and acquisition

/// 2018-2022 STRATEGIC PLANNING PROCESS

- First combined Strategic Plan after Faiveley acquisition
- Focus on vision of industry leadership and aggressive growth
- Drawing best practices from both companies
 - Wabtec’s unrelenting focus on top- and bottom-line growth, Porter methodology, Lean and Priority Deployment
 - Faiveley’s process orientation and strategic governance system
- Strategies prepared at Corporate, Segment, and Product Line levels
- Priority Deployment flows from four Corporate Growth Strategies into actions and metrics at all levels of the organization
- Wabtec Excellence Program (WEP) supports strategy process with continuous improvement actions to achieve operational excellence

/// A COMPREHENSIVE VIEW

- Strategic Plan includes...
 - Vision/Mission
 - Global Market and Competitive Analysis
 - Products and Technology/Innovation
 - SWOT
 - Growth Strategies and Actions
 - Acquisition candidates
 - Financial Summary and Causal
- Timeline
 - Process begins in May, with reviews throughout summer
 - Presentation to Board of Directors in October

/// MAJOR INITIATIVES DURING 2018-2022 PLAN

- Invest in technology and innovation to remain a global, industry leader
- In Transit, grow faster than market through excellence in project execution, quality and technology
- In Freight, maintain and defend AAR market leadership position and expand in UIC countries
- Leverage NAFTA market leadership in Positive Train Control (PTC) to build sustainable aftermarket business and expand into key international markets
- Drive improvements in key disciplines (safety, lean, operations, quality, customer service, engineering and technology, supply management)
- Expand in Maintenance of Way market
- Become preferred supplier in niche industrial markets
- Continue to seek strategic rail and non-rail acquisitions
 - Must be consistent with our corporate growth strategies
 - Must have operating group champion
 - Financial criteria: Goal of accretion in first year, with positive and sustainable impact on economic profit, and opportunities for both revenue and cost synergies

/// METRICS & STRATEGIC REVIEWS

Metrics

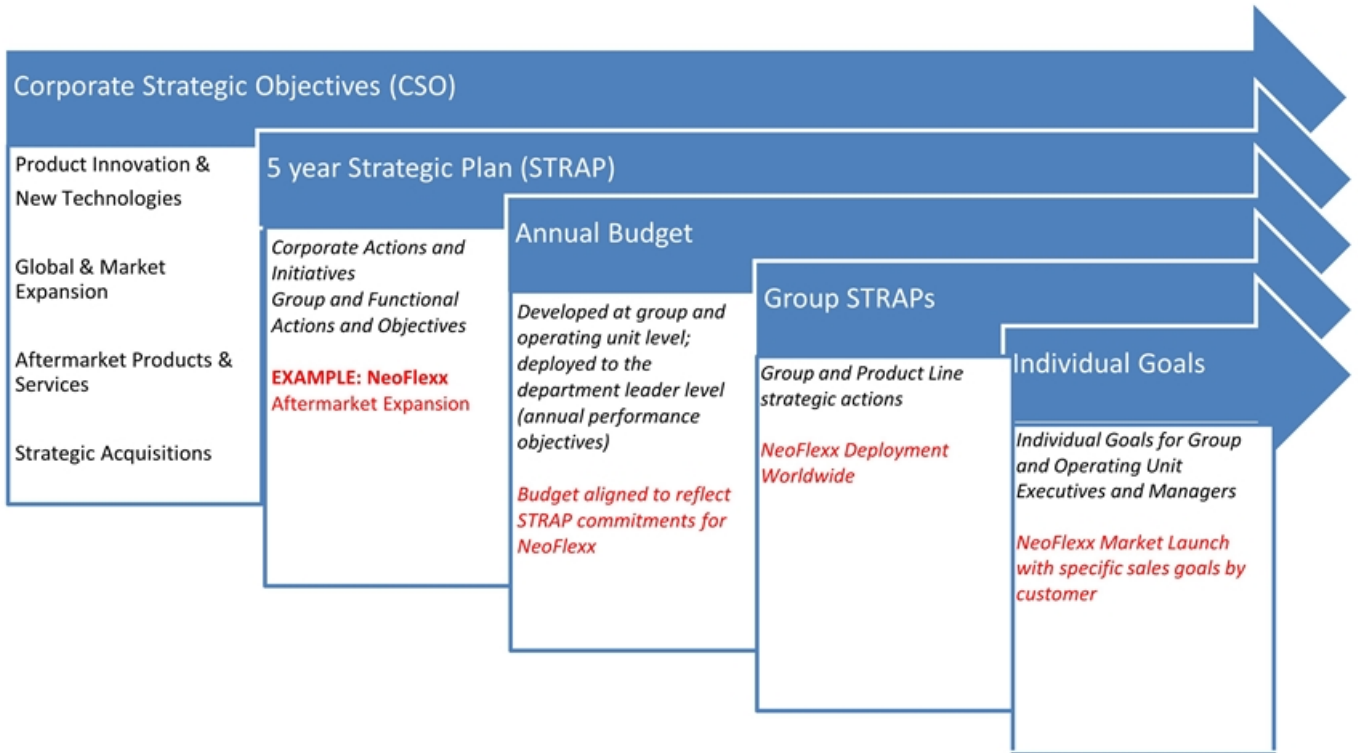
Standardized KPIs reviewed monthly:

- Financial Flash Reports
- Group WEP Balanced Scorecard
- Functional Metrics

Strategic Reviews

- Quarterly full and condensed reviews of each Group and Functional strategy, led by CEO and COO
- Reviews focus on STRAP actions ... which leads to Priority Deployment

/// PRIORITY DEPLOYMENT DRIVES GROWTH STRATEGIES

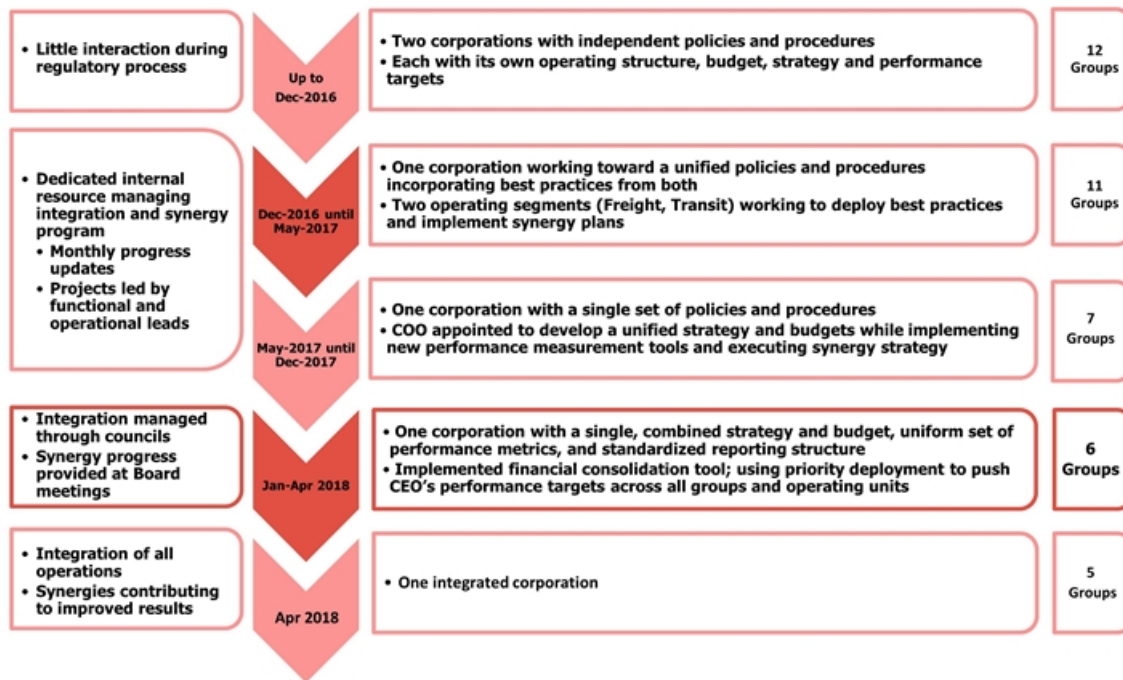


- Firm commitment to four growth strategies
- Priority Deployment begins here and cascades worldwide to groups, businesses, departments, and individual employees
- Metrics: monthly flash calls; Strategic Reviews; WEP and Lean scorecards; individual goals



/// INTEGRATION UPDATE

/// SUCCESSFUL, YET COMPLEX, INTEGRATION



/// ON PACE TO EXCEED SYNERGY TARGET

- Facility consolidations
 - Closed or streamlined more than a dozen locations, including production and office
 - Migrated production from high-cost to low-cost countries
- Reduced head count in management ranks, sales, operations support
- Consolidated spending on product development, marketing, bidding
 - Merged two product lines into one
- Reduced tax and benefits spending
- On pace to exceed 3-year synergy target of at least \$50M in permanent cost reductions
 - 2017: ~\$30M savings
 - 2018: ~\$15M savings

/// EXPANDING LOW-COST FACILITY IN CZECH REPUBLIC

- Opened in 2016, the 200,000 sf building includes:
 - Product assembly lines (pantographs, power collectors and converters, trolley poles, couplers, buffers, brakes, doors)
 - Machining, welding, surface treatment, painting
- Clear “single-piece flow” with visual management
- Optimized internal logistics and movement
- Open space – Project platforms
- Support functions near production
- Improved working environment



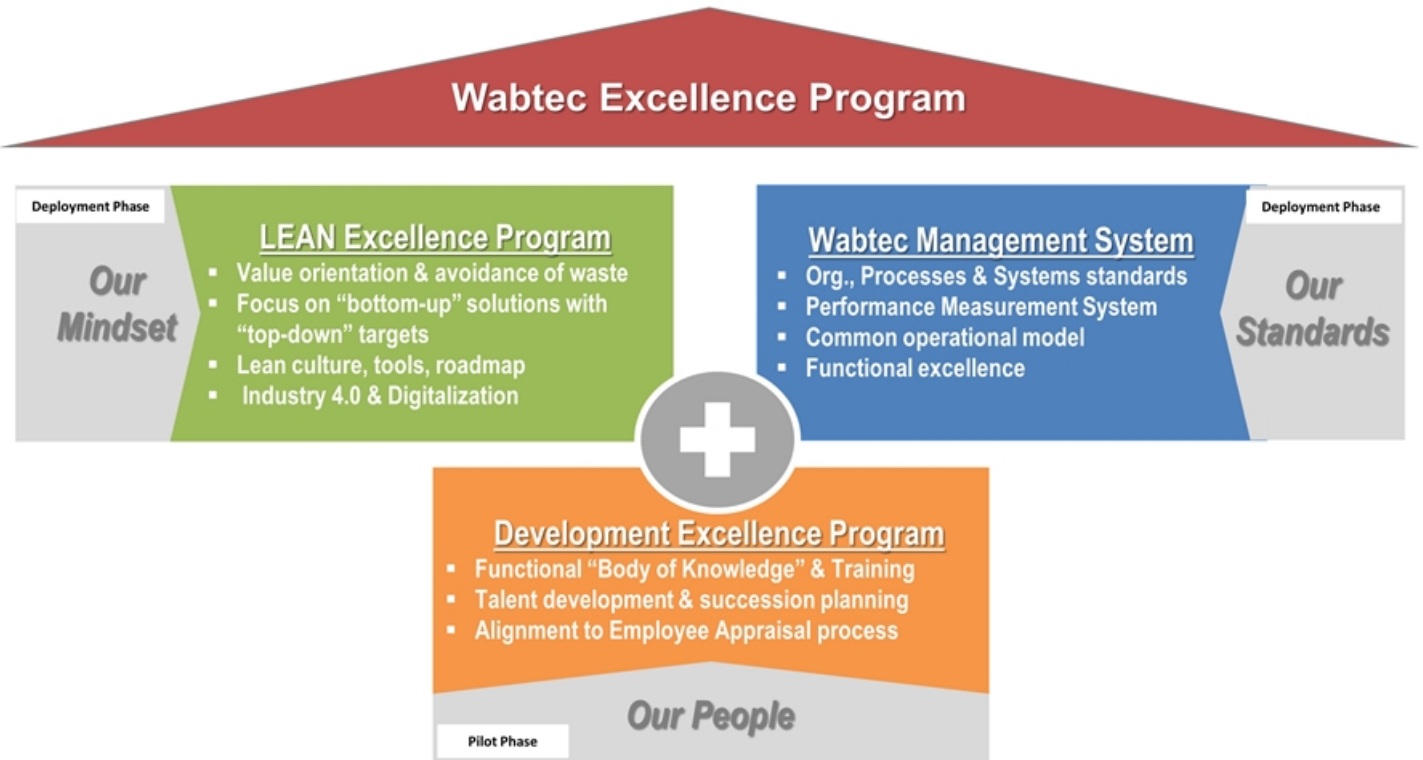


/// WABTEC EXCELLENCE PROGRAM

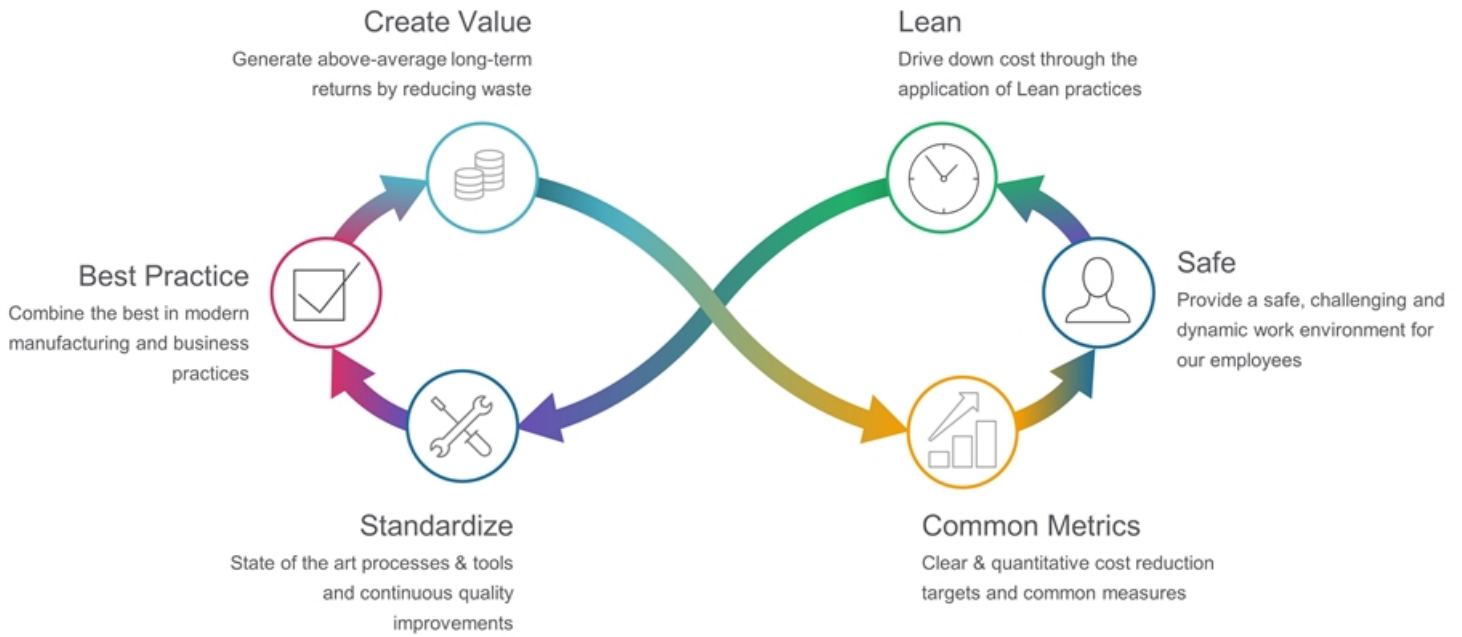
(WEP)

/// WEP – MAIN LEVERS TO ACHIEVE EXCELLENCE

Our Mindset (LEAN Excellence), Our Standards (Management System) & Our People (Employee Development)



/// WEP EXPECTED OUTCOME



/// OPERATIONAL IMPROVEMENT TARGETS

LEAN:	<ul style="list-style-type: none">• 4% Manufacturing Efficiency improvement year-on-year• Inventory reduction: DSI reduction by 10% year-on-year
QUALITY:	<ul style="list-style-type: none">• Reduce COPQ by 10% annually• Reduce NCR by 15% YoY
ON-TIME DELIVERY:	<ul style="list-style-type: none">• 95%+
SOURCING SAVINGS:	<ul style="list-style-type: none">• Generate \$10mm annually better than budget
PROJECT MANAGEMENT:	<ul style="list-style-type: none">• Increase margin through excellence in project management
DIGITALIZATION:	<ul style="list-style-type: none">• Road map defined in each major unit in 2018• Additional 2% year-on-year productivity gains (Manufacturing Efficiency)
INNOVATION:	<ul style="list-style-type: none">• Double number of patents by 2022• Ensure time-to-market on all new products starting 2019• Bridge any competitiveness gaps by 2020
OVERHEADS:	<ul style="list-style-type: none">• Maintain flat overheads (after inflation)



/// FINANCIAL HIGHLIGHTS

/// TOPICS

- 1Q review
- Importance of margin improvement
- Working capital performance
- STRAP plan highlights
- Capital Structure
- Management compensation tied to shareholder priorities

/// 1Q RESULTS: A SOLID START TO THE YEAR

- Exceeded 1Q guidance slightly and affirmed full-year guidance
- Revenues of \$1.06B; guiding to about \$4.1B for the year
- EPS of 92 cents; guiding to about \$3.80 for the year, excluding estimated restructuring and integration charges
- 1Q operating margin at 12.4%; guiding to about 13.5% for full year
- 1Q cash from operations of \$24M; guiding to cash from operations greater than net income for full year
- Record multi-year backlog of \$4.9B
- Solid start to the year

/// FOCUSED ON IMPROVING MARGINS

- Striving to continuously improve operating margins over time, although fluctuations occur due to volume changes, product mix, acquisitions
- WEP drives lean benefits, with added potential from low-cost sourcing and strategic pricing
- Volume provides operating leverage, with strong incremental margins
- Acquisitions also provide opportunities for improvements through WEP
- With nearly 100 business units, product mix always a factor
- Driving corporate initiatives in Supply Chain, Treasury/Finance, Tax and IT

/// STRIVING TO REDUCE WORKING CAPITAL

- Increases in recent years due to:
 - Growth of company
 - Extension of supply chain with globalization of company; more project-based and more international
 - Long-term contracts with up-front design/engineering costs
- At March 31, 2018: Accounts receivable at 77 days, Inventory at 102 days, Accounts Payable at 74 days; focused on improvement while supporting Wabtec's growth and cost-reduction objectives
- Improvement opportunities: Accounts Receivable
 - Match outlays with projected receipts on long-term contracts
 - Manage key customers
 - Factoring and other supply chain financing
 - Leverage multiple projects and scale
- Improvement opportunities: Inventory
 - Leverage supply chain of larger company
 - Balance low-cost platforms and localization
 - Apply lean tools to reduce inventory levels

/// STRAP FINANCIAL HIGHLIGHTS 2018-2022

- Sales increasing about 9% CAGR from \$3.9B in 2017 to about \$6.1B in 2022
 - Transit segment at 7%
 - Freight segment at 11%
- EBIT increasing about 15% CAGR from \$540M in 2017 to about \$1B in 2022
- EBIT margin growing to 18%
 - Margin growth in both segments
- Cash from operations exceeds net income each year
 - Cap-X at normal levels

/// CAPITAL STRUCTURE

Capitalization (\$ in thousands)	3/2018	% Cap	Issue Amount	Maturity	Coupon
Cash	\$ 233,401				
Revolver	\$ 483,124	10.0%	\$ 1,200,000	6/22/2021	L+175
Term Loan	\$ 370,000	7.6%	\$ 400,000	11/25/2019	L+175
3.45% Senior Notes	\$ 747,655	15.4%	\$ 750,000	11/15/2026	3.45%
4.375% Senior Notes	\$ 248,567	5.1%	\$ 250,000	8/15/2023	4.375%
Schuldschein Loan	\$ 11,998	0.2%	\$ 11,998	3/5/2024	4.00%
Other Borrowings	\$ 6,860	0.1%			
Capital Leases	\$ 2,324	0.0%			
Total Debt	\$ 1,870,528	38.7%			
Shareholders equity	\$ 2,969,118	61%			
Total Capitalization	\$ 4,839,646	100%			

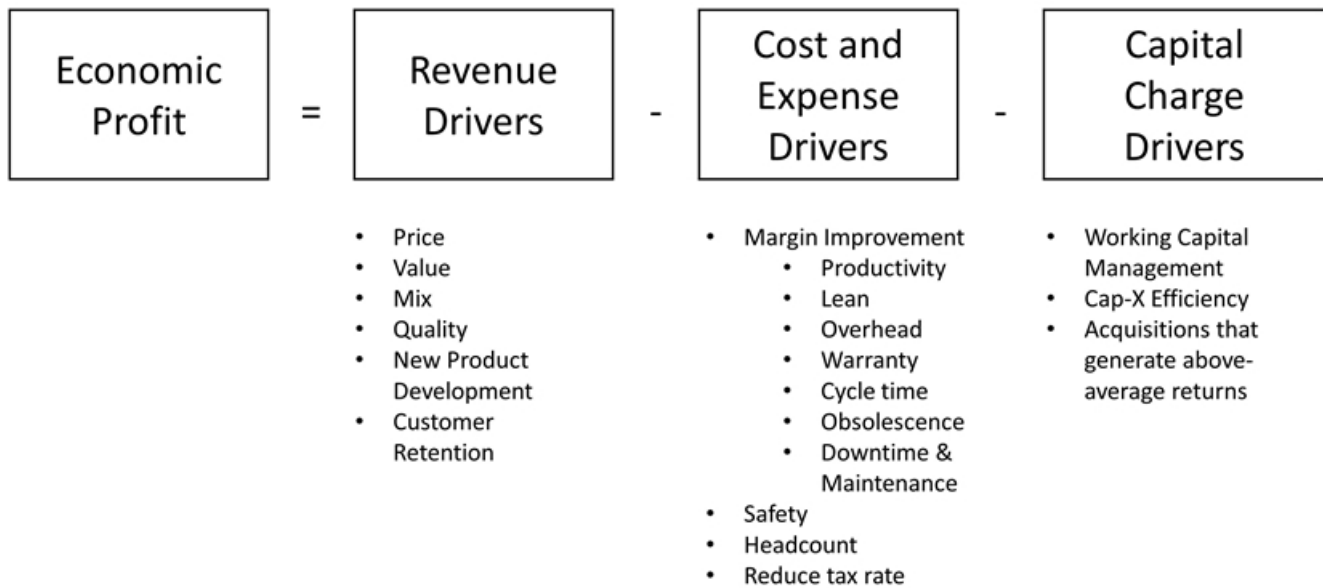
Summary Financials	LTM 3/2018	Credit Statistics	LTM 3/2018	Ratings Summary		
				Moody's	S&P	
EBITDA	\$ 544,026	Total Debt net of Cash / EBITDA	3.01 X	Corporate	Baa3	BBB
Interest Expense, net	\$ 71,276	Total Debt / EBITDA	3.44 X	Senior Unsecured	Baa3	BBB
Capital Expenditures	\$ 87,605	Total Debt / (EBITDA-Capex)	4.10 X	Outlook	Negative	Stable
		EBITDA / Interest Expense	7.63 X			
		(EBITDA-Capex) / Interest Expense	6.40 X			

/// EXECUTIVE COMP: PAY FOR PERFORMANCE

- Enables Wabtec to attract, motivate and retain key executive talent to meet both our short-term and long-term objectives
- Ensures that our interests are aligned with shareholders' interests
 - Significant percent of targeted annual compensation at-risk (about 75% for top five named executives last year)
- Three elements of compensation:
 - Base salary: Use competitive benchmarks
 - Short-term incentive: Annual incentive plan based on EBIT and cash from operations, with bonus as percent of base salary
 - Long-term incentive:
 - Stock options and restricted stock for retention
 - Stock grants for equity participation
 - Economic Profit Plan, based on rolling, 3-year target (Net Operating Profit After Tax less capital charge); target increases 10% each year
 - Participants can receive up to 2x target grant if Company achieves maximum performance for 3-year period

/// ECONOMIC PROFIT DRIVERS

What are the Drivers of Economic Profit?



/// STOCK OWNERSHIP GUIDELINES: A BEST PRACTICE

- Long-established stock ownership guidelines for key management, board members to strengthen alignment with shareholders
- Set as a multiple of employee's base salary
- Ownership gives individuals a personal financial stake
- Board/Management owns about 12% of equity

Executive Level	Wabtec Stock Shares
1. President & CEO	Shares equal to 7 times base salary
2. Executive Officers	Shares equal to 3 times base salary
3. General Manager Level	Shares equal to 2 times base salary
4. Board Members	Shares equal to 4 times annual retainer

/// COMPELLING INDUSTRY DYNAMICS, STRONG COMPANY FUNDAMENTALS

- **Compelling industry dynamics**
 - Large, worldwide rail supply market
 - Efficient transportation system essential to global economic growth
- **Strong company fundamentals**
 - Market leader with substantial installed base
 - Diversified revenue model, strong balance sheet
 - Wabtec Excellence Program drives continuous improvement
 - Focused growth strategies and capital to invest
 - Significant synergies and growth opportunities from Faiveley Transport acquisition
 - Board and Management own about 12% equity stake, with incentive compensation tied to EPS, working capital and economic profit
 - 13% EPS CAGR since 2006
- **On track for long-term growth**



/// Appendix

/// 2016 EPS RECONCILIATION

Set forth below is the calculation of the non-GAAP performance measures included in this presentation. 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. (Note: Dollars in millions.)

	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Pre-Tax Tax Income	Tax	Net Income	Minority Interest	Net Income	EPS
Reported Results	\$924.2	\$ (465.9)	\$ 458.4	\$ (45.5)	\$ 412.8	\$ (99.4)	\$313.4	\$ (8.5)	\$304.9	\$ 3.34
Transaction, Integration & Restructuring Costs	\$ -	\$ 40.9	\$ 40.9	\$ -	\$ 40.9	\$ (11.8)	\$ 29.1	\$ -	\$ 29.1	\$ 0.32
Contract Adjustments	\$ 13.8	\$ -	\$ 13.8	\$ -	\$ 13.8	\$ (3.9)	\$ 9.8	\$ -	\$ 9.8	\$ 0.11
Interest carry cost and Private Placement Refinance	\$ -	\$ -	\$ -	\$ 23.6	\$ 23.6	\$ (6.8)	\$ 16.8	\$ -	\$ 16.8	\$ 0.18
Tax adjustment on transaction costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9.2	\$ 9.2	\$ -	\$ 9.2	\$ 0.10
Deferred tax adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (26.9)	\$ (26.9)	\$ -	\$ (26.9)	\$ (0.29)
Faiweley Minority Interest expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8.5	\$ 8.5	\$ 0.00
Adjusted Results	\$938.0	\$ 424.9	\$ 513.0	\$ (21.9)	\$ 491.2	\$ (139.7)	\$351.5		\$351.5	\$ 3.85

/// 2017 EPS RECONCILIATION

Set forth below is the calculation of the non-GAAP performance measures included in this presentation. 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. (Note: Dollars in millions.)

	Gross Profit	Operating Expenses	Income from Operations	Interest & Other Exp	Tax	Net Income	Minority Interest	Net Income	EPS
Reported Results	\$1,065.3	\$(643.6)	\$421.7	\$(69.7)	\$(89.8)	\$262.3	\$ -	\$262.3	\$ 2.72
Integration & Restructuring costs	11.8	29.7	41.5	(2.2)	(10.6)	28.6	-	28.6	\$ 0.30
Tax on Opening Balance Sheet Adjustments	-	-	-	-	3.0	3.0	-	3.0	\$ 0.03
Contract Adjustments	44.5	-	44.5	-	(13.7)	30.8	-	30.8	\$ 0.32
Q4 Non-recurring Tax Adjustments	-	-	-	-	7.9	7.9	-	7.9	\$ 0.08
Minority Interest Adjustment	-	-	-	-	-	-	(1.9)	(1.9)	\$(0.02)
Adjusted Results	\$ 1,121.6	\$(613.9)	\$ 507.7	\$(71.9)	\$(103.3)	\$332.5	\$(1.9)	\$330.6	\$ 3.43
Fully Diluted Shares Outstanding									96.1



/// TRANSIT SEGMENT

Stéphane Rambaud-Measson, COO

/// OVERVIEW: A GLOBAL, TECHNOLOGY LEADER

Business Highlights

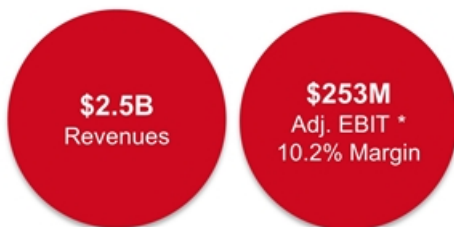
- Leading, global provider of components, systems and value-added services for transit rail
- Strong presence in most key global markets
- Products used on all types of rail vehicles
- OEM projects lead to aftermarket revenue opportunities for 40+ years
- Record multi-year backlog of \$4.3B at 3/31/18
- 2018: Forecasting growth in revenues and EBIT

Portfolio Highlights

- Comprehensive product portfolio worldwide
- Well positioned across global brake and coupler markets
- Global leader in rail friction, HVAC and pantographs
- North American leader in transit bus doors
- Strong position in rail and platform doors
- Strong aftermarket presence in core markets

Financial Highlights

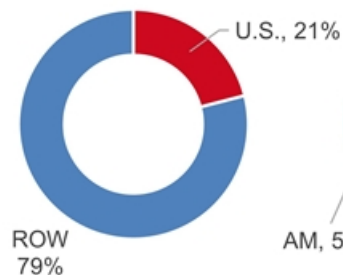
2017 Results



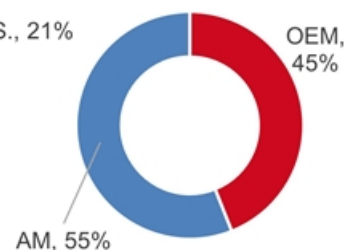
* Non-GAAP; see Appendix.

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Geographic Mix



Business Mix



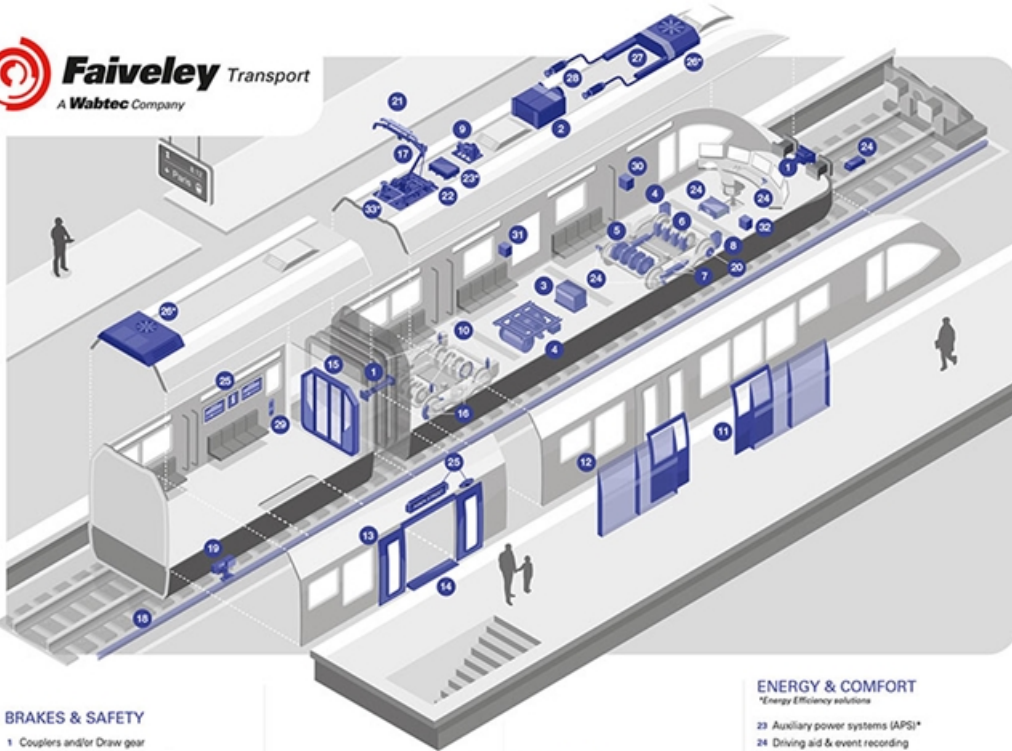
/// 2008: TRANSIT SYSTEMS USING WABTEC PRODUCTS



/// 2018: TRANSIT SYSTEMS USING WABTEC PRODUCTS



/// COMPONENTS, SYSTEMS FOR TRANSIT CARS



BRAKES & SAFETY

- 1 Couplers and/or Draw gear
- 2 Air generation and treatment unit
- 3 Brake control
(Pneumatic, Electro-pneumatic, Electronic or Hydraulic)
- 4 Brake frame (Brake control integrator)
- 5 Wheel and axle mounted discs
- 6 Disc brake unit and tread brake unit
- 7 Magnetic track brake
- 8 Sanding system
- 9 Pantograph compressor
- 10 Hydraulic levelling system

ACCESS & MOBILITY

- 11 Platform doors
- 12 Automatic platform gates
- 13 Access doors
- 14 Movable step and ramp
- 15 Interior doors

FRICION & POWER COLLECTION

- 16 Organic/inter pads and shoes
- 17 Pantographs
- 18 Third Rail
- 19 Third Rail Current Collectors
- 20 Ground Contacts
- 21 Carbon Brushes/Strips
- 22 Switches & Contactors

ENERGY & COMFORT

**Energy Efficiency solutions*

- 23 Auxiliary power systems (APS)*
- 24 Driving aid & event recording
- 25 CCTV & passenger information
- 26 Cab & saloon HVAC*
(Heating, Ventilation and Air Conditioning)
- 27 Air distribution ducts
- 28 Exhaust devices
- 29 Heaters
- 30 Relays
- 31 Printed Circuit Board
- 32 Circuit breakers
- 33 Energy meters *

TRANSIT SERVICES

- ENGINEERING SERVICES
- SPARE AND TRADING



INSTALLATION



COMMISSIONING & TRAINING



PREVENTIVE & CORRECTIVE MAINTENANCE



UPGRADES



REMOTE DIAGNOSTIC & PREDICTIVE MAINTENANCE



RELIABILITY & MAINTAINABILITY STUDIES



FRICION PAIR

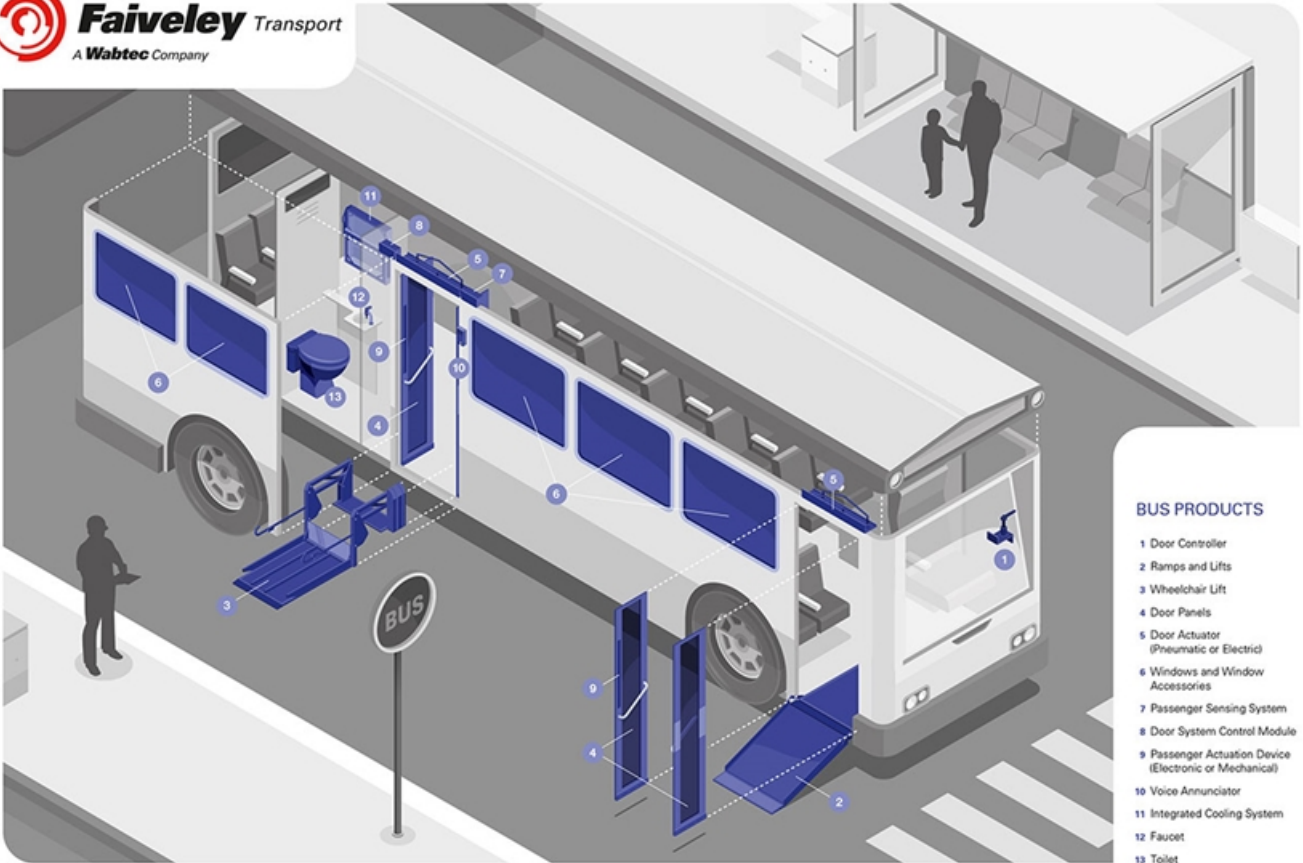


ENERGY SAVING



OVERHAULS

/// COMPONENTS, SYSTEMS FOR BUSES



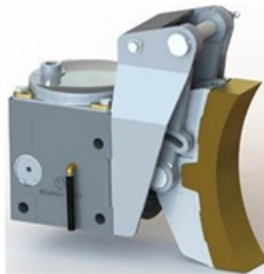
BUS PRODUCTS

- 1 Door Controller
- 2 Ramps and Lifts
- 3 Wheelchair Lift
- 4 Door Panels
- 5 Door Actuator (Pneumatic or Electric)
- 6 Windows and Window Accessories
- 7 Passenger Sensing System
- 8 Door System Control Module
- 9 Passenger Actuation Device (Electronic or Mechanical)
- 10 Voice Annunciator
- 11 Integrated Cooling System
- 12 Faucet
- 13 Toilet

/// BRAKES & SAFETY PRODUCTS

- Complete brake systems and safety connections for all types of rolling stock
- Pneumatic, electro-pneumatic and electronic brake controls
- Wheel- and axle-mounted discs; friction pads
- Couplers and draw gears

Brakes



Couplers



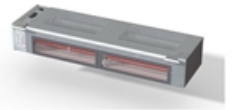
Friction



/// ENERGY, COMFORT & ACCESS PRODUCTS

- HVAC and sanitation systems
- Passenger Information Systems for vehicles and stations
- Power collection and energy management for rail and other industries
- Vehicle and platform doors; accessibility ramps

HVAC



Sanitation



Information & Safety



Power Collection



Rail/Platform Doors

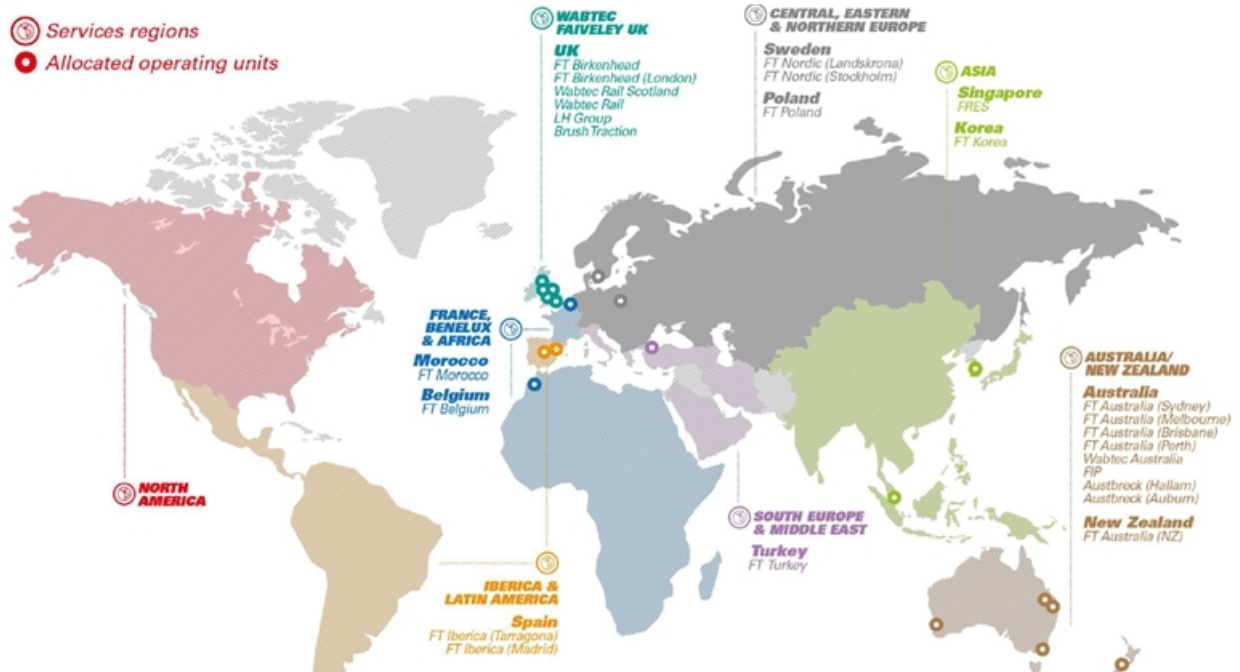


Bus Doors



/// TRANSIT SERVICES

- Leveraging worldwide installed base through regional service centers
- Value-added solutions to maintain and optimize customers' equipment through life cycle
- Installation, commissioning, training, upgrades, remote diagnostic and predictive maintenance, reliability and maintainability services, routine maintenance, overhauls



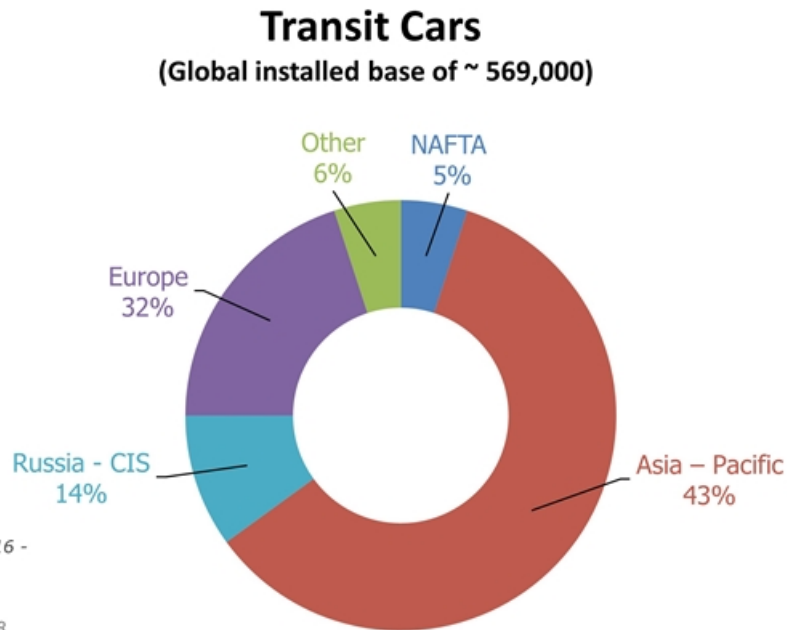
/// MARKET TRENDS

Highlights: Strong global investment, industry landscape evolving, growth of Indian market

Trend	Implication
<ul style="list-style-type: none"> • Strong global investment due to: <ul style="list-style-type: none"> • Rapid urbanization and population growth • Climate change and more stringent emissions requirements 	<ul style="list-style-type: none"> • Growing demand for mobility solutions worldwide • Rise of megacities; concentrated mobility needs • Rise in intermodal connectivity • Increasing demand for clean, resilient, environmentally efficient transportation and sustainable solutions
<ul style="list-style-type: none"> • Industry landscape evolving: <ul style="list-style-type: none"> • Customer consolidation (Siemens-Alstom) • CRRC targeting new markets • Strong competitors 	<ul style="list-style-type: none"> • Continue to delight customers and invest in key customer platforms ahead of tenders; pursue innovation and standardized products • Continue to develop relationships inside and outside China; differentiate vs. local competitors through increased safety, quality and compliance to European/US standards • Drive cost reductions to maintain flexibility
<ul style="list-style-type: none"> • Increasing focus on total cost of ownership by car builders and end users • Increasing efforts by car builders to grow aftermarket revenue 	<ul style="list-style-type: none"> • Opportunity for long-term maintenance contracts • Life cycle costs part of evaluation criteria
<ul style="list-style-type: none"> • Strong investment in Indian market 	<ul style="list-style-type: none"> • Accelerate product localization • Build relationships with new customers, partners • Provide standard products through repeat orders
<ul style="list-style-type: none"> • Intense focus on meeting short-term PTC deadline 	<ul style="list-style-type: none"> • As more route-miles are placed into service, must be positioned to respond to customer needs

/// MARKET DATA

- Overall markets driven by government funding and ridership levels, with Europe setting technology standards
- Asia-Pacific and Europe are largest market segments
- Strongest growth through 2021 expected to be in Western Europe (Germany, France, UK) and Asia-Pacific (India, China)

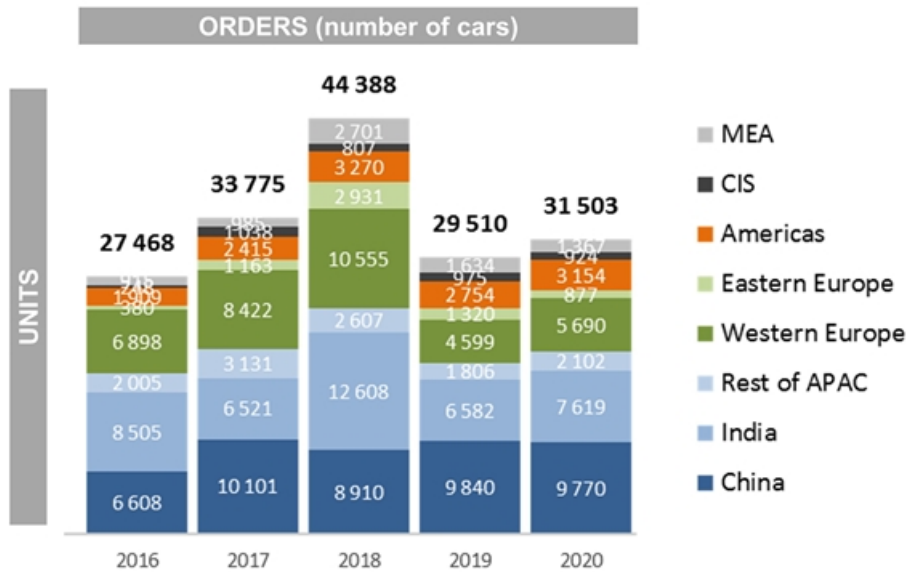


Source: World Rail Market Study 2016 - UNIFE/Roland Berger.

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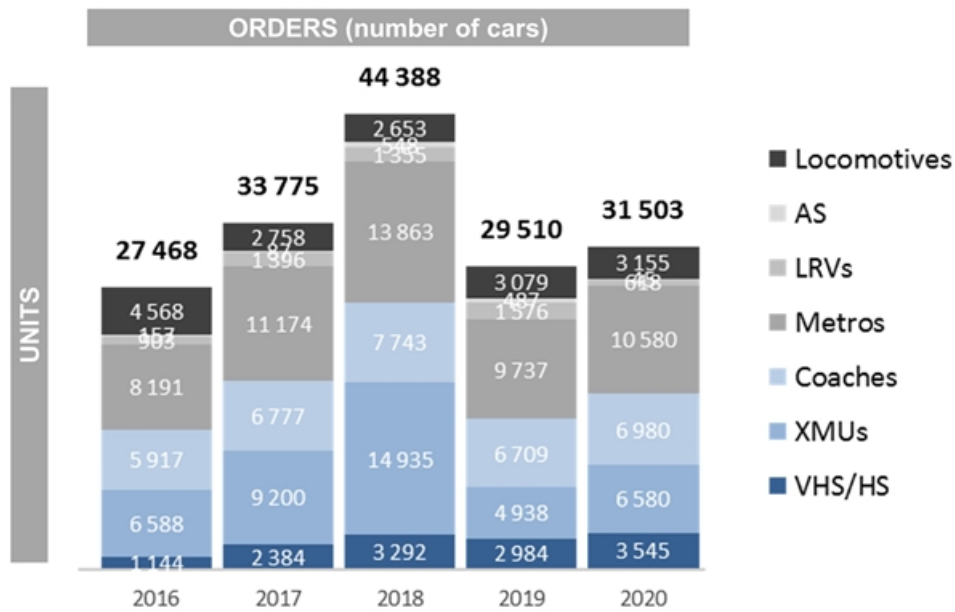
/// WORLDWIDE ROLLING STOCK BY REGION



Highlights

- Growth in India due to expected Kanchrapara order in 2018, plus continued expansion of coach production
- Western Europe remains strong, especially Germany and France
- Americas led by U.S.
- CIS still suffers from previous decline in oil price, but slow recovery expected in Russia

/// WORLDWIDE ROLLING STOCK BY TYPE



Highlights

- Multiple Units: Driven by India and Western Europe
- Metros: Peak volume in China, UK (London), Paris, Berlin high in 2018/19
- Coaches: India is largest purchaser
- Very High Speed/High Speed: Lower volumes in China; market to recover, but to a lower level
- Locomotives: Recovery expected after 2018

/// GROWTH STRATEGIES

- Product Innovation and New Technologies
 - MetroFlexx brake system
 - NeoFlexx brake disc
 - Low-weight compact door mechanism
 - Clean refrigerant HVAC
- Global and Market Expansion
 - Capitalize on growth in India market
 - Leverage U.S. footprint to expand product portfolio
 - Expand bus product offerings into Europe
 - Strengthen market coverage and expand bidding process
- Aftermarket Products and Services
 - Leverage installed base to grow in all key markets
 - Expand engineering services
 - Improve distribution model
- Acquisitions
 - Target strategic bolt-on opportunities to fill product and geographic gaps

/// MARGIN IMPROVEMENT DRIVERS

- Excellence in project execution and contract management
- Design to quality and design to cost
- Accelerate localization in low-cost geographies (Czech Republic, Mexico, India, Macedonia)
- Lean deployment: Standard processes and controls, best practices sharing (WEP)
- Complete product and footprint rationalization
- Continue to leverage global sourcing
- Rebalance OEM and aftermarket sales mix
- Deploy digitalization in engineering and manufacturing

/// STRATEGIC PLAN TARGETS

- Revenue growth of about 7%, more than double industry growth
- Margin growth of about 100 basis points annually
- Maintain/gain share to remain/become #1 or #2 in all core product lines
- Remain supplier of choice through best-in-class quality, on-time delivery, cost-competitive product offering



/// FREIGHT SEGMENT

Ray Betler, CEO

/// OVERVIEW: A GLOBAL, TECHNOLOGY LEADER

Business Highlights

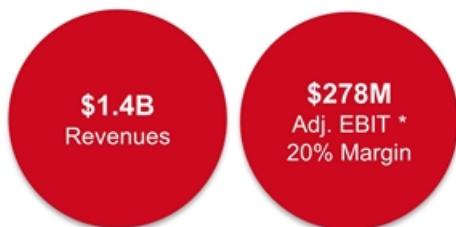
- Leading, global provider of components, systems and value-added services for locomotives, freight cars
- Technology leader in train control with ongoing investment in next-generation solutions
- Strong presence in key global markets
- Strong capabilities in niche industrial markets
- 2018: Forecasting growth in revenues and EBIT

Portfolio Highlights

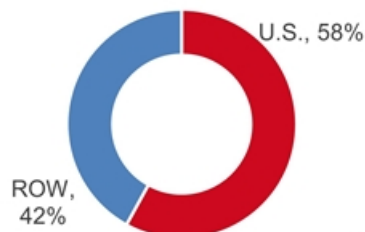
- Comprehensive product portfolio for AAR markets
- NAFTA leader for brake equipment, systems
- NAFTA leader in on-board train control
- Global leader in rail friction
- Strong aftermarket presence in core markets
- Strong presence in heat exchangers, turbochargers
- Mexico provides low-cost, high-quality manufacturing

Financial Highlights

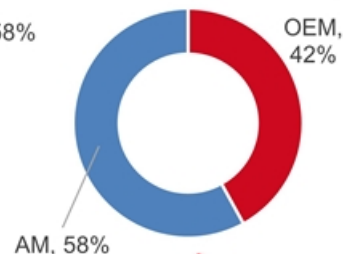
2017 Results



Geographic Mix



Business Mix

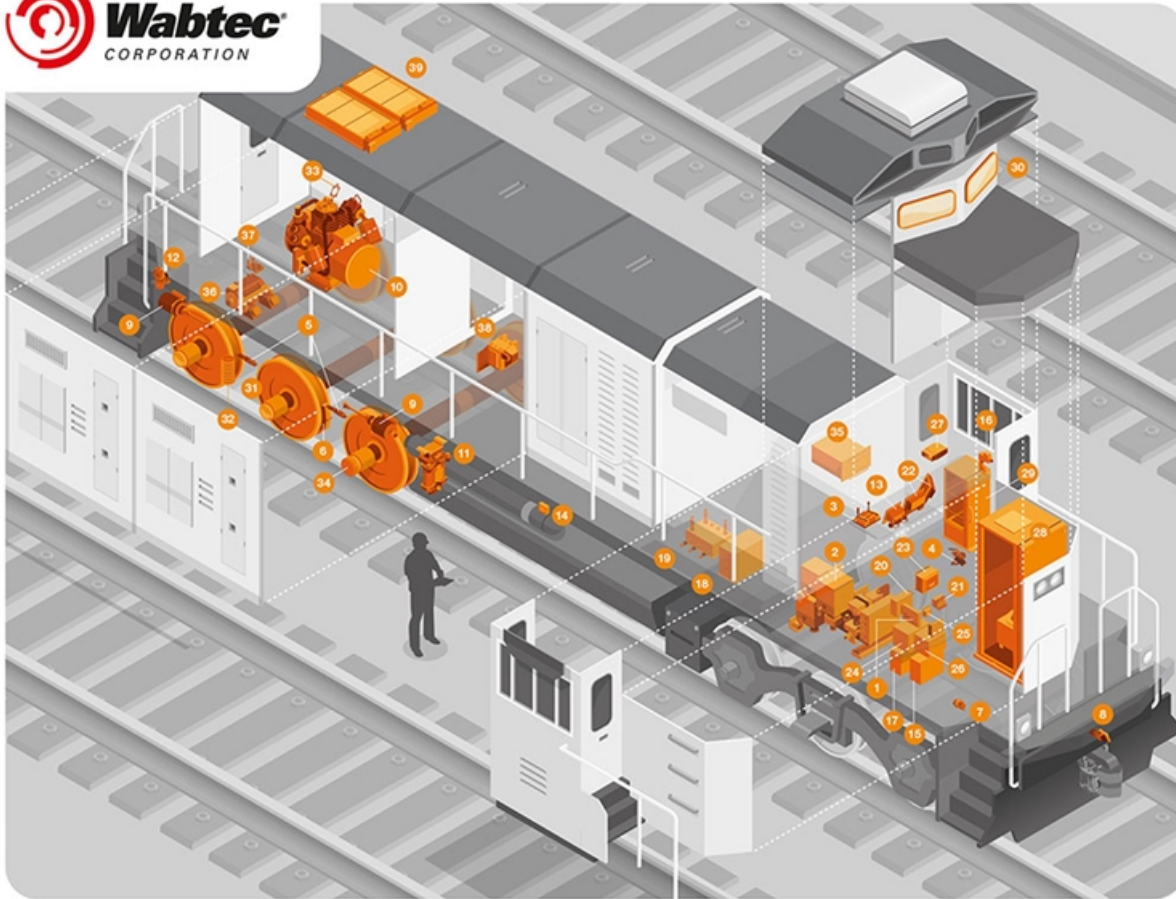


* Non-GAAP; see Appendix.

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/// FREIGHT SEGMENT: Locomotive



BRAKING SYSTEM

- 1 Telemetry System
- 2 Fast Brake
- 3 Fast Brake Control Handles
- 4 Emergency Brake Valve
- 5 Slack Adjuster
- 6 Brake Shoe

PNEUMATICS

- 7 Ball Valve
- 8 Angle Cock
- 9 Brake Cylinder
- 10 Compressor
- 11 Air Dryer
- 12 Vent Valve

MONITORING

- 13 Digital Pressure Panel
- 14 Fuel Monitor
- 15 VideoTrax Recorder
- 16 VideoTrax Camera
- 17 Event Recorder

ECP

- 18 230 VDC Power Supply
- 19 ECP Interface Unit (EUI)
- 20 Head End Unit (NIU-II)

POSITIVE TRAIN CONTROL

- 21 Cut Out Switch
- 22 EMTS Display
- 23 Cut Out Cabinet
- 24 CommLink
- 25 Navigation Sensor
- 26 Train Management Computer

MISCELLANEOUS

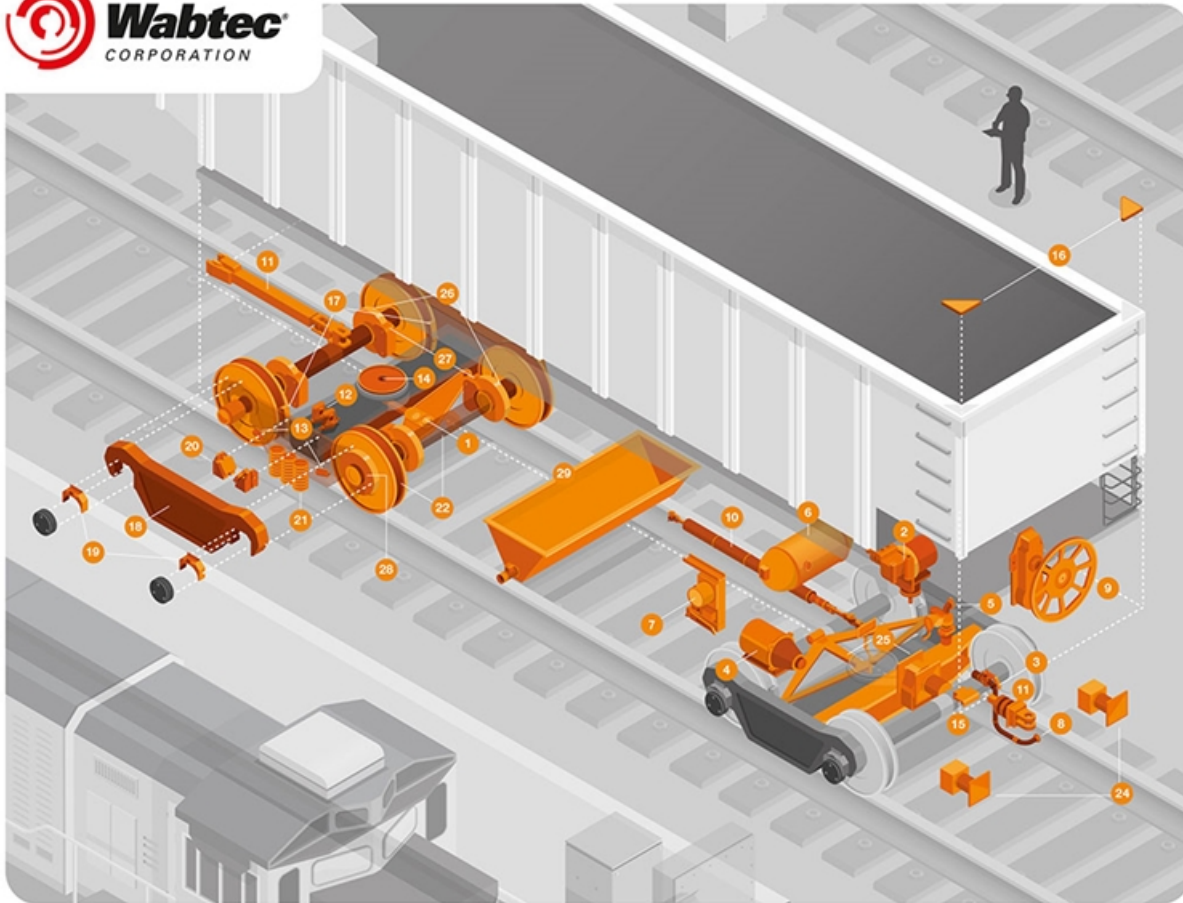
- 27 Cab Radio
- 28 Lavatory
- 29 Ice Box
- 30 Weather Stripping
- 31 Wheels
- 32 Springs
- 33 Head Gasket
- 34 Axle Generator
- 35 Control System
- 36 Traction Motor
- 37 Traction Motor Brush Holder

HEAT EXCHANGERS

- 38 Air Cooler
- 39 Radiators



/// FREIGHT SEGMENT: Freight Car



FREIGHT

- 1 Foundation Brake, Rigging Kits Brackets, Braces, Levers
- 2 Pneumatic or electro-pneumatic distributor (brakes control valve) UIC & ARR
- 3 Angle Cocks
- 4 Brake Cylinder
- 5 Dirt Collector / Cutout Cock
- 6 Reservoir
- 7 Empty / Load Valve-Slope Sheet
- 8 End Hoses
- 9 Hand Brake
- 10 Slack Adjusters
- 11 Draft Gears
- 12 Constant Contact Side Bearings
- 13 Brake Beam Guides
- 14 Bowl Liners
- 15 Coupler Carrier Wear Plates
- 16 Corner Caps
- 17 Brake Shoes
- 18 Bolster and Sideframes
- 19 Bearing Adapters & Shear Pads
- 20 Friction Wedges
- 21 Load Springs
- 22 Wheels & Axles
- 23 End of Train Device (not shown)
- 24 Buffers & Self Lubricated Buffers
- 25 Bogie (Truck) Mounted Brake
- 26 Axe Mounted Discs
- 27 Discs Brake Units
- 28 Wheel Mounted Discs
- 29 Pneumatic Outlet (Pellet) Gate



/// FREIGHT/INDUSTRIAL PRODUCTS

- Brake systems, heat exchangers and other valued-added components for locomotives and freight cars
- Trackwork and Maintenance of Way
- Aftermarket services, including overhauls
- Heat exchangers, turbochargers and rubber for industrial markets

Freight Car



Locomotive



Wayside/Track Products



Aftermarket Services



Industrial



/// ELECTRONICS PRODUCTS

- Products and services to optimize performance, increase operational savings and improve safety
- Electronics hardware and embedded software design
- Signal and communication engineering and construction
- Turnkey PTC/train control and signaling systems
- Machine vision and analytics, predictive condition monitoring and movement planning

Train Control



Core Electronics



Condition Monitoring Systems

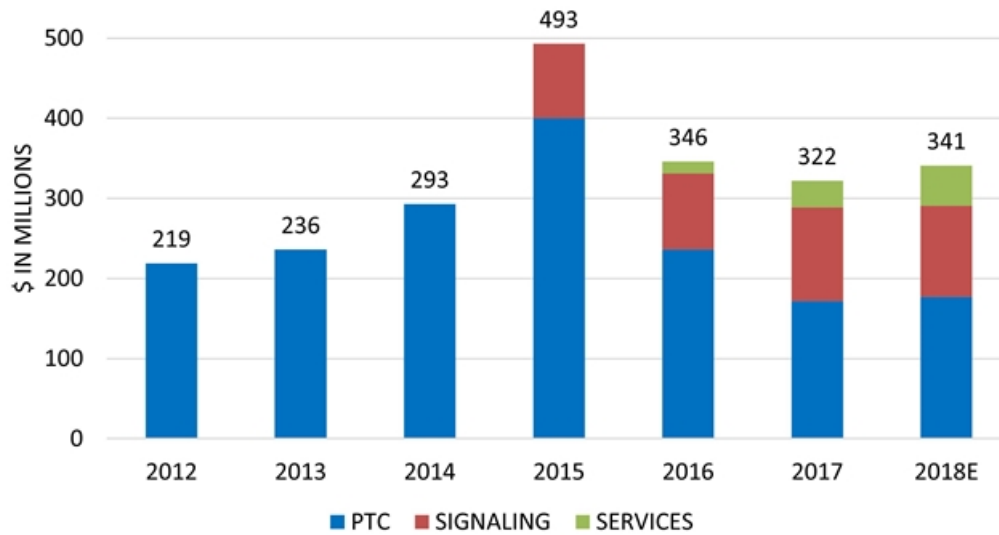


Signaling & Construction



/// TRAIN CONTROL/SIGNALING

- After U.S. mandate in 2008, freight railroads adopted Wabtec on-board system
- Multi-year investment led to “moon shot”
- Wabtec has recorded revenues of more than \$2B in train control and signaling through organic growth, expansion into related market segments and strategic acquisitions
- Wabtec positioned to drive future growth as railroads invest in next-generation and autonomous technologies



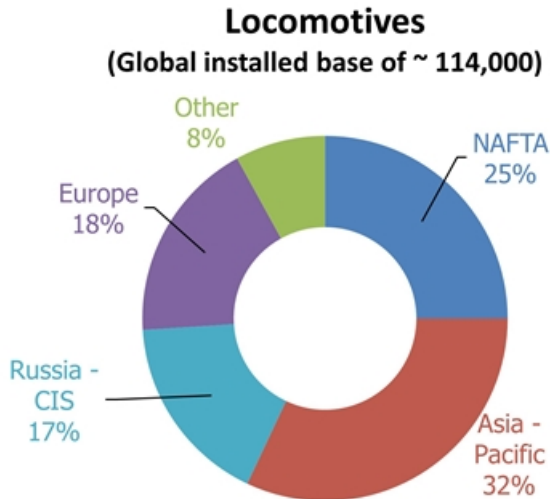
/// MARKET TRENDS

Highlights: Cycle expected to improve, focus on PTC and technology to drive efficiencies

Trend	Implication
<ul style="list-style-type: none"> • Cycle expected to improve but customers face pressure to reduce costs <ul style="list-style-type: none"> • Traffic and storage trends positive • Aggressive push for efficiencies and cost reductions as Class 1 railroads redefine their business models 	<ul style="list-style-type: none"> • Opportunities for outsourcing from customers as market improves • Manage costs aggressively, while remaining positioned for upturn • Railroads open to cost-effective capital improvements
<ul style="list-style-type: none"> • Localization required in many international markets 	<ul style="list-style-type: none"> • Increased need for investment in India, Brazil, Turkey and Russia for various product lines
<ul style="list-style-type: none"> • Intense focus on meeting short-term PTC deadline 	<ul style="list-style-type: none"> • As more route-miles are placed into service, must be positioned to respond to customer needs
<ul style="list-style-type: none"> • Technology-driven disruption in rail and trucking <ul style="list-style-type: none"> • Trucks investing significantly in fleet management, self-driving trucks and transportation/logistics software solutions • Freight and mainline/commuter railroads have been considering labor efficiency and optimized fuel management for years 	<ul style="list-style-type: none"> • Railroads will need to adapt technologies that will be focused on asset management and network optimization • Our leading position in PTC provides unique opportunity to integrate various asset monitoring systems • Autonomous operating solutions offer potential to fully optimize labor and fuel efficiency

/// MARKET DATA

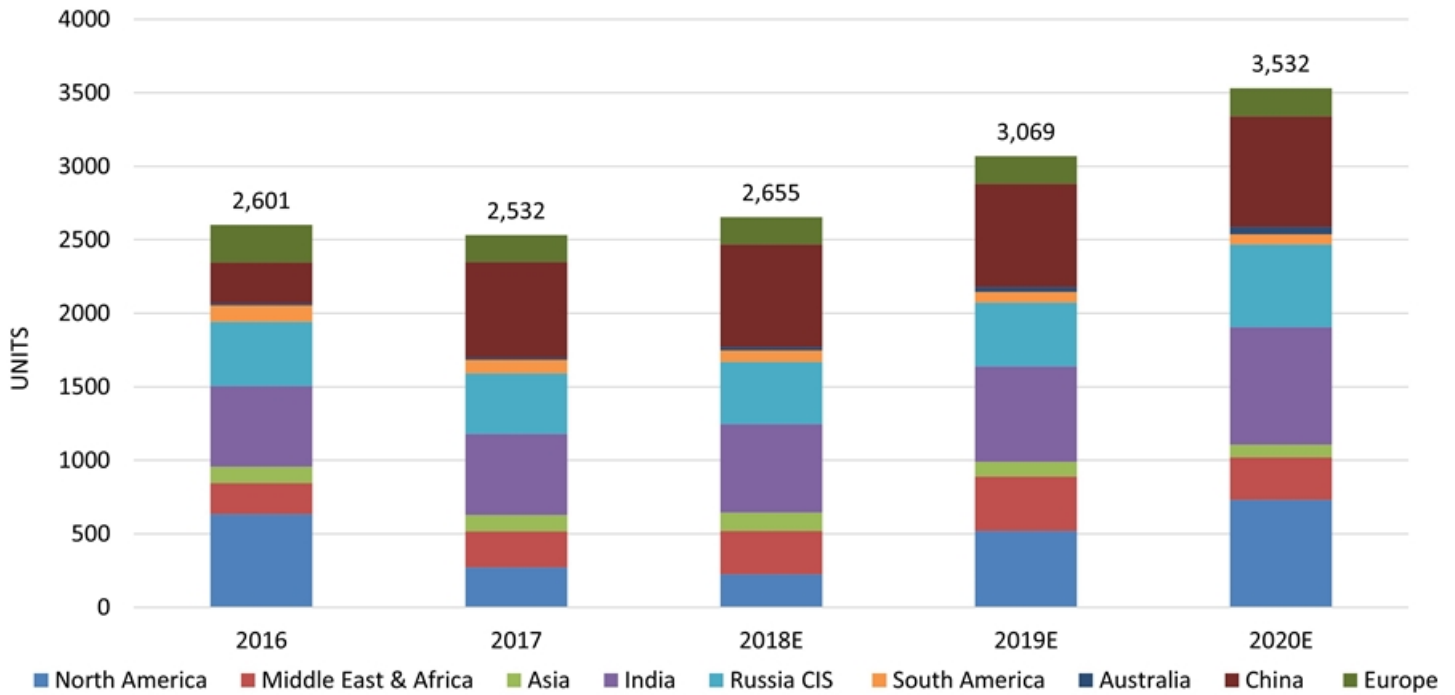
- Overall economic activity (GDP) drives freight traffic volumes and capital investment
- NAFTA sets technology standards
- Majority of rolling stock outside of NAFTA, where Wabtec share is smaller



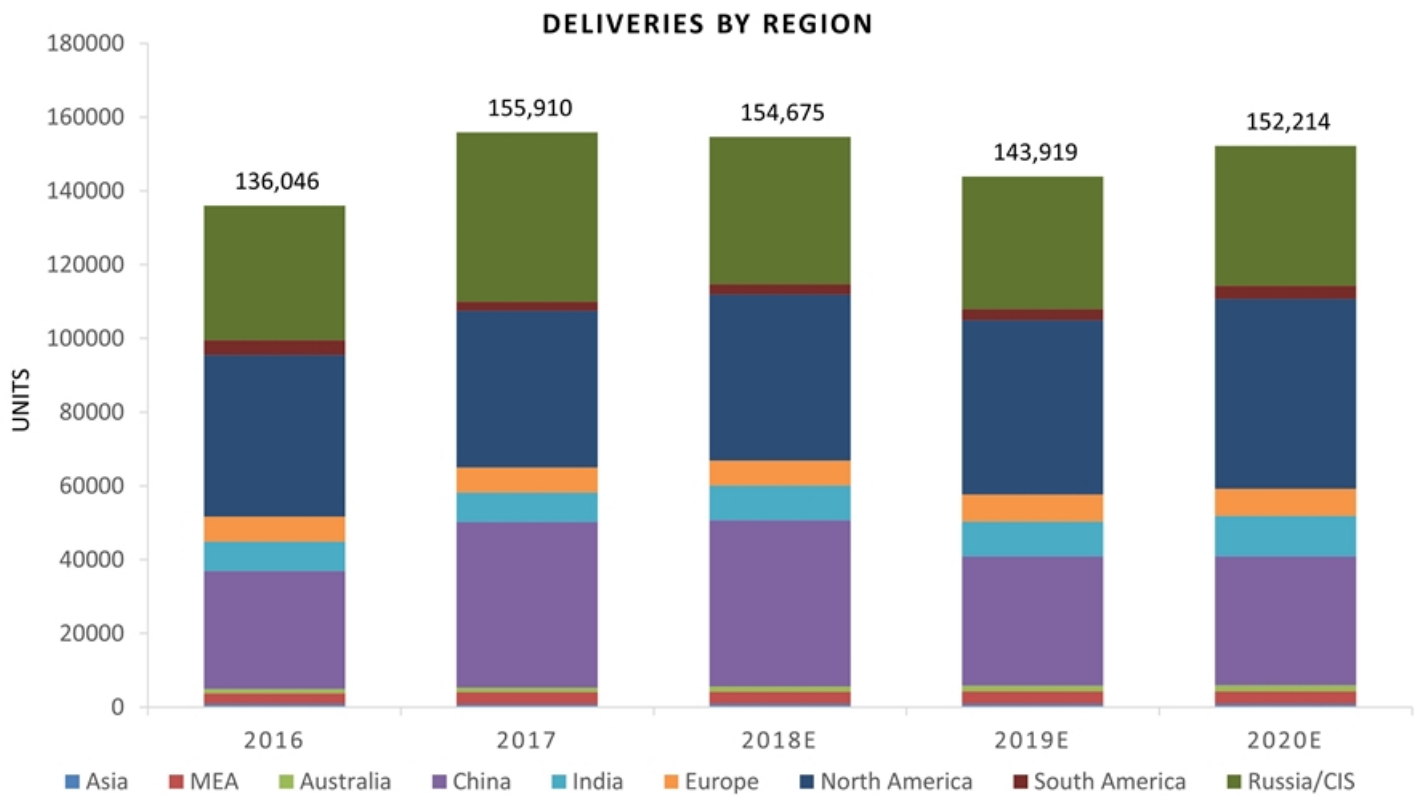
Source: World Rail Market Study 2016 - UNIFE/Roland Berger.

/// LOCOMOTIVE OEM MARKET

DELIVERIES BY REGION

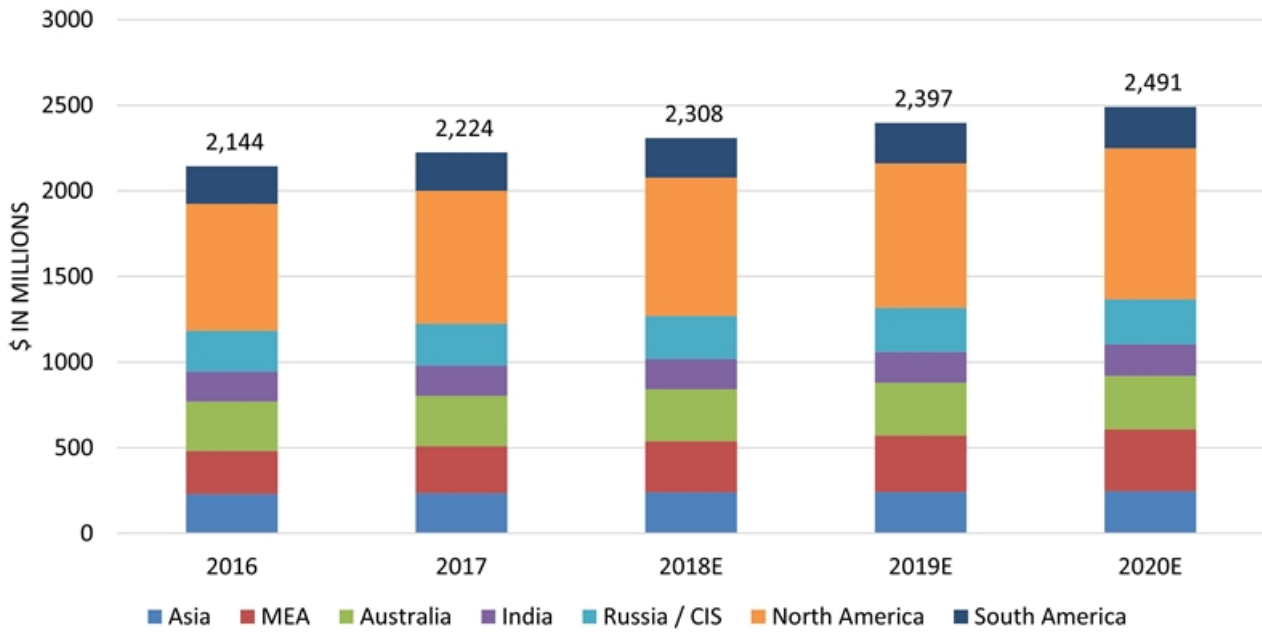


/// FREIGHT CAR OEM MARKET



/// RAIL COMMAND AND CONTROL MARKET

ADDRESSABLE MARKET BY REGION



- Total addressable market represents roughly 10% of annual \$22B signaling market
- Addressable market excludes China, Europe, HSR and Metro

/// TRACK/INDUSTRIAL MARKET

- Wayside and Track
 - GDP-type growth expected
 - Wabtec share less than 10%
- Heat Exchangers
 - Multi-billion-dollar market, growing at double-digit rate
 - Wabtec focused on engine cooling and power generation
- Turbochargers
 - Low-single-digit growth expected
 - Wabtec competes in niches based on engine size
- Elastomers
 - GDP-type growth expected
 - Wabtec share less than 10%

/// GROWTH STRATEGIES

- Product Innovation and New Technologies
 - Through WabtecOne platform, leverage PTC installed base to create derivative products and services, eventually leading to autonomous operations
 - Next-generation train control
 - Incremental licensed features (apps)
 - Wireless crossing
 - Optimized asset management through machine vision/predictive condition monitoring and movement planning
 - Invest in core products such as swing motion truck, brake products for UIC markets, hybrid work locomotive, 2-stage turbocharger system, aluminum heat exchangers
- Global and Market Expansion
 - Localize products in Turkey, Russia
 - Strengthen capabilities in UIC markets
 - Develop industrial product niches internationally and become preferred supplier for each
- Aftermarket Products and Services
 - Expand freight service center footprint (Europe, Middle East, Turkey)
- Acquisitions
 - Target strategic bolt-on opportunities to fill product and geographic gaps

/// STRATEGIC PLAN TARGETS

- Revenue growth of about 11%, significantly higher than industry growth
- Margin growth of at least 50 basis points annually
- Maintain/gain share to remain/become #1 or #2 in all core product lines



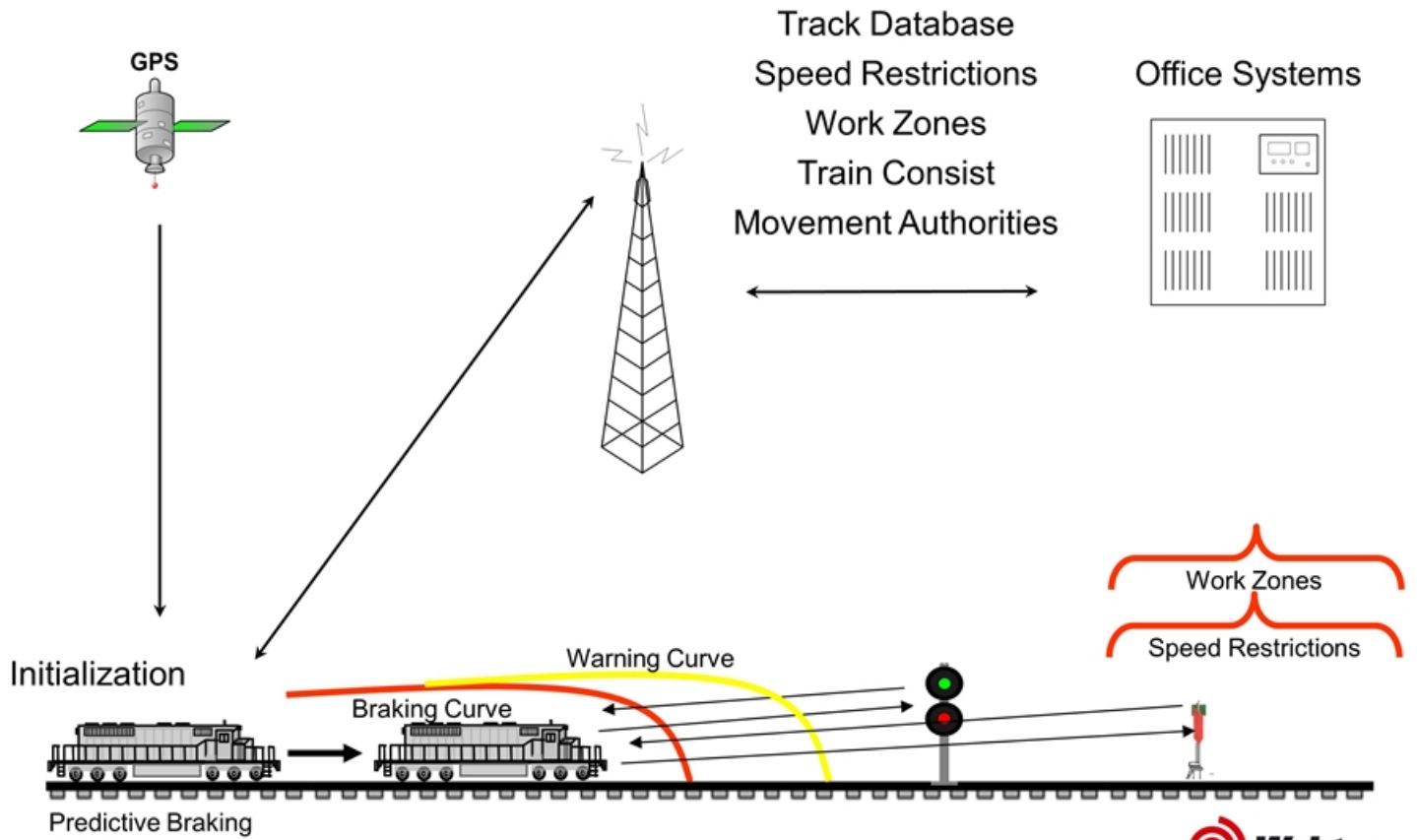
/// PTC UPDATE AND PRODUCT ROADMAP

Bob Bourg, VP-Signaling, Strategy and Growth

/// RAIL SAFETY IMPROVEMENT ACT OF 2008

- Following several high-profile accidents, Congress passed RSIA in 2008
- Requires PTC on:
 - Main lines with regularly scheduled passenger intercity or commuter operations
 - Main lines over which any poisonous-by-inhalation or toxic-by-inhalation hazardous materials are transported
- 60,000+ miles of track and 20,000+ locomotives
- Original deadline of Dec-2015 extended to Dec-2018
- Designed to:
 - Prevent train-to-train collisions
 - Prevent accidents from switches left in the wrong position
 - Prevent overspeed conditions
 - Protect work zones and crews

Interoperable Electronic Train Management System



/// PTC – WABTEC PRODUCTS & SERVICES



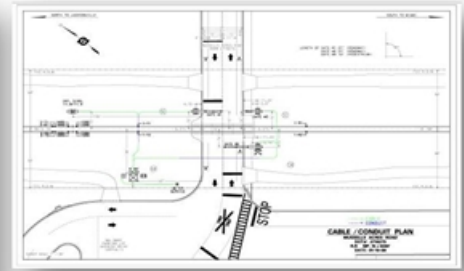
On-Board

- Train Management Computer
- Operator Displays
- Video & Event Recorders
- Track Database Services



Office

- Computer Aided Dispatch
- Back Office Server



Wayside

- Signal Engineering
- Wired Signal Houses
- Signal Construction
- Project Management



/// CURRENT PROGRESS TO 2018 DEADLINE

I-ETMS Customers	Planning & Installation	Revenue Service Demonstration	Approved for Revenue Service	Total
Class I Railroads	0	3	4	7
Commuter Railroads & other	28	3	2	33

- **Industry Challenges:**

- Funding
- Late project starts
- Completion of all hardware installations
- Availability of qualified staff with specialized knowledge
- Host / tenant testing

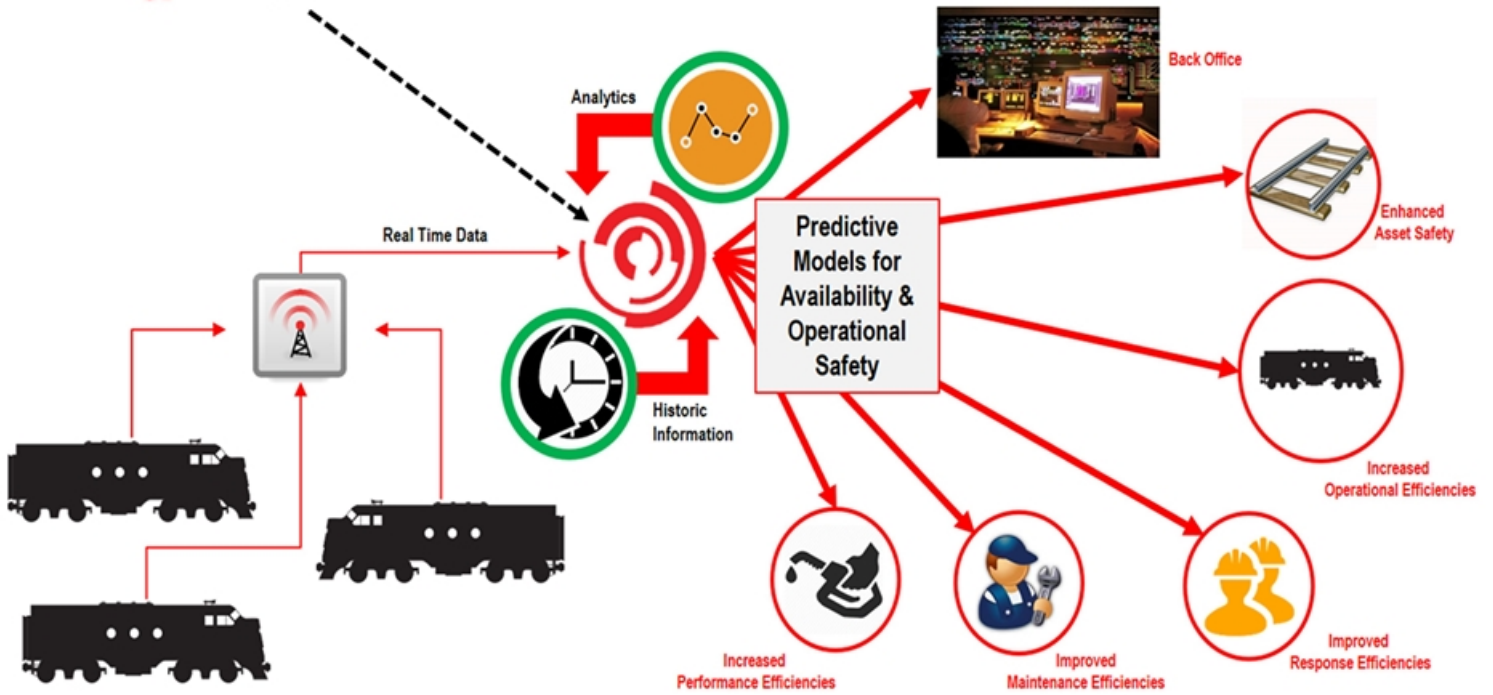
- **Wabtec Solutions:**

- Increased manufacturing output to meet demand surge
- Expert field testing assistance
- Systems engineering & program management support
- 24-hour help desk & “war room”
- Rigorous attention to critical software releases

/// ELECTRONICS GROUP – VISION & OBJECTIVES

- Leverage the PTC installed base to create derivative products and services which do not exist today
- Provide high-technology products and services to the rail industry which improves the safety, productivity and efficiency of our customers
- More focused product development efforts combining various technologies to achieve the vision of driverless (autonomous) freight operation
 - Next generation train control
 - Optimised asset management through machine vision / predictive condition monitoring and movement planning
- Expand our target markets by entering into new geographic regions, enhancing our product portfolio and utilizing technology enhancements to drive retrofit opportunities

WabtecONE™
Expert Railway Management
& Data Analytics



/// FUTURE OPPORTUNITIES

- Maintenance Service Agreements

- Software maintenance
- Repair
- Training



- Enhancements

- Additional safety and productivity features
- Train integrity and end-of-train position monitoring
- Hardware upgrades
- Condition monitoring

- Operational Transformation & Automation

- Increased capacity through moving block
- Elimination of wayside infrastructure
- Labor reduction
- Condition-based maintenance
- Autonomous operation