

WABTEC CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2013 AND 2012
(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)
(UNAUDITED)

	Second Quarter <u>2013</u>	Second Quarter <u>2012</u>	For the Six Months <u>2013</u>	For the Six Months <u>2012</u>
Net sales	\$ 638,002	\$ 609,820	\$ 1,253,512	\$ 1,193,129
Cost of sales	<u>(445,121)</u>	<u>(436,393)</u>	<u>(877,743)</u>	<u>(850,321)</u>
Gross profit	192,881	173,427	375,769	342,808
<i>Gross profit as a % of Net Sales</i>	30.2%	28.4%	30.0%	28.7%
Selling, general and administrative expenses	(63,874)	(59,163)	(128,174)	(121,192)
Engineering expenses	(11,280)	(10,145)	(22,614)	(20,294)
Amortization expense	<u>(5,173)</u>	<u>(3,254)</u>	<u>(8,760)</u>	<u>(6,347)</u>
Total operating expenses	(80,327)	(72,562)	(159,548)	(147,833)
<i>Operating expenses as a % of Net Sales</i>	12.6%	11.9%	12.7%	12.4%
Income from operations	112,554	100,865	216,221	194,975
<i>Income from operations as a % of Net Sales</i>	17.6%	16.5%	17.2%	16.3%
Interest (expense) income, net	(3,271)	(3,509)	(6,885)	(7,233)
Other income (expense), net	<u>406</u>	<u>223</u>	<u>(175)</u>	<u>109</u>
Income from operations before income taxes	109,689	97,579	209,161	187,851
Income tax expense	<u>(35,051)</u>	<u>(32,867)</u>	<u>(64,910)</u>	<u>(63,878)</u>
<i>Effective tax rate</i>	32.0%	33.7%	31.0%	34.0%
Net income attributable to Wabtec shareholders	<u>\$ 74,638</u>	<u>\$ 64,712</u>	<u>\$ 144,251</u>	<u>\$ 123,973</u>
Earnings Per Common Share				
Basic				
Net income attributable to Wabtec shareholders	\$ 0.78	\$ 0.67	\$ 1.51	\$ 1.29
Diluted				
Net income attributable to Wabtec shareholders	\$ 0.77	\$ 0.67	\$ 1.49	\$ 1.28
Weighted average shares outstanding				
Basic	<u>95,762</u>	<u>95,671</u>	<u>95,243</u>	<u>95,479</u>
Diluted	<u>97,102</u>	<u>96,844</u>	<u>96,606</u>	<u>96,666</u>
Sales by Segment				
Freight Group	\$ 354,857	\$ 407,706	\$ 668,536	\$ 804,994
Transit Group	<u>283,145</u>	<u>202,114</u>	<u>\$ 584,976</u>	<u>\$ 388,135</u>
Total	<u>\$ 638,002</u>	<u>\$ 609,820</u>	<u>\$ 1,253,512</u>	<u>\$ 1,193,129</u>