

**WABTEC CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014**  
**(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)**  
**(UNAUDITED)**

	Second Quarter <u>2015</u>	Second Quarter <u>2014</u>	For the Six Months <u>2015</u>	For the Six Months <u>2014</u>
Net sales	\$ 847,028	\$ 731,068	\$ 1,665,622	\$ 1,426,317
Cost of sales	<u>(579,264)</u>	<u>(506,410)</u>	<u>(1,142,503)</u>	<u>(992,090)</u>
Gross profit	267,764	224,658	523,119	434,227
<i>Gross profit as a % of Net Sales</i>	31.6%	30.7%	31.4%	30.4%
Selling, general and administrative expenses	(88,992)	(72,982)	(173,763)	(143,063)
Engineering expenses	(17,750)	(14,221)	(34,613)	(27,167)
Amortization expense	<u>(5,162)</u>	<u>(5,132)</u>	<u>(10,463)</u>	<u>(9,828)</u>
Total operating expenses	(111,904)	(92,335)	(218,839)	(180,058)
<i>Operating expenses as a % of Net Sales</i>	13.2%	12.6%	13.1%	12.6%
Income from operations	155,860	132,323	304,280	254,169
<i>Income from operations as a % of Net Sales</i>	18.4%	18.1%	18.3%	17.8%
Interest expense, net	(4,041)	(4,525)	(8,347)	(8,975)
Other (expense) income, net	<u>(1,887)</u>	<u>243</u>	<u>(4,753)</u>	<u>226</u>
Income from operations before income taxes	149,932	128,041	291,180	245,420
Income tax expense	<u>(48,428)</u>	<u>(39,336)</u>	<u>(93,512)</u>	<u>(76,581)</u>
<i>Effective tax rate</i>	32.3%	30.7%	32.1%	31.2%
Net income attributable to Wabtec shareholders	<u>\$ 101,504</u>	<u>\$ 88,705</u>	<u>\$ 197,668</u>	<u>\$ 168,839</u>
<b>Earnings Per Common Share</b>				
<b>Basic</b>				
Net income attributable to Wabtec shareholder:	<u>\$ 1.05</u>	<u>\$ 0.92</u>	<u>\$ 2.05</u>	<u>\$ 1.76</u>
<b>Diluted</b>				
Net income attributable to Wabtec shareholder:	<u>\$ 1.04</u>	<u>\$ 0.91</u>	<u>\$ 2.03</u>	<u>\$ 1.74</u>
Weighted average shares outstanding				
Basic	<u>96,338</u>	<u>96,048</u>	<u>96,066</u>	<u>95,674</u>
Diluted	<u>97,435</u>	<u>97,058</u>	<u>97,112</u>	<u>96,827</u>
<b>Sales by Segment</b>				
Freight Group	\$ 534,674	\$ 411,502	\$ 1,046,561	\$ 797,008
Transit Group	<u>312,354</u>	<u>319,566</u>	<u>619,061</u>	<u>\$ 629,309</u>
Total	<u>\$ 847,028</u>	<u>\$ 731,068</u>	<u>\$ 1,665,622</u>	<u>\$ 1,426,317</u>