

**WABTEC CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013**  
**(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)**  
**(UNAUDITED)**

	Third Quarter <u>2014</u>	Third Quarter <u>2013</u>	For the Nine Months <u>2014</u>	For the Nine Months <u>2013</u>
Net sales	\$ 797,271	\$ 631,398	\$ 2,223,588	\$ 1,884,910
Cost of sales	<u>(549,813)</u>	<u>(443,265)</u>	<u>(1,541,903)</u>	<u>(1,321,008)</u>
Gross profit	247,458	188,133	681,685	563,902
<i>Gross profit as a % of Net Sales</i>	31.0%	29.8%	30.7%	29.9%
Selling, general and administrative expenses	(88,359)	(63,402)	(231,422)	(191,576)
Engineering expenses	(16,391)	(10,921)	(43,558)	(33,535)
Amortization expense	<u>(6,731)</u>	<u>(3,939)</u>	<u>(16,559)</u>	<u>(12,699)</u>
Total operating expenses	(111,481)	(78,262)	(291,539)	(237,810)
<i>Operating expenses as a % of Net Sales</i>	14.0%	12.4%	13.1%	12.6%
Income from operations	135,977	109,871	390,146	326,092
<i>Income from operations as a % of Net Sales</i>	17.1%	17.4%	17.5%	17.3%
Interest (expense) income, net	(4,594)	(3,829)	(13,569)	(10,714)
Other income (expense), net	<u>(154)</u>	<u>(1,658)</u>	<u>72</u>	<u>(1,833)</u>
Income from operations before income taxes	131,229	104,384	376,649	313,545
Income tax expense	<u>(41,074)</u>	<u>(30,441)</u>	<u>(117,655)</u>	<u>(95,351)</u>
<i>Effective tax rate</i>	31.3%	29.2%	31.2%	30.4%
Net income attributable to Wabtec shareholders	<u>\$ 90,155</u>	<u>\$ 73,943</u>	<u>\$ 258,994</u>	<u>\$ 218,194</u>
<b>Earnings Per Common Share</b>				
<b>Basic</b>				
Net income attributable to Wabtec shareholders	\$ 0.94	\$ 0.77	\$ 2.69	\$ 2.28
<b>Diluted</b>				
Net income attributable to Wabtec shareholders	\$ 0.93	\$ 0.76	\$ 2.67	\$ 2.25
Weighted average shares outstanding				
Basic	<u>95,935</u>	<u>95,848</u>	<u>95,745</u>	<u>95,383</u>
Diluted	<u>97,004</u>	<u>97,174</u>	<u>96,834</u>	<u>96,754</u>
<b>Sales by Segment</b>				
Freight Group	\$ 453,329	\$ 340,533	\$ 1,250,337	\$ 1,009,069
Transit Group	<u>343,942</u>	<u>290,865</u>	<u>\$ 973,251</u>	<u>\$ 875,841</u>
Total	<u>\$ 797,271</u>	<u>\$ 631,398</u>	<u>\$ 2,223,588</u>	<u>\$ 1,884,910</u>