



## **WABTEC AND FAIVELEY TRANSPORT JOINTLY ANNOUNCE THAT WABTEC ACQUIRES MAJORITY OWNERSHIP OF FAIVELEY TRANSPORT**

*Gennevilliers, 1 December 2016*

On November 30, 2016, Wabtec Corporation has acquired majority ownership of Faiveley Transport S.A., after completing the purchase of the Faiveley family's stake, which represented about 51% of the company's shares outstanding. Wabtec plans to launch a tender offer for the remaining public shares in December.

The strategic combination of Wabtec and Faiveley Transport creates one of the world's largest public rail equipment companies, with revenues of about \$4.2 billion and a presence in all key transit and freight rail markets worldwide.

Albert J. Neupaver, executive chairman of Wabtec, said: "The acquisition of Faiveley Transport is an excellent strategic fit, expanding our geographic presence, broadening our product and service capabilities, and strengthening our technology and innovation initiatives. The combination of two rail industry leaders creates compelling growth opportunities and synergies, and strengthens the diversity of our revenue base. We're pleased to welcome the Faiveley family as long-term Wabtec shareholders with representation on our Board of Directors."

Raymond T. Betler, Wabtec's president and chief executive officer, said: "Our combination with Faiveley Transport brings Wabtec many complementary products, a strong presence in the European and Asia Pacific transit industries, and solid relationships with blue-chip, global customers. Together, we will be a more efficient global competitor, with a focus on technology, quality and customer service, and a singular mission: to help customers improve their safety, productivity and efficiency."

Stéphane Rambaud-Measson, chairman of the Management Board and chief executive officer of Faiveley Transport, has joined Wabtec as president and CEO of its Transit Group and as a corporate executive vice president, reporting to Ray Betler.

Stéphane Rambaud-Measson said: "Wabtec's Transit Group, under the Faiveley Transport brand name, will pursue its objective to be a global leader in railway equipment and services. The passenger transit business typically provides a steady flow of new projects and aftermarket growth opportunities, and we are well positioned in key global markets such as Europe and Asia Pacific."

Guillaume Bouhours, member of the Management Board and chief financial officer of Faiveley Transport, has been appointed Senior Vice-President, Transit Chief Financial Officer, reporting to Stéphane Rambaud-Measson.

Wabtec acquired the Faiveley family stake for about €200 million in cash (€100 per Faiveley Transport share) and 6.3 million shares of Wabtec common stock (1.1524 Wabtec common stock per Faiveley Transport share). Through the tender offer, the public shareholders of Faiveley Transport will have the option to receive €100 per share of Faiveley Transport in cash or to exchange their shares for 15 Wabtec common stock for 13 Faiveley Transport shares, representing the same financial conditions as the Faiveley family.

The total purchase price is about €1.6 billion, including assumed debt and net of cash acquired. Wabtec now expects to realize at least \$50 million in annual pre-tax synergies from the combination by year three.

On November 30, composition of Faiveley Transport's Boards changed as scheduled in the agreements signed between Faiveley's family and Wabtec:

- Mr. François Faiveley, Mr. Philippe Alfroid, Mrs. Hélène Auriol-Potier, Mr. Christian Germa, Mr. Maurice Marchand-Tonel resigned from the Supervisory Board ;
- Mr. Al Neupaver, Mr. Ray Betler, Mrs. Linda Harty were nominated as new Supervisory Board members of Faiveley Transport ;



- Mr. Neupaver has been elected as Chairman of the Supervisory Board and Mr. Betler, as Vice-chairman of the Supervisory Board;
- Supervisory Board is now composed of 5 members, the 3 newly appointed, together with M. Chris Spencer and Mrs. Nicoletta Giadrossi, independent members.
- Mr. Erwan Faiveley resigned from the Management Board of Faiveley Transport, the Supervisory Board will appoint a new member of the Management Board within the coming weeks.

On the same day, Mr. Philippe Alfroid and Mr. Erwan Faiveley were elected as new Board members of Wabtec and Mr. Stéphane Rambaud-Measson was nominated as observer on Wabtec's Board.

The tender offer will be filed with the *Autorités des Marchés Financiers* in the coming days, including the draft information memorandum of the offeror, the draft response memorandum of Faiveley Transport with the independent expert report from Détroyat Associés.

Wabtec also issued a press release on 1 December 2016, available at [www.wabtec.com](http://www.wabtec.com).

**About Faiveley Transport**

*Faiveley Transport is a global supplier of high value added integrated systems for the railway industry. With more than 6,000 employees in 24 countries, Faiveley Transport generated sales of €1,105 million in the 2015/2016 financial year. The Group supplies manufacturers, operators and railway maintenance bodies worldwide with the most comprehensive range of systems in the market: Energy & Comfort (air conditioning systems, power collection and passenger information), Access & Mobility (passenger access systems and platform doors), Brakes & Safety (braking systems and couplers) and Services.*

*Faiveley Transport is listed on Euronext Paris and is a component of the CAC Allshare and CAC Mid & Small indices  
Compartment A, ISIN: FR0000053142, Tickers: Bloomberg: LEY FP / Reuters: LEY.FP*



**About Wabtec Corporation:**

*Wabtec Corporation, with 2015 sales of about \$3.3 billion, is a global provider of value-added, technology-based products and services for freight rail, passenger transit and other industrial segments. The company manufactures a range of products for locomotives, freight cars and passenger transit vehicles, new switcher and commuter locomotives and provides aftermarket services  
Wabtec is listed on the New York Stock Exchange under the ticker "WAB". The company is a component of the S&P Mid-Cap 400.*

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*This press release includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause expected results to differ.*

*Although Faiveley Transport or, as the case may be, Wabtec believes that its expectations and the information in this press release were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the expected results will be as set out in this press release.*

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*The public tender offer planned by Wabtec will be submitted to examination and visa by the French Autorité des Marchés Financiers. Wabtec and Faiveley Transport will respectively establish a draft offer memorandum and a draft memorandum in response which will be available on their respective websites and that of the Autorité des Marchés Financiers.*

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