

*Translation for information purposes only.  
In case of discrepancy between the French and English versions, the French version shall prevail.  
The Offer and draft response memorandum remain subject to review by the AMF.*

**STATEMENT REGARDING THE FILING OF A DRAFT RESPONSE  
MEMORANDUM RELATING TO A DRAFT TENDER OFFER**

**on a primary basis, complemented on a subsidiary basis by a**

**PUBLIC EXCHANGE OFFER**

**TARGETING THE SHARES OF**



**INITIATED BY**



**Wabtec France**

**indirect subsidiary of Wabtec Corporation**

**DRAFT RESPONSE MEMORANDUM ESTABLISHED BY  
FAIVELEY TRANSPORT**



This statement has been established by Faiveley Transport and released pursuant to the terms of article 231-26 of the AMF General Regulations (l'« AMF »).

**The draft simplified tender offer, the draft information memorandum and the draft response memorandum are subject to review by the AMF..**

Copies of the draft response memorandum are available on the websites of the Faiveley Transport (<http://www.faiveleytransport.com>) and the AMF ([www.amf-france.org](http://www.amf-france.org)) and may be obtained free of charge upon request to :

**Faiveley Transport**  
Immeuble Le Delage  
3, rue du 19 mars 1962  
92230 Gennevilliers

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## I. OFFER PRESENTATION

The Offer is made in the form of a cash tender offer (*offre publique d'achat*) on a principal basis, complemented by an exchange offer (*offre publique d'échange*) on a subsidiary basis:

- in respect of the cash tender offer (the “**Principal Tender Offer**”): on a principal basis, the Offeror offers to the Company’s shareholders to acquire the shares of Faiveley Transport at 100 euros per Faiveley Transport share;
- in respect of the subsidiary exchange offer (the “**Subsidiary Exchange Offer**”): on a subsidiary basis, the Offeror offers to the Company’s shareholders to acquire the Faiveley Transport shares, within the limit of 73.22% of the Shares as defined hereinafter, i.e., an offer limited to 5,375,231 Faiveley Transport shares (the “**Limit**”), in exchange for shares of common stock, par value \$0.01 per share, of Wabtec Corporation (the “**Wabtec Stock**”) to be issued at a ratio of 15 shares of Wabtec Stock for every 13 Faiveley Transport shares accepted for tender, after a potential application of the reduction mechanism described in Section 2.3.3 of the draft information memorandum.

The total number of shares of Wabtec Stock which may be issued pursuant to the Subsidiary Exchange Offer therefore amounts to a maximum of 6,202,190.

The Subsidiary Exchange Offer will be subject, if necessary, to a reduction mechanism to ensure that the number of shares whose tender is accepted does not exceed the Limit (*i.e.*, 5,375,231 Shares).

Subject to the foregoing, the Faiveley Transport shareholders may tender their Faiveley Transport shares either to the Principal Tender Offer, to the Subsidiary Exchange Offer or simultaneously to both the Principal Tender Offer and the Subsidiary Exchange Offer.

## II. OPINION OF FAIVELEY TRANSPORT SUPERVISORY BOARD

In accordance with the terms of article 231-19 of the AMF General Regulations, members of the Supervisory Board of the Company have met on 30 November 2016 in order to consider the draft Offer. The Board has noted (i) the Offer Terms, (ii) the valuation elements elaborated in the draft information memorandum of Wabtec France and (iii) the independent expert’s report to the Supervisory Board, *after discussion*, unanimously resolved that the Offer is in the interest of the Company and its minority shareholders.

On 30 November 2016, the Supervisory Board precised that : *“in light of the immediate liquidity opportunity represented by this Offer, made at very attractive economic terms, even in the event of the implementation of a squeeze-out process effected at the Principal Tender Offer price, the Supervisory Board, by a unanimous vote, including the independent members, resolved advises the Company’s shareholders to tender their shares to the Offer, noting that the Subsidiary Exchange Offer, which is offered to the Company’s shareholders to allow them to either replicate the terms proposed to the Faiveley Family, represents a discount to the cash price offered to the Company’s shareholders in the Principal Tender Offer.*

*In this respect, members of the Supervisory Board owning Faiveley Transport shares (other than the sellers of the controlling equity stake), indicated intent to tender their shares in the Principal Tender Offer [...].»*

The opinion of the Supervisory Board is included in section 3 of the draft response memorandum prepared by Faiveley Transport.

## III. INDEPENDENT EXPERT’S REPORT

Pursuant to article 261-1 I of the General Regulation of the AMF Associés en Finance, Jacquillat & Détyrot Associés, issued its report on 30 November 2016, represented by Ms Catherine Meyer, as

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independent expert in charge of preparing a report regarding the financial terms of a tender offer possibly followed by a mandatory squeeze-out.

The expert report dated 30 November 2016, is attached in the draft response memorandum prepared by Faiveley Transport and concludes that « *On the basis of our valuation, we can see that in case of tendering the Faiveley Transport shares to the Subsidiary Exchange Offer, it allows the minority shareholders of Faiveley to either replicate the terms proposed to the Faiveley Family in order to acquire their controlling equity stake and to remain shareholders of a company leader in his branch, and that will be reinforced after the Offer, it being specified that the ratio offered to the minority shareholders is a bit more favorable to the one offered to the Faiveley family, or if the tender their shares into the Principal Tender Offer, benefit from significant premiums compared to Faiveley Transport share price prior to the exclusive negotiations on 27 July 2015, and also compared to the current market conditions;* »

#### **IV. AVAILABILITY OF DOCUMENTS RELATING TO THE OFFER**

The draft response memorandum established by Faiveley Transport is available on the internet websites of the AMF ([www.amf-france.org](http://www.amf-france.org)), and on the internet website of Faiveley Transport ([www.faiveleytransport.com](http://www.faiveleytransport.com)) and will be available free of charge upon request to Faiveley Transport, Immeuble Le Delage, 3, rue du 19 mars 1962, 92230 Gennevilliers, France.

Pursuant to article 231-28 of the AMF General Regulations, information relating in particular to the legal, financial and accounting characteristics of Faiveley Transport will be filed with the AMF and made available to the public no later than on the day preceding the opening of the Offer.

A financial notice will be issued no later than the day preceding the opening of the Offer, in order to inform the public of the manner in which these documents will be made available..

#### **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*

#### **Contacts :**

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*The access to the documents relating to the Offer may be subject to legal restrictions in some jurisdictions. Faiveley Transport excludes all liability in the event of any breach of the applicable legal restrictions by any person.*

*Shareholders and other investors are advised to review all documents relating to the Offer before taking a decision on the Offer. This press release is not intended to be distributed in countries other than France.*