



WABCO
FOURTH QUARTER 2012

Q4-2012 EARNINGS RELEASE FEBRUARY 15, 2013



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FORWARD LOOKING STATEMENTS

Comments in this document contain certain forward-looking statements, which are based on management's good faith expectations and beliefs concerning future developments. Actual results may differ materially from these expectations as a result of many factors. These factors include, but are not limited to, the risks and uncertainties described in the "Risk Factors" section and the "Forward Looking Statements" section of WABCO's Form 10-K, as well as in the "Management's Discussion and Analysis of Financial Condition and Results of Operations - Information Concerning Forward Looking Statements" section of WABCO's Form 10-Q Quarterly Reports. WABCO does not undertake any obligation to update such forward-looking statements. All market and industry data are based on Company estimates.

This presentation contains certain non-GAAP financial measures as that term is defined by the SEC. EBIT and sales excluding the effects of foreign exchange are non-GAAP financial measures. Additionally, gross profit, gross profit margin, operating income, operating income margin, EBIT, EBIT margin, net income attributable to company and net income attributable to company per diluted share on a "performance basis" are non-GAAP financial measures that exclude separation and streamlining items, the one-time impact from the UK pension adjustment, and one-time and discrete tax items, as applicable. Free cash flow presents our net cash provided by operating activities less net purchases of property, plant, equipment and computer software. These measures should be considered in addition to, not as a substitute for, GAAP measures. Management believes that presenting these non-GAAP measures is useful to shareholders because it enhances their understanding of how management assesses the operating performance of the Company's business. Certain non-GAAP measures may be used, in part, to determine incentive compensation for current employees. Reconciliations of the non-GAAP financial measures to the most comparable GAAP measures are available in WABCO's quarterly results presentations posted on the company's website.

Q4 & FY 2012 PERFORMANCE SUMMARY

• Fourth Quarter 2012

- Sales of \$596.5 million; Down 7.9% in local currencies or 11.2% reported
- Performance operating income⁽¹⁾ of \$75.0 million vs. \$90.5 million in Q4 '11; Reported operating income of \$69.0 million vs. \$90.5 million in Q4 '11
- Performance EPS⁽²⁾ of \$1.08 EPS vs. \$1.21 in '11; Reported EPS of \$0.93, down from \$1.04 in '11
- Free cash flow⁽³⁾ of \$49 million, excluding streamlining & separation payments in the quarter
- Returned \$51M cash to shareholders; Repurchased 0.8M shares

• Full Year 2012

- Sales of \$2.48B; Down 4.8% in local currencies or 11.3% reported
- Performance operating income⁽¹⁾ of \$335.6 million vs. \$375.1 in '11; Reported operating income of \$324.5 million vs. \$369.9 million in '11
- Performance EPS⁽²⁾ \$4.46 vs. \$4.73 in '11; Reported EPS \$4.62 compared to \$5.19 in '11
- Free cash flow⁽³⁾ of \$274 million, excl. streamlining & separation payments
- Returned ~\$200 million cash to shareholders; Repurchased 3.5 million shares

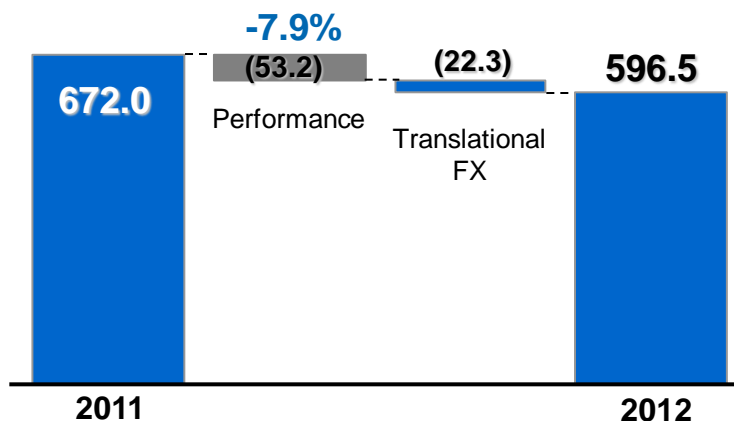
Refer to Slide #15 for Footnotes

Strong Results Amid Global Market Downturn

Q4 SALES PERFORMANCE & MARKET TRENDS

Q4 YoY Sales Bridge

(in \$ Millions)



Q4 YoY Sales Growth⁽⁴⁾ By Channel

OE	(12%)	<ul style="list-style-type: none"> • Slow Down Continues in All Key Markets • Down 1% vs. Q3 '12
Aftermarket	9%	<ul style="list-style-type: none"> • Record Quarterly Revenue, with Growth in all Regions • Supporting an OE Field Campaign to Replace Competitor's ADB
Sales to JVs	(17%)	<ul style="list-style-type: none"> • Lower NA T&B & Trailer Production Drives Decline

Q4 YoY T&B Sales Growth⁽⁴⁾ vs. Estimated Production Growth By Region

	WABCO	Estimated Production	Comments
Europe	(15%)	(15%)	• T&B production decline accelerated in Europe & N. America
North America	(5%)	(8%)	• S. America benefitted from content gains and OEM's ramping up for increased production in 2013
South America	(18%)	(31%)	• Higher content per vehicle in N. America
Japan/Korea	(5%)	2%	• Significant decline in high-content domestic vehicles and stronger growth in low-spec export vehicles in Japan/Korea
China	0%	(7%)	• Market share gains in China
India	(36%)	(26%)	• Unexpectedly severe decline in T&B production in India; heavy vehicles impacted most

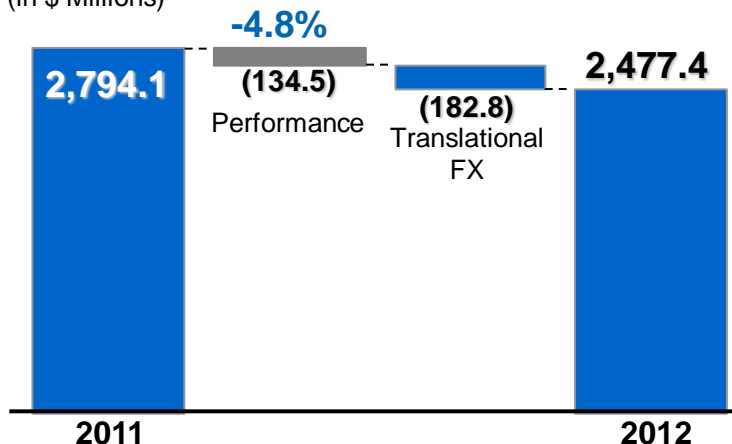
Refer to Slide #15 for Footnotes

12% Decline in Global T&B Production

FY SALES PERFORMANCE & MARKET TRENDS

FY 2012 Sales Bridge

(in \$ Millions)



FY 2012 Sales Growth⁽⁴⁾ By Channel

OEMs	-9%	• Slowdown in Most Markets Results in Reduced T&B Builds vs. 2011
Aftermarket	5%	• Another Year of Record Revenues, With Growth in All Regions
Sales to JVs	8%	• Strong Growth for T&B and Trailer Production in N. America in H1 2012

FY 2012 T&B Sales Growth⁽⁴⁾ vs. Estimated Production Growth By Region

	WABCO	Estimated Production	Comments
Europe	(10%)	(9%)	• Higher content per vehicle in N. America driven by increased penetration of AMT and OnGuard™ systems
North America	13%	11%	• Outperformance in South America driven by SOM gains and higher ECAS penetration
South America	(25%)	(34%)	• Japan/Korea market growth driven by export vehicles with lower content; 2011 natural disaster distorts comparisons
Japan/Korea	0%	16%	• Market share gains in China
China	(8%)	(18%)	• Production of HD trucks declined over 20% in India
India	(14%)	(12%)	

Refer to Slide #15 for Footnotes

10% Decline in Global T&B Production

FINANCIAL PERFORMANCE Q4 2012

(in \$ Millions except per share data)

	Q4 Reported	Q4 Performance ^{(1),(2)}	Performance vs. 2011 In Local Curr. ⁽⁵⁾	Performance Drivers
Sales	\$596.5	\$596.5	(7.9%)	<ul style="list-style-type: none"> -1% versus Q3 '12 \$1.1B Order Book, Up 1% vs. Q3 '12 Price: (\$5.4) or (0.9%)
Gross Profit	175.2	176.9	(3.4%)	<ul style="list-style-type: none"> Volume & Mix: (\$12.5)
	29.4%	29.7%	+139 bps	<ul style="list-style-type: none"> Productivity:
OPEX & Other	(106.2)	(101.9)	(5.9%)	<ul style="list-style-type: none"> -Materials: \$11.0 (5.4% gross, 4.7% net) -Conversion: \$5.3 (5.9%) -OH absorption & other: (\$0.2)
	(17.8%)	(17.1%)	-222 bps	
Operating Income	69.0	75.0	(13.6%)	<ul style="list-style-type: none"> Labor & other inflation: (\$6.6) PD & other investments: (\$3.4) Transactional FX: (\$1.4)
	11.6%	12.6%	-83 bps	
Equity Income	4.4	4.4		<ul style="list-style-type: none"> Meritor WABCO JV inline with Q4 '11
Noncontrolling Int. Exp.	(2.3)	(2.3)		<ul style="list-style-type: none"> Versus (\$3.3) in Q4 '11
EBIT	\$68.2	\$77.8		<ul style="list-style-type: none"> Separation (\$4.3) vs. (\$0.1) in '11 Streamlining (\$5.3) vs. \$0.1 in '11
	11.4%	13.0%		
Taxes	(8.1)	(7.8)		<ul style="list-style-type: none"> Q4 '12 Performance Tax Rate 10.1% to bring FY '12 Rate to 14.6%
Net Income*	\$59.7	\$69.6		<ul style="list-style-type: none"> Down from \$80.7M in Q4 2011
EPS	\$0.93	\$1.08		<ul style="list-style-type: none"> Versus '11 Reported of \$1.04 and Performance of \$1.21

*Represents net income attributable to company

Refer to Slide #15 for Footnotes

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20% Decremental Performance Operating Margin Excluding FX⁽⁶⁾

FINANCIAL PERFORMANCE FY 2012

(in \$ Millions except per share data)

	FY Reported	FY Performance ^{(1),(2)}	Performance vs. 2011 In Local Curr. ⁽⁵⁾	Performance Drivers
Sales	\$2,477.4	\$2,477.4	(4.8%)	<ul style="list-style-type: none"> Market Declines Drive Negative Sales Price: (\$16.9) or (0.6%)
Gross Profit	740.2	746.2	(0.9%)	<ul style="list-style-type: none"> Volume & Mix: (\$31.9)
	29.9%	30.1%	+120 bps	<ul style="list-style-type: none"> Productivity:
OPEX & Other	(415.7)	(410.6)	(0.8%)	<ul style="list-style-type: none"> –Materials: \$43.0 (5.3% gross, 4.4% net)
	(16.8%)	(16.6%)	-92 bps	<ul style="list-style-type: none"> –Conversion: \$23.6 (6.2%) –OH absorption & other: (\$25.3)
Operating Income	324.5	335.6	(2.8%)	<ul style="list-style-type: none"> Labor & other inflation: (\$25.1)
	13.1%	13.5%	+28 bps	<ul style="list-style-type: none"> Favorable non-sustainable operating expense items: ~\$7.0
Equity Income	18.1	18.1		<ul style="list-style-type: none"> Meritor WABCO JV up \$1.7M from FY '11
Noncontrolling Int. Exp.	(10.5)	(10.5)		<ul style="list-style-type: none"> Versus (\$11.2) in FY '11
EBIT	\$327.1	\$343.0		<ul style="list-style-type: none"> Separation (\$7.3) vs. \$19.3 in '11
	13.2%	13.8%		<ul style="list-style-type: none"> Streamlining (\$12.9) vs. (\$2.1) in '11
Taxes	(23.6)	(49.9)		<ul style="list-style-type: none"> FY Performance Tax Rate 14.6% ~\$25M Discrete tax items
Net Income*	\$302.0	\$291.6		<ul style="list-style-type: none"> Down from \$325.7M in 2011
EPS	\$4.62	\$4.46		<ul style="list-style-type: none"> Versus '11 Reported of \$5.19 and Performance of \$4.73

*Represents net income attributable to company

Refer to Slide #15 for Footnotes

Record Performance Operating Margin Despite Sales Decline

CASH FLOW SUMMARY FY 2012

(in \$ Millions)

Free Cash Flow

Cash Provided by Operating Activities

Net Income including noncontrolling interest	312.5	} Receivables (\$6.2) Inventory \$5.7 Payables (\$23.0)
Depreciation & amortization	76.9	
Working capital	(23.5)	
Changes in other assets & liabilities	(7.6)	

Net Cash Provided by Operating Activities 358.3

Purchases of PP&E, Tooling & Computer Software (100.5)

Free Cash Flow⁽³⁾ 257.8

Streamlining & separation payments 16.5

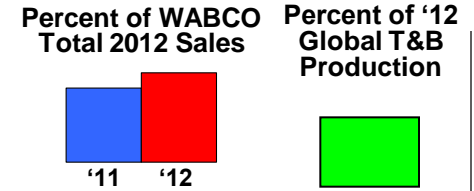
Free Cash Flow⁽³⁾ excl. streamlining & separation payments 274.3

- **Receivables unfavorably impacted by a three day late payment from a key European OE customer (received in early 2013)**
- **Capex above D&A and in line with expectations, supporting new programs and globalization**
- **Repurchased 3.5M shares in 2012 at a cost of ~\$200M**

Refer to Slide #15 for Footnotes

Strong Cash Conversion of 94%

MARKET DYNAMICS



62% 60% **Europe** 20%

- New registrations of heavy trucks down 10% in Q4 & FY vs. 2011
- 2012 T&B production estimate: Down ~9%
- 2013 outlook: Flat to down 5%; H1 YoY comparison tougher than H2
- Low end of range assumes continuation of Q4 '12 run rate plus pre-buy impact of ~10K trucks

9% 11% **North America** 16%

- Sudden reversal of growth trend in H2'12 led to production down 8% in Q4 vs. PY
- 2012 total year T&B production up ~11%
- 2013 outlook: Down 3% to 8%; H1 YoY comparison tougher than H2
- Low end of range assumes stabilization at Q4 '12 production run rate

6% 6% **China** 36%

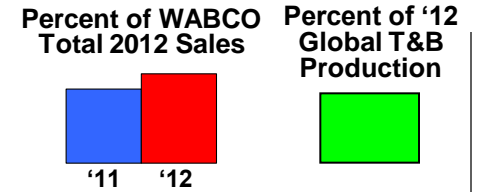
- Q4 2012 T&B production up 23% vs. Q3 '12 and down 7% vs. Q4 '11
- 2012 total year production down 18%; biggest decline in HDT
- 2013 outlook: Flat to down 5%
- Low end of range assumes continuation of H2 '12 production run rate

7% 6% **India** 11%

- Q4 '12 T&B production down 21% vs. Q3 '12 and down 26% vs. Q4 '11
- 2012 total year production down 12%
- 2013 outlook: Flat to down 5%
- Assuming significant rebound in H2 '13

Uncertainty in Market Prevails

MARKET DYNAMICS



- Q4 '12 T&B production up 6% vs. Q3 '12 and up 2% vs. Q4 '11
- 2012 production growth of 16% driven by MDT and exports from Japan
- 2013 outlook: Flat to Down 5%



- Q4 '12 T&B production down 8% vs. Q3 '12 and 31% below Q4 '11
- 2012 production down 34% due to Eu5 legislation related pre-buys and pre-production
- 2013 outlook: Up 12% to 17%



- 9% Growth in Q4 helped by European OE field service campaign, replacing a competitor's ADB
- 2012: Up ~5%
- 2013 outlook: Up ~5%



- Q4 '12 Global production down 5% versus Q3 '12 and down 12% versus Q4 '11
- 2012 Global trailer production down 8%
- 2013 global trailer production outlook: Flat to Down 5% (WE decreasing more)

Uncertainty in Market Prevails

FOCUSING ON CORE STRATEGIES

Globalization

- **Anti-Lock Braking Systems (ABS) for Major Trailer Builders in Brazil:** Orders placed by 6 leading trailer makers (who build 45% of trailers made in Brazil) in response to federal legislation for ABS on new commercial vehicles
- **WABCO INDIA Supplies ABS Retrofit Kits for Oil Trucks:** 2,500 anti-lock braking systems sold in Q4 2012 for fleets of India's 3 largest public oil firms

New Technologies & Products

- **Exclusive Service Brake Chamber Supplier for Daimler Trucks North America (DTNA):** Meritor WABCO named standard for all DTNA air brake vehicles; production began in Q4 2012 for use on front axle applications
- **Schneider National Orders OnGuard™ Safety System in North America:** More than 2,500 units of the leading collision mitigation system ordered as standard equipment for Schneider's new class 8 trucks

Execution

- **WABCO Wins 9 Top Supplier Awards in China for 2012 Performance:** Supplier excellence, innovation and quality awards from 7 leading commercial vehicle makers in China, including Dongfeng, CNHTC, Beiqi Foton and FAW
- **Meritor WABCO Wins Top Supplier Award from Wabash National for Fifth Year in a Row:** 2012 Platinum Award recognizes excellence in supply chain performance, delivery, quality, cost effectiveness and innovation
- **WABCO Operating System Delivers Robust Results in Full Year 2012:**
 - Generated 5.3% gross materials productivity throughout 2012 and 4.4% net after commodity inflation
 - 6.2% conversion productivity during 2012, another robust result

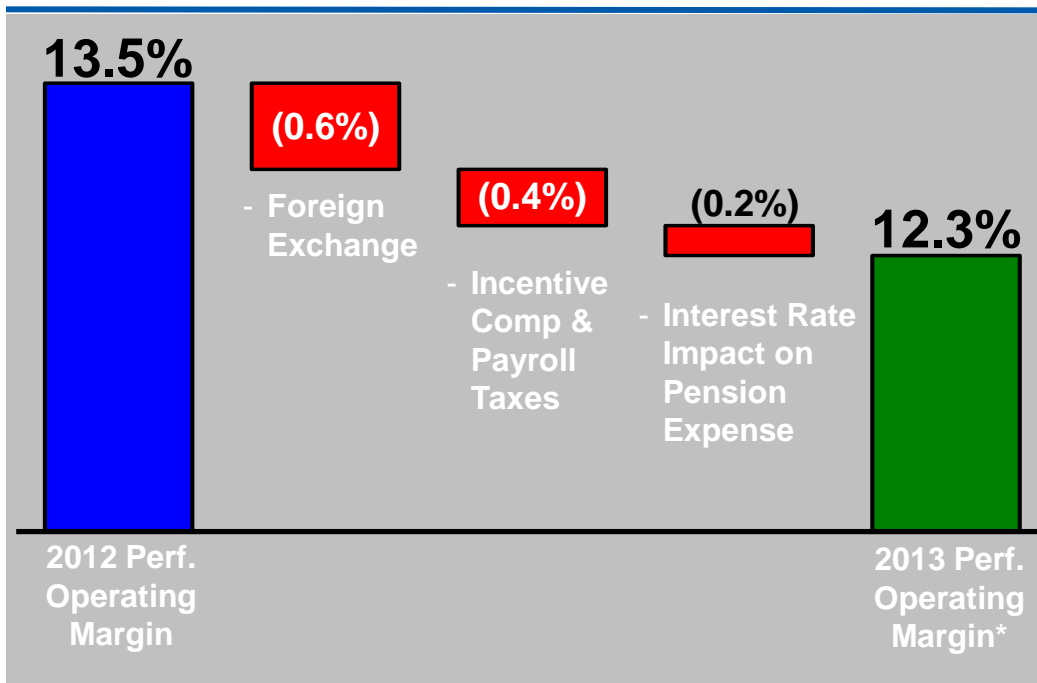
Continued Success in Q4 on Executing Core Strategies

FY 2013 GUIDANCE

Full Year Guidance

Sales⁽⁴⁾ vs. '12	2% – 7% <i>In local currencies</i>
Sales at 1 Euro = 1.35 USD	\$2,600 - \$2,750
Perf. Op Margin⁽¹⁾	12.3% – 13.3%
Performance EPS⁽²⁾	\$4.30 – \$4.80
Free Cash⁽³⁾ Flow Conversion	80% - 90% (Excl. Stream. & Separation)

Performance Operating Margin at Low-End of Range*



Key Inputs

- Current levels of exchange rates negatively impacting income
- Annual price erosion: 1% to 1.5%
- Raw material inflation: 0.5% to 1% of materials cost
- Productivity levels in line with past performance
- Performance tax rate ~15%
- ~63.3M average diluted shares
- Anticipated release of tax valuation allowance on NOL's in Q4: ~\$200M (Non-Performance)

Refer to Slide #15 for Footnotes

Continuing to Outperform Sluggish Markets Globally

SUMMARY

- **Delivered another year of outperformance and record performance operating margin⁽¹⁾ in a global market downturn**
- **In 2013, sustained outperformance will drive growth despite current estimate of further market erosion**
- **Current basket of foreign exchange rates will negatively impact margins**
- **The WABCO “machine” keeps on flexing with markets and delivering sound productivity**
- **Furthering differentiation through innovation, globalization and excellence in execution**

Refer to Slide #15 for Footnotes

APPENDIX

RECONCILIATIONS OF NON-GAAP MEASURES TO GAAP MEASURES

Footnotes, Tables & Definitions

Footnotes

1. Adjusted for streamlining and separation costs
2. Adjusted for streamlining, separation, the UK pension adjustment and one-time tax and discrete tax items
3. Net cash provided by operating activities less net purchases of purchases of property, plant, equipment and computer software
4. Adjusted for currency translation
5. Adjusted for currency translation, streamlining and separation costs
6. Adjusted for currency translation, transactional currency and streamlining and separation costs

Tables

The tables that follow provide the reconciliations of the non-GAAP financial measures to the most comparable US GAAP measures.

Definitions

- **Separation costs** include all the incremental costs to establish WABCO as a stand-alone separate independent company. It also includes the costs associated with certain liabilities, including contingent liabilities, that have been assumed by WABCO from Trane, formerly American Standard, in the separation but are not related to the Vehicle Controls Business. These costs would include the (i) periodic adjustments to the carrying values of the liability, (ii) interest on certain liabilities and (iii) costs to defend certain of these assumed liabilities.
- **Streamlining costs** are those costs that help adjust the company's workforce and other resources to changing market requirements.

WABCO HOLDINGS INC.
Q4 2012 Data Supplement Sheet
(Unaudited)

(Amounts in millions, except per share data)

	2012	% of Sales/ Adj Sales	Quarter Ended 2011	December 31, % of Sales/ Adj Sales	Chg vs. 2011	% Chg vs. 2011
Sales						
Reported	\$ 596.5		\$ 672.0		\$ (75.5)	-11.2%
Foreign exchange translational effects	22.3		-		22.3	
Adjusted Sales	\$ 618.8		\$ 672.0		\$ (53.2)	-7.9%
Gross Profit						
Reported	\$ 175.2	29.4%	\$ 189.5	28.2%	\$ (14.3)	-7.5%
Streamlining costs	1.5		(0.2)		1.7	
Separation costs	0.2		0.2		-	
Performance Gross Profit	\$ 176.9	29.7%	\$ 189.5	28.2%	\$ (12.6)	-6.6%
Foreign exchange translational effects	6.2		-		6.2	
Adjusted Gross Profit	\$ 183.1	29.6%	\$ 189.5	28.2%	\$ (6.4)	-3.4%
Selling, Administrative, Product Engineering Expenses and Other						
Reported	\$ 106.2	17.8%	\$ 99.0	14.7%	\$ 7.2	7.3%
Streamlining costs	(3.8)		(0.1)		(3.7)	
Separation costs	(0.5)		0.1		(0.6)	
Performance Selling, Administrative, Product Engineering Expenses and Other	\$ 101.9	17.1%	\$ 99.0	14.7%	\$ 2.9	2.9%
Foreign exchange translational effects	3.0		-		3.0	
Adjusted Selling, Administrative, Product Engineering Expenses and Other	\$ 104.9	16.9%	\$ 99.0	14.7%	\$ 5.9	5.9%
Operating Income						
Reported	\$ 69.0	11.6%	\$ 90.5	13.5%	\$ (21.5)	-23.8%
Streamlining costs	5.3		(0.1)		5.4	
Separation costs	0.7		0.1		0.6	
Performance Operating Income	\$ 75.0	12.6%	\$ 90.5	13.5%	(15.5)	-17.1%
Foreign exchange translational effects	3.2		-		3.2	
Adjusted Operating Income	\$ 78.2	12.6%	\$ 90.5	13.5%	\$ (12.3)	-13.6%

WABCO HOLDINGS INC.
Q4 2012 Data Supplement Sheet
(Unaudited)

(Amounts in millions, except per share data)

	2012		Quarter Ended December 31,		Chg vs. 2011	% Chg vs. 2011
			2011	% of Sales/ Adj Sales		
<u>EBIT (Earnings Before Interest and Taxes)</u>						
Reported Operating Income/(Loss)	\$ 69.0		\$ 90.5		\$ (21.5)	
Equity in Income of Unconsolidated Joint Venture	4.4		4.1		0.3	
Other non-operating expense, net	(2.9)		(1.3)		(1.6)	
Net income attributable to noncontrolling interest	(2.3)		(3.3)		1.0	
EBIT	\$ 68.2	11.4%	\$ 90.0	13.4%	\$ (21.8)	-24.2%
Streamlining costs	5.3		(0.1)		5.4	
Separation costs	4.3		0.1		4.2	
Performance EBIT (Earnings Before Interest and Taxes)	\$ 77.8	13.0%	\$ 90.0	13.4%	\$ (12.2)	-13.6%
Foreign exchange translational effects	3.0		-		3.0	
Adjusted EBIT (Earnings Before Interest and Taxes)	\$ 80.8	13.1%	\$ 90.0	13.4%	\$ (9.2)	-10.2%
<u>Pre-Tax Income</u>						
EBIT	\$ 68.2		\$ 90.0		\$ (21.8)	
Interest (expense)/income, net	(0.4)		(0.2)		(0.2)	
Pre-Tax Income	\$ 67.8		\$ 89.8		\$ (22.0)	
Streamlining costs	5.3		(0.1)		5.4	
Separation costs	4.3		0.1		4.2	
Performance Pre-Tax Income	\$ 77.4		\$ 89.8		\$ (12.4)	
Tax rate on a performance basis	10.1%		10.1%			
<u>Net Income Attributable to Company</u>						
Reported Net Income Attributable to Company	\$ 59.7		\$ 69.8		\$ (10.1)	
Streamlining cost, net of tax	4.5		(0.1)		4.6	
Tax items	1.3		10.9		(9.6)	
Separation costs, net of tax and separation related taxes	4.1		0.1		4.0	
Performance Net Income Attributable to Company	\$ 69.6		\$ 80.7		\$ (11.1)	
Performance Net Income Attributable to Company per Diluted Common Share	\$ 1.08		\$ 1.21			
Common Shares Outstanding - Diluted	64.4		66.8			
<u>Decremental Performance Operating Income Margin</u>			Operating Income			
Decrease in adjusted sales from '11			(53.2)			
Decrease in adjusted income from '11			(12.3)			
Transactional FX change from '11 to '12			(1.4)			
Decrease in adjusted income less Transactional FX impact			(10.9)			
Decrease in adjusted income less transactional FX as a % of Sales			20.5%			

WABCO HOLDINGS INC.
Year Ended December 31, 2012 Data Supplement Sheet
(Unaudited)



(Amounts in millions, except per share data)

	2012	% of Sales/ Adj Sales	Year Ended December 31, 2011	% of Sales/ Adj Sales	Chg vs. 2011	% Chg vs. 2011
Sales						
Reported	\$ 2,477.4		\$ 2,794.1		\$ (316.7)	-11.3%
Foreign exchange translational effects	182.2		-		182.2	
Adjusted Sales	\$ 2,659.6		\$ 2,794.1		\$ (134.5)	-4.8%
Gross Profit						
Reported	\$ 740.2	29.9%	\$ 808.0	28.9%	\$ (67.8)	-8.4%
Streamlining costs	5.2		1.5		3.7	
Separation costs	0.8		1.0		(0.2)	
Performance Gross Profit	\$ 746.2	30.1%	\$ 810.5	29.0%	\$ (64.3)	-7.9%
Foreign exchange translational effects	57.2		-		57.2	
Adjusted Gross Profit	\$ 803.4	30.2%	\$ 810.5	29.0%	\$ (7.1)	-0.9%
Selling, Administrative, Product Engineering Expenses and Other						
Reported	\$ 415.7	16.8%	\$ 438.1	15.7%	\$ (22.4)	-5.1%
Streamlining costs	(7.7)		(0.6)		(7.1)	
Separation costs	(1.7)		(2.1)		0.4	
UK pension adjustment	4.3		-		4.3	
Performance Selling, Administrative, Product Engineering Expenses and Other	\$ 410.6	16.6%	\$ 435.4	15.6%	\$ (24.8)	-5.7%
Foreign exchange translational effects	28.3		-		28.3	
Adjusted Selling, Administrative, Product Engineering Expenses and Other	\$ 438.9	16.5%	\$ 435.4	15.6%	\$ 3.5	0.8%
Operating Income						
Reported	\$ 324.5	13.1%	\$ 369.9	13.2%	\$ (45.4)	
Streamlining costs	12.9		2.1		10.8	
Separation costs	2.5		3.1		(0.6)	
UK pension adjustment	(4.3)		-		(4.3)	
Performance Operating Income	\$ 335.6	13.5%	\$ 375.1	13.4%	\$ (39.5)	-10.5%
Foreign exchange translational effects	28.9		-		28.9	
Adjusted Operating Income	\$ 364.5	13.7%	\$ 375.1	13.4%	\$ (10.6)	-2.8%

WABCO HOLDINGS INC.
Year Ended December 31, 2012 Data Supplement Sheet
(Unaudited)

(Amounts in millions, except per share data)

	2012	% of Sales/ Adj Sales	Year Ended December 31, 2011	% of Sales/ Adj Sales	Chg vs. 2011	% Chg vs. 2011
<u>EBIT (Earnings Before Interest and Taxes)</u>						
Reported Operating Income	\$ 324.5		\$ 369.9		\$ (45.4)	
Equity in Income of Unconsolidated Joint Venture	\$ 18.1		16.5		1.6	
Other non-operating expense, net	\$ (5.0)		(2.9)		(2.1)	
Indemnification and Other settlements	\$ -		23.1		(23.1)	
Net income attributable to noncontrolling interest	\$ (10.5)		(11.2)		0.7	
EBIT	\$ 327.1	13.2%	\$ 395.4	14.2%	\$ (68.3)	-17.3%
Streamlining costs	12.9		2.1		10.8	
Separation costs	7.3		(19.3)		26.6	
UK pension adjustment	(4.3)		-		(4.3)	
Performance EBIT (Earnings Before Interest and Taxes)	\$ 343.0	13.8%	\$ 378.2	13.5%	\$ (35.2)	-9.3%
Foreign exchange translational effects	27.7		-		27.7	
Adjusted EBIT (Earnings Before Interest and Taxes)	\$ 370.7	13.9%	\$ 378.2	13.5%	\$ (7.5)	-2.0%
<u>Pre-Tax Income/(Loss)</u>						
EBIT	\$ 327.1		\$ 395.4		\$ (68.3)	
Interest expense, net	(1.5)		(1.7)		0.2	
Pre-Tax Income/(Loss)	\$ 325.6		\$ 393.7		\$ (68.1)	
Streamlining costs	12.9		2.1		10.8	
Separation costs	7.3		(19.3)		26.6	
UK pension adjustment	(4.3)		-		(4.3)	
Performance Pre-Tax Income	\$ 341.5		\$ 376.5		\$ (35.0)	
Tax rate on a performance basis	14.6%		13.5%			
<u>Net Income Attributable to Company</u>						
Reported Net Income Attributable to Company	\$ 302.0		\$ 357.0		\$ (55.0)	
Streamlining cost, net of tax	11.1		2.2		8.9	
Tax items	(24.7)		(13.2)		(11.5)	
Separation costs, net of tax and separation related taxes	6.4		(20.3)		26.7	
UK pension adjustment, net of tax	(3.2)		-		(3.2)	
Performance Net Income	\$ 291.6		\$ 325.7		\$ (34.1)	
Performance Net Income per Diluted Common Share	\$ 4.46		\$ 4.73			
Common Shares Outstanding - Diluted	65.3		68.8			

WABCO HOLDINGS INC.
Reconciliation of Net Cash Provided
By Operating Activities to Free Cash Flow
(Unaudited)

(Amounts in millions)

	<u>Three Months Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Net Cash Provided by Operating Activities	\$ 76.3	\$ 86.0	\$ 358.3	\$ 332.0
Deductions or Additions to Reconcile to Free Cash Flow:				
Net purchases of property, plant, equipment and computer software	<u>(33.2)</u>	<u>(39.6)</u>	<u>(100.5)</u>	<u>(105.2)</u>
Free Cash Flow	<u>\$ 43.1</u>	<u>\$ 46.4</u>	<u>\$ 257.8</u>	<u>\$ 226.8</u>
Less: Streamlining & separation payments	<u>\$ (5.8)</u>	<u>\$ (4.6)</u>	<u>\$ (16.5)</u>	<u>\$ (22.1)</u>
Free Cash Flow excluding streamlining & separation payments	<u>\$ 48.9</u>	<u>\$ 51.0</u>	<u>\$ 274.3</u>	<u>\$ 248.9</u>

WABCO HOLDINGS INC.
Reconciliation of GAAP to Non-GAAP Financial Measures for Full Year 2013 Guidance
(Unaudited)

(Amounts in millions, except per share data)

	Full Year 2013 Guidance
Operating Income	
Reported Operating Income Margin	11.7% - 12.7%
Streamlining cost, impact to margin	0.4%
Separation costs, impact to margin	0.2%
Performance Operating Income Margin	12.3% - 13.3%
 <u>Net Income Attributable to Company</u>	
Reported Net Income Attributable to Company	\$459.7 - \$491.3
Streamlining cost, net of tax	8.5
Tax items	(200.0)
Separation costs, net of tax and separation related taxes	4.0
Performance Net Income Attributable to Company	\$272.2 - \$303.8
 Reported Net Income Attributable to Company per Diluted Common Share	 \$7.26 - \$7.76
 Performance Net Income Attributable to Company per Diluted Common Share	 \$4.30 - \$4.80
 Diluted common shares outstanding	 ~63.3