



WABCO
SECOND QUARTER 2010

Q2 2010 EARNINGS RELEASE

July 28, 2010



JACQUES ESCULIER
Chairman & Chief Executive Officer
ULRICH MICHEL
Chief Financial Officer

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 and net income per diluted share on a "performance basis" are non-GAAP financial measures that exclude separation and streamlining items, the European Commission fine indemnification, one-time impact from the Indian joint venture transactions, and one-time and discrete tax items, as applicable. Lastly, "free cash flow" presents our net cash provided by operating activities less 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.

PERFORMANCE SUMMARY Q2 2010

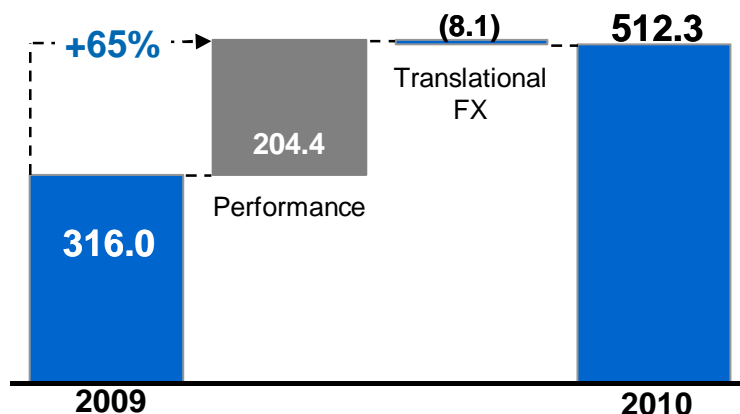
- **Second Quarter Sales of \$512.3 Million; Up 62% Reported or 65% in Local Currencies**
- **Performance Gross Profit Margin⁽¹⁾ at a Record level of 29.3% vs. 22.6% in Q2 '09; Reported Gross Profit Margin of 29.1% vs. 21.4% in Q2 '09**
- **Performance Operating Income⁽¹⁾ of \$52.6 Million vs. (\$5.5) Million in Q2 '09; Reported Operating Income of \$50.1 Million vs. (\$7.6) Million in Q2 '09**
- **Performance EPS⁽²⁾ \$0.63 vs. (\$0.07) in Q2 '09, Reported EPS (\$5.68) vs. (\$0.27) in Q2 '09, Impacted by \$400M European Commission Fine Indemnification**
- **Free Cash Flow⁽³⁾ of \$74.9 Million**
- **Raising Full Year 2010 Guidance**

Refer to Slide #14 for Footnotes

SALES PERFORMANCE & MARKET TRENDS

Q2 Sales Bridge

(in \$ Millions)



Q2 YoY Sales Growth⁽⁴⁾ By Channel

OEMs	81%*	<ul style="list-style-type: none"> • Up 10% vs. Q1 '10 • Increased Content per Vehicle • Strong Growth in Europe & Emerging Markets
*71% excluding India transaction		
Aftermarket	29%*	<ul style="list-style-type: none"> • Higher Fleet Utilization Rates • Leading Indicator for OE Growth • Volumes Back to Pre-Crisis Levels
*24% excluding India transaction		
Sales to JVs	101%	<ul style="list-style-type: none"> • 72% Increase in Trailer Production in US • Preparing for Faster Growth in H2

Q2 T&B Sales Growth⁽⁴⁾ vs. Estimated Production Growth By Region

	WABCO	Estimated Production	Comments
Europe	77%	73%	• European Truck Inventory Back to Normal
North America	47%	12%	• Stronger Growth of Heavy Truck Segment Compared to Medium Trucks
South America	109%	72%	• Increased Content per Vehicle
Japan/Korea	68%	64%	• New Business and Record Production Levels Experienced in China
China	88%	50%	• Favorable Vehicle Mix and Increased Penetration of New Products in India (ABS & ECAS)
India	131% ⁽⁶⁾	78%	

Refer to Slide #14 for Footnotes

Exceptional Growth in All Regions; Outperforming All Markets

FINANCIAL PERFORMANCE Q2 2010

(In \$ Millions except per share data)

	Q2 Reported	Q2 Performance ^{(1),(2)}	Performance vs. 2009 In Local Curr. ⁽⁵⁾	Performance Drivers
Sales	\$512.3	\$512.3	64.7%	<ul style="list-style-type: none"> +9% versus Q1 '10 Order Book at \$818M, Up 60% YoY Price: (\$7.5) or (1.4%)
Gross Profit	149.3	150.0	115.5%	<ul style="list-style-type: none"> Volume & Mix: \$41.8 Productivity: <ul style="list-style-type: none"> –Materials: \$11.7 –Conversion: \$4.6 –OH Absorption & Other: \$23.8
OPEX & Other	(99.2)	(97.4)	(31.7%)	<ul style="list-style-type: none"> OPEX & Other: (\$24.3): <ul style="list-style-type: none"> –Reinstate suspended costs: (\$7.3) –Labor inflation/India Opex: (\$4.1) –Bonus Accrual Above Target: (\$5.4) –New investments/one-time items: (\$7.5)
Operating Income	50.1	52.6	+1,185 bps	
	9.8%	10.3%		
Equity Income	1.9	1.9		<ul style="list-style-type: none"> Meritor WABCO JV Up \$1.6M Versus Last Year
EBIT	(\$353.0)	\$50.5		<ul style="list-style-type: none"> EC Fine - \$400.4 in Q2 '10 Other Separation (\$1.9) vs. \$3.9 in '09 Streamlining (\$1.2) vs. (\$6.0) in '09
	(68.9%)	9.9%		
Taxes	12.1	8.7		<ul style="list-style-type: none"> ~18.5% Performance Tax Rate Full Year
Net Income	(\$365.4)	\$41.5		
EPS	(\$5.68)	\$0.63		<ul style="list-style-type: none"> Versus '09 Reported of (\$0.27) and Performance of (\$0.07)

Refer to Slide #14 for Footnotes

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40% Incremental Gross Profit & 28% Incremental Operating Income⁽¹⁾

CASH FLOW SUMMARY Q2 2010

(in \$ Millions)

Free Cash Flow

Cash Provided by Operating Activities

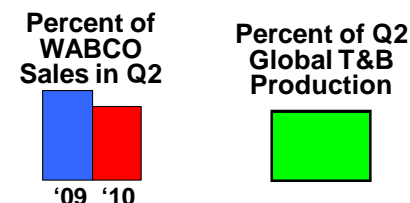
Net Income including noncontrolling interest	(362.4)	Receivables \$46.9 Inventory (\$8.4) Payables \$8.4
Depreciation & amortization	20.5	
Working capital	46.9	
Accrual for EC fine indemnification	400.4	
Changes in other assets & liabilities	(15.9)	
Net Cash Provided by Operating Activities	89.5	
Purchases of PP&E, Tooling and Computer Software	(14.6)	
Free Cash Flow⁽³⁾	74.9	

- Accounts receivables benefitted \$74.3M from selling receivables into the asset securitization program, of which \$23.8M is restricted cash classified as an other current asset, for a net positive impact of \$50.5M to free cash flow
- Paid out \$6.5M of streamlining
- Converted 88% of net income into free cash flow, excluding the impacts of the EC fine indemnification and streamlining & separation payments

Refer to Slide #14 for Footnotes

Continuing Strong Cash Conversion in High Growth Quarter

MARKET DYNAMICS



- WABCO's orders continue increasing trend (+12% in last 2 months)
- 2009 Inventory impact stopped
- Production driven by increasing demand from WE and exports
- Expect T&B production to grow ~ 50% full year '10



- Recovery of freight demand
- Continue to anticipate significant market growth in 2011
- ~15% T&B production increase expected for 2010



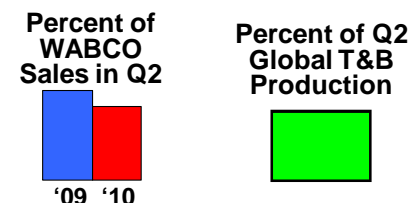
- T&B production anticipated to decrease from ~400k in Q1/Q2 to ~300k in Q3/Q4
- Impact of government support going down slowing speed of construction vehicle demand
- ~30% T&B production growth expected for 2010



- Q2 T&B production levels down from peak in Q1 as anticipated
- Several global OE's establishing local production
- 2010 T&B growth of ~40% vs. '09, with H2 down 20% from H1

Recovery in European Production Building Momentum

MARKET DYNAMICS



Japan/Korea

- Domestic demand continues to drive growth
- Stable production levels have been reached
- 2010 T&B production growth expected to be ~30% vs. '09



Brazil

- Q2 '10 continued to benefit from extended government stimulus program in the CV industry
- Q3 T&B production estimated to be on Q2 production levels
- 2010 growth expected to be ~40% vs. '09, with H2 weaker than H1



Aftermarket

- Leading indicator for stronger recovery to come in Europe and N. America
- European utilization rates back to normal levels
- Annual sales growth level of ~15% still anticipated



Trailer

- Q2 '10 production up 20% from Q1 '10
- All markets recovering globally
- Production outlook for 2010 indicates ~50% growth

Market Demand Continues Growing

FOCUSING ON CORE STRATEGIES

Globalization

- **Joint Venture with Fuwa Supplies European Market:** Air disc brakes made in China ready for new series of VALX heavy duty trailer axles
- **Aftermarket Service Network Reaches 1,600 Partners Worldwide:** Broad coverage across Europe while progressively expanding into emerging markets
- **Government in Brazil Mandates Anti-Lock Braking System:** ABS will be compulsory on new commercial vehicles in phased approach starting 2013
- **Meritor WABCO Supplies PAN 22 Air Disc Brakes:** Lightweight, long pad life, single-piston series available on three Meritor trailer suspensions

New Technologies & Products

- **WABCO Reman Solutions Formed:** New business for remanufacturing electronic and mechatronic components for multiple automotive markets
- **WABCOWÜRTH Workshop Services Launches Major New Product:** W.EASY - a multi-brand diagnostics for commercial vehicles
- **Multi-Year, Sole-Supplier Contract for Air Disc Brakes:** Series production in 2013 for medium duty trucks for global truck maker based in Europe

Execution

- **Gold Award for Quality Excellence at Ashok Leyland:** WABCO-TVS in India recognized for superior adaptation of OptiDrive™ transmission system
- **Meritor WABCO Wins Hino Quality Excellence Award:** Hino Motors USA awards highest honor for product quality for second year in a row
- **WABCO Operating System Continues Top Results:** Generating flexibility to adapt to the fast changing environment while generating 4.4% materials productivity and 5.4% conversion productivity

Continued Success in Executing Core Strategies

WABCO REMAN SOLUTIONS

Strategic Purpose

- Leveraging our leading position as supplier of electronic and mechatronic components and mechanical products for commercial vehicles and passenger cars
- Addressing the issues related to aging electronic products
- Helps lower cost of warranty
- Will offer our services directly to OEM's and tier 1 suppliers

2010 Key Highlights

- Engaged industry leading experts
- Outstanding response from major customers
- Facilities in Poland and the US operational by September 2010

Financial Objectives

- Minimal revenues in 2010
- Mid-term objective to ~\$60 million in annual sales by 2014

Targeting New Revenues in a Rapidly Growing Market

FY 2010 GUIDANCE

Updated 2010 Guidance

(\$ Millions, except per share data)

	Prior	Revised
	(1 EURO = 1.28 USD)	(1 EURO = 1.28 USD)
	Low End – High End	Low End – High End
Sales	\$1,860 - \$1,942 30% - 35% ⁽⁴⁾	\$1,930 - \$2,000 35% - 40% ⁽⁴⁾
Performance Op Margin ⁽¹⁾	8.0% – 9.0%	8.5% – 9.5%
Performance EPS ⁽²⁾	\$1.75 - \$2.05	\$1.95 - \$2.20
Free Cash Flow Conversion ⁽³⁾	80% - 90% (Excluding Stream. & Separation)	80% - 90% (Excluding Stream. & Separation)

Key Inputs

- Price erosion level of 1.7% or better
- Maintaining strong levels of productivity
- Raw materials pricing expected to degrade margins by ~90 bps in H2 vs. H1
- Net interest expense at current rates
- Performance tax rate of ~18.5%
- Streamlining & separation cash payments, including EC fine indemnification: ~\$450M

Refer to Slide #14 for Footnotes

Raising Full Year 2010 Guidance

SUMMARY

- **Second Quarter Sales up 65% in Local Currencies, Outperforming the Market in All Regions**
- **Delivered Significant Improvement on Key Financial Measures, Including 40% Incremental Gross Profit and 28% Incremental Operating Income Margin⁽¹⁾ from Prior Year**
- **Achieved \$0.63 of Performance EPS⁽²⁾ vs. (\$0.07) in Q2 '09**
- **Continued Strong Conversion of Net Income to Free Cash Flow⁽³⁾**
- **Uncertainty on EC Fine Indemnification Lifted**
- **Raising Full Year 2010 Guidance**
 - **Sales up 35% to 40% in Local Currencies**
 - **Performance Operating Margin⁽¹⁾ Between 8.5% and 9.5%**
 - **Performance EPS⁽²⁾ Between \$1.95 and \$2.20**

Refer to Slide #14 for Footnotes

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Continued Rise in Quarterly Sales & Profit; Raising Guidance

APPENDIX

RECONCILIATIONS OF NON-GAAP MEASURES TO GAAP MEASURES

Footnotes, Tables & Definitions

Footnotes

1. Adjusted for streamlining and separation items
2. Adjusted for streamlining, separation, EC fine and one-time tax and discrete tax items
3. Net cash provided by operating activities less net cash used for purchases of property, plant, equipment and computer software
4. Adjusted for currency translation
5. Adjusted for currency translation, streamlining, separation items and the EC fine
6. Represents sales growth of WABCO-TVS (April/May '09 sales not included in WABCO's Q2 '09 consolidated sales)

Tables

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

Definitions

- **Separation items** include all the incremental items necessary 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 items 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.
- **Incremental Margin** is calculated by dividing the change in performance gross profit or operating income year over year, by the change in sales year over year

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

(Amounts in millions)

	Three Months Ended June 30,	
	2010	2009
Net Cash Provided by Operating Activities	\$ 89.5	\$ 61.1
Deductions or Additions to Reconcile to Free Cash Flow:		
Purchases of property, plant, equipment and computer software	(14.6)	(17.7)
Free Cash Flow	\$ 74.9	\$ 43.4

Note: This statement reconciles net cash provided by operating activities to free cash flow. Management uses free cash flow, which is not defined by US GAAP, to measure the Company's operating performance. Free cash flow is also one of the several measures used to determine incentive compensation for certain employees.

WABCO HOLDINGS INC.
Q2 2010 Data Supplement Sheet (Unaudited)



(Amounts in millions, except per share data)

	2010	% of Sales/ Adj Sales	Quarter Ended June 30, 2009	% of Sales/ Adj Sales	Chg vs. 2009	% Chg vs. 2009
<u>Sales</u>						
Reported	\$ 512.3		\$ 316.0		\$ 196.3	62.1%
Foreign exchange translational effects	8.1		-		8.1	
Adjusted Sales	<u>\$ 520.4</u>		<u>\$ 316.0</u>		<u>\$ 204.4</u>	64.7%
<u>Gross Profit</u>						
Reported	\$ 149.3	29.1%	\$ 67.5	21.4%	\$ 81.8	121.2%
Streamlining costs	0.5		3.6		(3.1)	
Separation costs	0.2		0.3		(0.1)	
Performance Gross Profit	<u>\$ 150.0</u>	29.3%	<u>\$ 71.4</u>	22.6%	<u>\$ 78.6</u>	110.1%
Foreign exchange translational effects	3.9		-			
Adjusted Gross Profit	<u>\$ 153.9</u>	29.6%	<u>\$ 71.4</u>	22.6%	<u>\$ 82.5</u>	115.5%
<u>Selling, Administrative, Product Engineering Expenses and Other</u>						
Reported	\$ 99.2	19.4%	\$ 75.1	23.8%	\$ 24.1	32.1%
Streamlining costs	(0.7)		(2.4)		1.7	
Separation costs	(1.1)		4.2		(5.3)	
Performance Selling, Administrative, Product Engineering Expenses and Other	<u>\$ 97.4</u>	19.0%	<u>\$ 76.9</u>	24.3%	<u>\$ 20.5</u>	26.7%
Foreign exchange translational effects	3.9		-			
Adjusted Selling, Administrative, Product Engineering Expenses and Other	<u>\$ 101.3</u>	19.5%	<u>\$ 76.9</u>	24.3%	<u>\$ 24.4</u>	31.7%
<u>Operating Income/(Loss)</u>						
Reported	\$ 50.1	9.8%	\$ (7.6)	-2.4%	\$ 57.7	+++
Streamlining costs	1.2		6.0		(4.8)	
Separation costs	1.3		(3.9)		5.2	
Performance Operating Income/(Loss)	<u>\$ 52.6</u>	10.3%	<u>(5.5)</u>	-1.7%	58.1	+++
Foreign exchange translational effects	-		-			
Adjusted Operating Income/(Loss)	<u>\$ 52.6</u>	10.1%	<u>(5.5)</u>	-1.7%	<u>\$ 58.1</u>	+++

WABCO HOLDINGS INC.
Q2 2010 Data Supplement Sheet (Unaudited)



(Amounts in millions, except per share data)

	<u>2010</u>	<u>% of Sales/ Adj Sales</u>	<u>Quarter Ended June 30, 2009</u>	<u>% of Sales/ Adj Sales</u>	<u>Chg vs. 2009</u>	<u>% Chg vs. 2009</u>
<u>EBIT (Earnings Before Interest and Taxes)</u>						
Reported Operating Income/(Loss)	\$ 50.1		\$ (7.6)		\$ 57.7	
Equity in Income of Unconsolidated Joint Venture	1.9		5.3		(3.4)	
Other non-operating expenses, net	(1.6)		(0.5)		(1.1)	
EC fine	(400.4)		-		(400.4)	
Fair value adjustment/(charge) of the noncontrolling interest prior to taking	-		(12.1)		12.1	
Net income attributable to noncontrolling interest	(3.0)		(0.4)		(2.6)	
EBIT	\$ (353.0)	-68.9%	\$ (15.3)	-4.8%	\$ (337.7)	+++
Streamlining costs	1.2		6.0		(4.8)	
Separation costs	1.9		(3.9)		5.8	
EC fine	400.4		-		400.4	
Impact from India JV transaction	-		11.6		(11.6)	
Performance EBIT (Earnings Before Interest and Taxes)	\$ 50.5	9.9%	\$ (1.6)	-0.5%	\$ 52.1	+++
Foreign exchange translational effects	-		-		-	
Adjusted EBIT (Earnings Before Interest and Taxes)	\$ 50.5	9.7%	\$ (1.6)	-0.5%	\$ 52.1	+++
<u>Pre-Tax (Loss)/Income</u>						
EBIT	\$ (353.0)		\$ (15.3)		\$ (337.7)	
Interest (expense)/income, net	(0.3)		0.3		(0.6)	
Pre-Tax Loss	\$ (353.3)		\$ (15.0)		\$ (338.3)	
Streamlining costs	1.2		6.0		(4.8)	
Separation costs	1.9		(3.9)		5.8	
EC fine	400.4		-		400.4	
Impact from India JV transaction	-		11.6		(11.6)	
Performance Pre-Tax Income/(Loss)	\$ 50.2		\$ (1.3)		\$ 51.5	
<u>Net Income/(Loss)</u>						
Reported Net Income/(Loss)	\$ (365.4)		\$ (17.4)		\$ (348.0)	
Streamlining cost, net of tax	1.0		5.2		(4.2)	
Tax items	3.8		1.4		2.4	
Separation costs, net of tax and separation related taxes	1.7		(4.3)		6.0	
EC fine	400.4		-		400.4	
Impact from India JV transaction	-		10.4		(10.4)	
Performance Net Income/(Loss)	\$ 41.5		\$ (4.7)		\$ 46.2	
Performance Net Income/(Loss) per Diluted Common Share	\$ 0.63		\$ (0.07)			
Common Shares Outstanding - Diluted	66.1		64.0			
<u>Incremental Gross Profit and Operating Income Margin</u>						
Increase in adjusted sales from '09	204.4		204.4			
Increase in adjusted income from '09	82.5		58.1			
Incremental Income as a % of Sales	40%		28%			

Note: The presentation of the performance measures above are not in conformity with generally accepted accounting principles (GAAP). These measures may not be comparable to similar measures of other companies as not all companies calculate these measures in the same manner.

WABCO HOLDINGS INC.
Six Months Ended June 2010 Data Supplement Sheet
(Unaudited)

(Amounts in millions, except per share data)

	<u>2010</u>	<u>% of Sales/ Adj Sales</u>	<u>Six Months Ended June 30, 2009</u>	<u>% of Sales/ Adj Sales</u>	<u>Chg vs. 2009</u>	<u>% Chg vs. 2009</u>
<u>Sales</u>						
Reported	\$ 1,003.3		\$ 649.9		\$ 353.4	54.4%
Foreign exchange translational effects	(28.2)		-		(28.2)	
Adjusted Sales	<u>\$ 975.1</u>		<u>\$ 649.9</u>		<u>\$ 325.2</u>	50.0%
<u>Gross Profit</u>						
Reported	\$ 289.4	28.8%	\$ 125.7	19.3%	\$ 163.7	130.2%
Streamlining costs	0.4		25.1		(24.7)	
Separation costs	0.5		0.6		(0.1)	
Performance Gross Profit	<u>\$ 290.3</u>	28.9%	<u>\$ 151.4</u>	23.3%	<u>\$ 138.9</u>	91.7%
Foreign exchange translational effects	(6.1)		-			
Adjusted Gross Profit	<u>\$ 284.2</u>	29.1%	<u>\$ 151.4</u>	23.3%	<u>\$ 132.8</u>	87.7%
<u>Selling, Administrative, Product Engineering Expenses and Other</u>						
Reported	\$ 196.1	19.5%	\$ 163.3	25.1%	\$ 32.8	20.1%
Streamlining costs	(0.8)		(11.8)		11.0	
Separation costs	(2.2)		2.4		(4.6)	
Performance Selling, Administrative, Product Engineering Expenses and Other	<u>\$ 193.1</u>	19.2%	<u>\$ 153.9</u>	23.7%	<u>\$ 39.2</u>	25.5%
Foreign exchange translational effects	(2.1)		-			
Adjusted Selling, Administrative, Product Engineering Expenses and Other	<u>\$ 191.0</u>	19.6%	<u>\$ 153.9</u>	23.7%	<u>\$ 37.1</u>	24.1%
<u>Operating Income/(Loss)</u>						
Reported	\$ 93.3	9.3%	\$ (37.6)	-5.8%	\$ 130.9	+++
Streamlining costs	1.2		36.9		(35.7)	
Separation costs	2.7		(1.8)		4.5	
Performance Operating Income/(Loss)	<u>\$ 97.2</u>	9.7%	<u>(2.5)</u>	-0.4%	<u>99.7</u>	+++
Foreign exchange translational effects	(4.0)		-			
Adjusted Operating Income/(Loss)	<u>\$ 93.2</u>	9.6%	<u>(2.5)</u>	-0.4%	<u>\$ 95.7</u>	+++

WABCO HOLDINGS INC.
Six Months Ended June 2010 Data Supplement Sheet
(Unaudited)

(Amounts in millions, except per share data)

	<u>2010</u>	<u>% of Sales/ Adj Sales</u>	<u>Six Months Ended June 30, 2009</u>	<u>% of Sales/ Adj Sales</u>	<u>Chg vs. 2009</u>	<u>% Chg vs. 2009</u>
<u>EBIT (Earnings Before Interest and Taxes)</u>						
Reported Operating Income/(Loss)	\$ 93.3		\$ (37.6)		\$ 130.9	
Equity in Income/(Loss) of Unconsolidated Joint Venture	3.7		0.5		3.2	
Other non-operating expenses, net	(4.9)		(1.4)		(3.5)	
EC fine	(400.4)		-		(400.4)	
Fair value adjustment/(charge) of the noncontrolling interest prior to taking	-		(12.1)		12.1	
Net income attributable to noncontrolling interest	(5.9)		(0.8)		(5.1)	
EBIT	\$ (314.2)	-31.3%	\$ (51.4)	-7.9%	\$ (262.8)	+++
Streamlining costs	1.1		37.0		(35.9)	
Separation costs	5.5		(1.0)		6.5	
EC fine	400.4		-		400.4	
Impact from India JV transaction	-		11.6		(11.6)	
Performance EBIT (Earnings Before Interest and Taxes)	\$ 92.8	9.2%	\$ (3.8)	-0.6%	\$ 96.6	+++
Foreign exchange translational effects	(3.9)		-		-	
Adjusted EBIT (Earnings Before Interest and Taxes)	\$ 88.9	9.1%	\$ (3.8)	-0.6%	\$ 92.7	+++
<u>Pre-Tax (Loss)/Income</u>						
EBIT	\$ (314.2)		\$ (51.4)		\$ (262.8)	
Interest (expense)/income, net	(0.7)		0.7		(1.4)	
Pre-Tax Loss	\$ (314.9)		\$ (50.7)		\$ (264.2)	
Streamlining costs	1.1		37.0		(35.9)	
Separation costs	5.5		(1.0)		6.5	
EC fine	400.4		-		400.4	
Impact from India JV transaction	-		11.6		(11.6)	
Performance Pre-Tax Income/(Loss)	\$ 92.1		\$ (3.1)		\$ 95.2	
<u>Net Income/(Loss)</u>						
Reported Net Loss	\$ (334.7)		\$ (53.7)		\$ (281.0)	
Streamlining cost, net of tax	1.0		33.1		(32.1)	
Tax items	3.8		2.2		1.6	
Separation costs, net of tax and separation related taxes	4.6		(2.0)		6.6	
EC fine	400.4		-		400.4	
Impact from India JV transaction	-		10.4		(10.4)	
Performance Net Income/(Loss)	\$ 75.1		\$ (10.0)		\$ 85.1	
Performance Net Income/(Loss) per Diluted Common Share	\$ 1.14		\$ (0.16)			
Common Shares Outstanding - Diluted	65.9		64.0			

WABCO HOLDINGS INC.
Reconciliation of GAAP to Non-GAAP Financial Measures for Full Year 2010 Guidance
(Unaudited)

(Amounts in millions, except per share data)

	Previous Full Year 2010 Estimate	Revised Full Year 2010 Estimate
Operating Income		
Reported Operating Income Margin	7.7% - 8.7%	8.2% - 9.2%
Streamlining cost, impact to margin	-	0.1%
Separation costs, impact to margin	0.3%	0.2%
Performance Operating Income Margin	8.0% - 9.0%	8.5% - 9.5%
Net Income		
Reported Net Income	(293.0) - (\$273.2)	(280.8) - (\$264.4)
Streamlining cost, net of tax	-	1.0
Tax items	2.0	2.0
EC fine	400.4	400.4
Separation costs, net of tax and separation related taxes	6.5	6.5
Performance Net Income	\$115.9 - \$135.7	\$129.1 - \$145.5
Reported Net Income per Diluted Common Share	(\$4.55) - (\$4.24)	(\$4.36) - (\$4.11)
Performance Net Income per Diluted Common Share	\$1.75 - \$2.05	\$1.95 - \$2.20
Diluted common shares outstanding (Reported)	64.4	64.4
Diluted common shares outstanding (Performance)	66.2	66.2

Note: The presentation of performance net income and performance net income per diluted common share is not in conformity with generally accepted accounting principles (GAAP). These measures may not be comparable to similar measures of other companies as not all companies calculate these measures in the same manner.