

The Greenbrier Companies, Inc. today announced results for the third quarter ended May 31, 2001 in line with previously disclosed expectations. The company also announced a quarterly cash dividend of \$.09 per share, payable on August 15, 2001 to stockholders of record as of July 25, 2001.

Revenues for the third quarter of fiscal 2001 were \$148 million, down from the \$172 million in the third quarter of fiscal 2000. Net earnings before unusual charges were essentially breakeven for the third quarter ended May 31, 2001. The fiscal third quarter 2001 results include unusual charges of \$1.2 million (after-tax), or \$.08 per share, related to previously disclosed work force reductions and production slowdowns made in response to the continued softness in the North American railroad supply market. After unusual charges, net loss for the third quarter was \$1.3 million, or \$.09 per diluted share, compared to net earnings of \$4.2 million, or \$.30 per diluted share, in the comparable quarter of the prior fiscal year.

For the nine months ended May 31, 2001, revenues were \$459 million, compared to \$458 million in the same nine-month period of fiscal 2000. Net earnings for the fiscal 2001 nine month period were \$1.7 million, or \$.12 per diluted share, compared to \$9.0 million, or \$.63 per diluted share, in the comparable 2000 period.

The company continues to evaluate certain of its rail investments, which could result in other unusual charges being recorded this fiscal year. Greenbrier anticipates results to range from break-even to a small loss, for the fiscal year as a whole, prior to any charges that could result from the evaluation of certain of its rail investments.

The company's new railcar manufacturing backlog, as of May 31, 2001, was 4,600 units valued at \$230 million, compared to 4,300 units valued at \$260 million at February 28, 2001.

Bill Furman, president and chief executive officer, noted, "Market conditions in North America remain soft, and we are cautious as to the timing of a recovery given the present state of the economy. There are some signs that overall economic activity is responding to the fiscal and monetary policies being pursued in the U.S., and it is likely that the railroad industry will respond earlier than other sectors when a recovery does occur. Greenbrier remains well-positioned to compete in the current intensely competitive marketplace, as evidenced in part by the fact that during the quarter our backlogs increased slightly, while industry backlogs continue to decline. Greenbrier continues to aggressively manage its costs. The latest round of cost-

reductions and production adjustments enhance our competitive position and keeps costs in line with our revenue base during the current downturn."

Furman added, "The company remains very liquid with a positive net cash flow. Further steps to enhance corporate liquidity were taken since the end of the second fiscal quarter, including the placement of \$50 million of long-term debt, renewal of maturing bank credit facilities and syndication commitments from leasing companies to purchase new railcars on lease to third parties. The company ended the quarter with nearly \$40 million in cash and \$125 million in unused credit facilities. The company's Board of Directors intends to evaluate the dividend policy at the end of the fiscal year, in light of market conditions and balance sheet considerations at such time."

The Greenbrier Companies, headquartered in Lake Oswego, Oregon, is a leading supplier of transportation equipment and services to the railroad industry in North America. Greenbrier builds new railroad freight cars in the U.S., Canada and Mexico, and repairs and refurbishes freight cars and wheels at eleven locations across North America. The company also builds new railroad freight cars and refurbishes freight cars for the European market through its manufacturing operations in Poland and various sub-contractor facilities throughout Europe. At Greenbrier's Portland, Oregon manufacturing facility, it builds ocean-going barges for the maritime industry. Greenbrier owns or manages a fleet of approximately 42,000 railcars.

Except for historical information contained herein, this press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, statements as to expectations, beliefs, and future financial performance. These forward-looking statements are dependent on a number of factors, business risks and issues, a change in which could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Such factors, risks and issues are set forth from time to time under "Forward-Looking Statements," in Management's Discussion and Analysis of Financial Condition and Results of Operations in Greenbrier's SEC filings and reports. Any forward-looking statement speaks only as of the date on which such statement is made. Greenbrier undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.

The Greenbrier Companies will host a teleconference to discuss third quarter results. Teleconference details are as follows:

Wednesday, July 11, 2001

7:30 a.m. Pacific Daylight Time

Real-time Audio Access: ("Newsroom" at <http://www.gbrx.com> )

Please access the site 10 minutes prior to the start time. Following the call, a replay will be available on the same site.

THE GREENBRIER COMPANIES, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except per share amounts, unaudited)

	May 31, 2001	August 31, 2000
Assets		
Cash and cash equivalents	\$39,257	\$12,908
Accounts and notes receivable	69,921	66,150
Inventories	129,258	127,484
Investment in direct finance leases	109,026	124,780
Equipment on operating leases	128,231	122,074
Property, plant and equipment	78,480	77,628
Intangible assets	25,428	23,001
Other	28,108	30,084
	\$607,709	\$584,109
Liabilities and Stockholders' Equity		
Revolving notes	\$32,819	\$13,019
Accounts payable and accrued liabilities	127,893	147,792
Deferred participation	55,964	54,266
Deferred income taxes	23,707	25,238
Notes payable	186,757	159,363
Subordinated debt	37,491	37,748
Minority interest	5,072	5,068
Stockholders' equity	138,006	141,615

\$607,709      \$584,109

THE GREENBRIER COMPANIES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts, unaudited)

Three Months Ended May 31,   Nine Months Ended May 31,

	2001	2000	2001	2000
Revenue				
Manufacturing	\$129,032	\$147,054	\$398,985	\$388,236
Leasing and services	19,317	24,861	60,266	69,504
	148,349	171,915	459,251	457,740
Cost of revenue				
Manufacturing	116,841	131,041	366,693	343,124
Leasing and services	10,851	11,817	32,030	36,363
	127,692	142,858	398,723	379,487
Margin	20,657	29,057	60,528	78,253
Other costs				
Selling and				
administrative expense	13,969	13,600	38,354	42,189
Interest expense	6,298	5,979	16,739	16,018
	20,267	19,579	55,093	58,207
Earnings before income				
tax expense,				
minority interest,				
equity in earnings (loss)				
of unconsolidated				
subsidiary	390	9,478	5,435	20,046
Income tax expense	(1,394)	(4,928)	(4,168)	(10,891)
Earnings (loss) before				

minority interest, equity in earnings (loss) of unconsolidated subsidiary	(1,004)	4,550	1,267	9,155
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Minority interest	16	(368)	(3)	(1,512)
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Equity in earnings (loss) of unconsolidated Subsidiary	(339)	59	478	1,325
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Net earnings (loss)	\$(1,327)	\$4,241	\$1,742	\$8,968
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Basic earnings (loss) per common share	\$(0.09)	\$0.30	\$0.12	\$0.63
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Diluted earnings (loss) per common share	\$(0.09)	\$0.30	\$0.12	\$0.63
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Weighted average common  
shares outstanding:

Basic	14,121	14,255	14,141	14,255
Diluted	14,121	14,255	14,165	14,275

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SOURCE: The Greenbrier Companies, Inc.

Contact: Mark Rittenbaum of The Greenbrier Companies, Inc.,  
503-684-7000

Website: <http://www.gbrx.com/>

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