Greenbrier Pressroom

PRNewswire LAKE OSWEGO, Ore.

The Greenbrier Companies today announced earnings of \$.08 per share for the fiscal year ended August 31, 2001, higher than previously disclosed revised expectations of near breakeven. The company also announced a quarterly cash dividend of \$.06 per share, payable on December 12, 2001 to stockholders of records as of November 21, 2001.

Revenues for the fourth quarter of fiscal 2001 were \$135 million, down from \$162 million in the fourth quarter of fiscal 2000. Net loss for the fourth quarter of fiscal 2001 was \$623 thousand, or \$.04 per share, as compared to net earnings of \$5.4 million, or \$.38 per share in the fourth quarter of fiscal 2000.

For the year ended August 31, 2001, revenues were \$594 million, as compared to \$619 million for fiscal year 2000. Net earnings for fiscal year 2001 were \$1.1 million, or \$.08 per share, compared to fiscal 2000 net earnings of \$14.4 million, or \$1.01 per share.

The company's new railcar manufacturing backlog as of August 31, 2001 was 3,700 units valued at \$200 million, compared to 4,600 units valued at \$230 million at May 31, 2001.

William A. Furman, president and chief executive officer, noted "Market conditions in the North American rail supply industry remain depressed and we have, as of yet, not seen signs of recovery. Industrywide, new orders are at levels of less than half of a year ago and are at a third of industry deliveries in 1999. Greenbrier continues to perform relatively well in this difficult market environment, with a current market share of nearly 25%. The company continues to focus on cash flow, liquidity and maintaining a strong balance sheet in this environment. In this regard, the company's Board of Directors has deemed it prudent to reduce the quarterly dividend to \$.06 per share, the level in existence up until July 1999. Since July 1999, regular quarterly dividends were \$.09 per share. The company also continues to focus on managing and reducing costs and capital expenditures to reflect lower revenue and earnings expectations and in order to maintain its competitive position."

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, November 7, 2001
7:30 a.m. Pacific Standard 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

## THE GREENBRIER COMPANIES, INC. CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, unaudited)

August 31, August 31, 2001 2000

## **ASSETS**

available on the same site.

Cash and cash equivalents		\$77,299	)	\$12,908
Accounts and notes receivable		50,55	5	66,150
Inventories	94,581	127,484		
Investment in direct finance lease	es	103,57	'6	124,780
Equipment on operating leases		150,12	26	122,074
Property, plant and equipment		76,898		77,628
Intangible assets	26,4	50	23,00	)1
Other	26,695	30,0	084	
\$60	6,180	\$584,	109	

LIABILITIES AND STOCKHOLDERS' EQUITY

Revolving notes \$32,986 \$13,019

Accounts payable and accrued liabilities 135,898 147,792

Deferred participation 56,176 54,266
Deferred income taxes 26,920 25,238
Notes payable 177,575 159,363

Subordinated debt 37,491 37,748

Minority interest 5,025 5,068

Stockholders' equity 134,109 141,615

\$606,180 \$584,109

## THE GREENBRIER COMPANIES, INC. CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands, except per share amounts, unaudited)

Three Months Ended Year Ended

August 31, August 31, 2001 2000 2001 2000

Revenue

Manufacturing \$114,026 \$140,050 \$513,012 \$528,240 Leasing and services 20,721 21,639 80,986 91,189

134,747 161,689 593,998 619,429

Cost of revenue

Manufacturing 103,682 123,224 470,376 466,348 Leasing and services 11,266 10,348 43,295 46,711 114,948 133,572 513,671 513,059

Margin 19,799 28,117 80,327 106,370

Other costs

Selling and administrative

expense 11,193 12,013 49,547 54,202 Interest expense 5,518 5,147 22,257 21,165 16,711 17,160 71,804 75,367

Earnings before income

tax expense, minority interest and equity in unconsolidated subsidiary 3,088 10,957 8,523 31,003 (5,162)(6,806)Income tax expense (2,638)(16,053)Earnings before minority interest and equity in unconsolidated subsidiary 450 5,795 1,717 14,950 43 Minority interest 46 (139)(1,650)Equity in unconsolidated subsidiary (1,119)(270)(641)1,054 Net earnings \$(623) \$5,386 \$1,119 \$14,354 Basic earnings per share: \$(0.04) \$0.38 \$0.08 \$1.01 Diluted earnings per share: \$(0.04) \$0.38 \$0.08 \$1.01 Weighted average shares outstanding: 14,227 Basic 14,121 14,227 14,151 Diluted 14,128 14,227 14,170 14,241

THE GREENBRIER COMPANIES, INC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except per share amounts, unaudited

Years ended August 31, 2001 2000

Cash flows from operating activities:

Net earnings \$1,119 \$14,354

Adjustments to reconcile net earnings to net cash provided by

(used in) operating activities:

Deferred income taxes 1,682 7,604

Deferred participation 1,910 3,827

Depreciation and amortization 22,396 20,356

Gain on sales of equipment (1,390) (4,527)

Other (1,891) 2,627

Decrease (increase) in assets:

Accounts and notes receivable 15,595 (18,610)

Inventories 13,137 (39,249)

Prepaid expenses and other 6,976 (1,376)

Decrease in liabilities:

Accounts payable and accrued liabilities (18,118) (13,295)

Net cash provided by (used in) operating

activities 41,416 (28,289)

Cash flows from investing activities:

Acquisitions, net of cash acquired (282) (4,787)

Principal payments received under direct

finance leases 20,761 18,313

Investment in direct finance leases -- (170)

Proceeds from sales of equipment 47,515 49,789

Investment in Joint Venture (4,000) --

Purchase of property and equipment (73,336) (93,821)

Net cash used in investing activities (9,342) (30,676)

Cash flows from financing activities:

Proceeds from borrowings 70,725 34,052

Repayments of borrowings (32,363) (26,987)

Dividends (5,086) (5,132)

Purchase of minority interest -- (7,610)

Purchase of treasury stock (959) (246)

Net cash provided by (used in) financing

activities 32,317 (5,923)

Increase (decrease) in cash and cash equivalents 64,391 (64,888)

Cash and cash equivalents

Beginning of period 12,908 77,796

End of period \$77,299 \$12,908

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SOURCE: The Greenbrier Companies

Contact: Mark Rittenbaum of The Greenbrier Companies, +1-503-684-7000

Website: <a href="http://www.gbrx.com/">http://www.gbrx.com/</a>

Company News On-Call: <a href="http://www.prnewswire.com/comp/327175.html">http://www.prnewswire.com/comp/327175.html</a>

https://pressroom.gbrx.com/2001-11-07-Greenbrier-Reports-Fiscal-Year-2001-Results-Higher-Than-Previously-Disclosed-Expectations-Reduces-Dividends-in-Light-of-Market-Conditions