Greenbrier Pressroom

PRNewswire-FirstCall LAKE OSWEGO, Ore.

The Greenbrier Companies, Inc. announced today a net loss of \$2.0 million, or \$.14 per share, on revenues of \$91 million for its third quarter ended May 31, 2002. This compares to a net loss of \$1.3 million, or \$.09 per share, on revenues of \$148 million in the third fiscal quarter of 2001.

For the nine months ended May 31, 2002, net loss was \$23.8 million, or \$1.69 per share, on revenues of \$270 million. This compares to net earnings of \$1.7 million, or \$.12 per share, on revenues of \$459 million for the first nine months of fiscal 2001. The current year's results include special charges taken in the second quarter of \$19.2 million pre-tax (\$12.2 million after-tax, or \$.86 per share), for write-downs of intangible assets and workforce and other reductions.

The majority of special charges and operating losses for the year to date, and for the third quarter were related to the Company's European operations. Earlier in the year, the Company reduced the scale of its European operations to decrease costs. European operating losses in the third quarter were \$1.5 million, \$1.1 million less than in the second quarter, and \$2.7 million less than in the first quarter.

The Company's new railcar manufacturing backlog as of May 31, 2002 grew to 2,700 railcars valued at \$140 million, compared to 1,900 railcars valued at \$100 million at February 28, 2002. During the quarter, orders were received for 1,500 units and deliveries were 700 units.

William A. Furman, president and chief executive officer, noted, "Greenbrier continues to focus on liquidity, cash flow, and a strong balance sheet, rather than reported profits during the current downturn. Our markets are showing signs of improvement in both North America and Europe. Pricing remains intense, as excess production capacity for new railcars still exists. Greenbrier's share of the new railcar market continues to exceed its share of industry capacity. The Company experienced growth in its quarterly backlog for the first time in nearly two years. Greenbrier's backlog in North America at March 31, 2002 was about 25% of total industry backlog. We anticipate that when June 30 statistics are released, our market share will be at least as great as the prior quarter."

Furman added, "Greenbrier continues to have solid financial performance in its marine manufacturing, railcar repair and services, and leasing businesses. These businesses provided nearly 50% of total Company revenues for the year to date. We expect them to continue to provide revenue, earnings and cash flow stability during the weak new railcar market."

Mark Rittenbaum, senior vice president and treasurer, said, "The Company's balance sheet and cash flow remain strong. Cash provided by operations for the year to date was \$20 million; cash balances increased during the quarter. Also during the quarter, an additional \$8 million of debt

was retired, bringing the total to \$52 million for the year to date."

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 49,000 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 10, 2002
7:30 am 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)

2002 2

Assets

Cash and cash equivalents		\$66,455	\$77,299
Accounts and notes receivable		31,659	50,555
Inventories	86,277	94	,581
Investment in direct finance lease	S	75,389	103,576
Equipment on operating leases		146,08	3 150,126
Property, plant and equipment		71,739	76,898
Intangible assets	9,30	9 2	6,450

 Intangible assets
 9,309
 26,450

 Other
 24,273
 26,695

\$511,184 \$606,180

Liabilities and Stockholders' Equity

Revolving notes	\$15,912	\$32,986	6
Accounts payable and accrued liab	oilities 13	0,139	135,898
Deferred participation	53,294	56,176	;
Deferred income taxes	17,306	26,92	20
Notes payable	152,732	177,575	
Subordinated debt	27,787	37,491	
Minority interest	4,893	5,025	
Stockholders' equity	109,121	134,10	9

\$511,184 \$606,180

THE GREENBRIER COMPANIES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts, unaudited)

Three M	Ionths Ende	ed Nir	ne Months Ende	ed
May	31,	May 3	31,	
2002	2001	2002	2001	

Revenue

Leasing & ser		1 19,3	17 56,2	372 \$398,985 27 60,266 459,251
Leasing & ser	69,191	2 10,8	51 33,0	56 366,693 03 32,030 398,723
Margin	9,315	20,657	29,240	60,528
Interest exper Special Charg	8,857 nse 4,421	6,298 	3 14,591 19,212	16,739
Earnings (loss) income tax expression minority interest equity in unconsubsidiary	oense, st,	390	(33,112)	5,435
Income tax ber (expense)		(1,394)	10,391	(4,168)
Earnings (loss) minority interesequity in uncor subsidiary	st, nsolidated	(1,004)	(22,721)	1,267
Minority interes	t 35	16	132	(3)
Equity in uncor subsidiary	nsolidated (327)	(339)	(1,251)	478

Net earnings (loss) \$(1,971) \$(1,327) \$(23,840) \$1,742

Basic earnings (loss)

per common share \$(0.14) \$(0.09) \$(1.69) \$0.12

Diluted earnings (loss)

per common share \$(0.14) \$(0.09) \$(1.69) \$0.12

Weighted average common

shares outstanding:

Basic 14,121 14,121 14,121 14,141 Diluted 14,121 14,121 14,165

THE GREENBRIER COMPANIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands, except per share amounts, unaudited)

Nine Months Ended

May 31,

2002 2001

Cash flows from operating activities:

Net earnings (loss) \$(23,840) \$1,742

Adjustments to reconcile net earnings

(loss) to net cash provided by (used in)

operating activities:

Deferred income taxes (9,614)(1,531)(2,882)Deferred participation 1,698 Depreciation and amortization 16,840 16,536 Gain on sales of equipment (1,186)(813)Special charges -- Impairment 14,791 Other 216 265

Decrease (increase) in assets:

Accounts and notes receivable 18,896 (3,771)

Inventories 8,998 (21,140) Other 2,318 1,831

Decrease in liabilities:

Accounts payable and accrued liabilities (5,136) (26,403)

Net cash provided by (used in) operating

activities 19,774 (31,959)

Cash flows from investing activities:

Acquisitions, net of cash acquired -- (282)

Principal payments received under direct

finance leases 14,608 15,315

Proceeds from sales of equipment 20,461 47,328

Purchase of property and equipment (12,864) (47,115)

Net cash provided by investing activities 22,205 15,246

Cash flows from financing activities:

Change in revolving notes (17,074) 19,800
Proceeds from notes payable 4,250 50,801
Repayments of notes payable (29,448) (22,765)

Repayment of subordinated debt (9,704) --

Dividends (847) (3,815)

Purchase of Company's common stock -- (959)

Net cash provided by (used in) financing

activities (52,823) 43,062

Increase (decrease) in cash and cash

equivalents (10,844) 26,349

Cash and cash equivalents

Beginning of period 77,299 12,908 End of period \$66,455 \$39,257

MAKE YOUR OPINION COUNT - Click Here

http://tbutton.prnewswire.com/prn/11690X88831221

SOURCE: Greenbrier Companies, Inc.

CONTACT: Mark Rittenbaum of The Greenbrier Companies, Inc.,

+1-503-684-7000

Web site: http://www.gbrx.com/