

Greenbrier Pressroom

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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)

	May 31, 2002	August 31, 2001
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 leases	75,389	103,576
Equipment on operating leases	146,083	150,126
Property, plant and equipment	71,739	76,898
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
Accounts payable and accrued liabilities	130,139	135,898
Deferred participation	53,294	56,176
Deferred income taxes	17,306	26,920
Notes payable	152,732	177,575
Subordinated debt	27,787	37,491
Minority interest	4,893	5,025
Stockholders' equity	109,121	134,109
	\$511,184	\$606,180

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,	
	2002	2001	2002	2001
Revenue				
Manufacturing	\$72,217	\$129,032	\$213,372	\$398,985
Leasing & services	18,431	19,317	56,227	60,266
	90,648	148,349	269,599	459,251
Cost of revenue				
Manufacturing	69,191	116,841	207,356	366,693
Leasing & services	12,142	10,851	33,003	32,030
	81,333	127,692	240,359	398,723
Margin	9,315	20,657	29,240	60,528
Other costs				
Selling and administrative expense	8,857	13,969	28,549	38,354
Interest expense	4,421	6,298	14,591	16,739
Special Charges	--	--	19,212	--
	13,278	20,267	62,352	55,093
Earnings (loss) before income tax expense, minority interest, equity in unconsolidated subsidiary	(3,963)	390	(33,112)	5,435
Income tax benefit (expense)	2,284	(1,394)	10,391	(4,168)
Earnings (loss) before minority interest, equity in unconsolidated subsidiary	(1,679)	(1,004)	(22,721)	1,267
Minority interest	35	16	132	(3)
Equity in unconsolidated subsidiary	(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	14,121	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)
Deferred participation	(2,882)	1,698
Depreciation and amortization	16,840	16,536
Gain on sales of equipment	(813)	(1,186)
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

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SOURCE: Greenbrier Companies, Inc.

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

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