Highlights - Fourth quarter 2002 earnings from North American operations rose to $1.9 million on revenues of $90 million. This compares to a loss from North American operations of $.5 million on revenues of $72 million in the third quarter of 2002. - Non-cash European writedowns and other restructuring charges drove fiscal year 2002 consolidated net loss to $26.1 million, or $1.85 per share, on revenues of $306 million. This compared to 2001 consolidated net earnings of $1.1 million, or $.08 per share, on revenues of $509 million. - Tax benefits of $21.5 million related to European operations recognized in 2002. - Plans announced to recapitalize European investment. For financial reporting purposes, Europe will be treated as discontinued operations. - The Company continues to maintain strong liquidity. Year-end cash balances were nearly $60 million; paydowns of debt were about $50 million; unused lines of credit exceeded $110 million in North America. - Production rates increased and margins improved in fourth quarter; upward trends anticipated to continue in fiscal 2003. - Backlog in North America and Europe more than doubled over third quarter ending May 31, 2002 to 5,500 cars valued at $305 million at September 30, 2002.

PRNewswire-FirstCall
LAKE OSWEGO, Ore.

The Greenbrier Companies today reported results for its fourth quarter and fiscal year ended August 31, 2002. For the fourth quarter of 2002, the Company reported earnings from continuing North American operations of $1.9 million. These earnings reverse a trend of losses for the first nine months of the year. The losses were due to the cyclical downturn in the North American railcar market.

Consistent with its strategy to preserve and improve cash flow and liquidity, the Company also announced plans to recapitalize its ownership in Europe, and focus on core North American markets. Accordingly, Europe is now treated as discontinued operations for financial reporting purposes. KPMG has been retained as special advisors to the Company on its European strategy. The Company remains committed to its customers in Europe and will consult with customers, financiers and employees before finalizing its plans.

Financial Results:

The $26.1 million net loss for 2002 includes: (i) a special charge to continuing operations taken in the second quarter of $1.9 million pre-tax, related to one-time actions to reduce North American operating expenses, (ii) a special charge to discontinued European operations taken in the second quarter of $17.1 million pre-tax, related to an impairment writedown of European railcar designs and patents and actions to reduce the scale of European operations, (iii) a $14.8 million pre-tax charge to discontinued operations in the fourth quarter to adjust the net assets of European operations to estimated realizable value, and (iv) a $21.5 million U.S. income tax benefit, of which $7.7 million was recognized in the second quarter and $13.8 million in the fourth quarter, related to the Company's investment in European operations. Substantially all of the special charges and write-downs are non-cash in nature. The tax benefits are a cash item, with a majority of the cash benefits to be received within the next six months.

Since May 31, 2002, the Company has received orders for 4,300 railcars valued at $230 million. The orders push the Company's combined European and North American new railcar manufacturing backlog at September 30, 2002 to 5,500 railcars valued at $305 million, the highest level in two years. The Company's August 31, 2002 fiscal year end backlog was 5,200 railcars valued at $280 million, more than doubling its third quarter May 31, 2002 backlog of 2,500 railcars valued at $135 million.

European Operations:

Greenbrier plans to recapitalize its European investment in an orderly manner. The objectives of the plan are to improve the Company's after tax cash flow and liquidity. The Company is in discussions with both financial and strategic investors who, with members of the European management team, may participate in the new capitalization.

William A. Furman, president and chief executive officer, noted, "Greenbrier Europe has made significant progress in 2002 with its restructuring efforts. In addition to implementing substantial cost reductions, our markets and production plans have become concentrated on fewer products and longer production runs. Quality goals are being met, and backlog has improved significantly. Nevertheless, Greenbrier Europe has not achieved desired levels of profitability, even though market share has increased dramatically to 20% of the total European market and revenues have grown from almost nothing a few years ago to nearly $100 million anticipated in 2003. All of the above factors contributed to our decision to recapitalize our ownership in Greenbrier Europe and treat as a discontinued operation."

Liquidity Goals; Expense and Overhead Reductions:

Furman added, "The plan for Greenbrier Europe is part of a wider restructuring which has taken place at Greenbrier in response to a global downturn in economic conditions. The Company is being managed for liquidity and cash flow during the present uncertain economic conditions. Greenbrier has enacted substantial company-wide reductions in general and administrative costs during the past two years. G&A costs were reduced by a further $10 million in 2002 on top of $5 million in reductions in 2001. During the year, the Company implemented tax strategies and recognized a $21.5 million tax benefit related to European operations. Most of the benefit will be received in cash within the next six months."

North American Operations:

Furman added, "Our focus on core North American markets is paying off both in our manufacturing, and in our leasing and services business segments. Greenbrier's North American backlog is at the highest level in over two years and exceeds production for all of fiscal 2002. While pricing pressures remain, margins are improving due to higher production rates and improved pricing. This is evident by our positive fourth quarter earnings from North American operations."

"We continue to see growth in railcar repair and refurbishment, wheel, and maintenance and administrative services, as customers in North America look to outsourcing many of their non-core needs. Our marine construction business also remains strong, generating revenues of about $20 million annually. Deliveries of the Company's first ocean-going double-hulled barges for petroleum products are now taking place. Combined with our railcar leasing business, these units altogether accounted for a revenue base of $160 million in fiscal 2002."

Mark Rittenbaum, senior vice president and treasurer, stated, "Results for continuing operations through most of 2002 were impacted by the cyclical downturn in North America. Greenbrier's North American new railcar deliveries in 2002 were only 3,300 units compared to 7,300 units in 2001. We are now seeing evidence of a market rebound. Industry orders and backlog increased in the second and third quarters. Greenbrier has participated in this recovery to an even greater extent than its share of industry capacity. During the past quarter, the Company doubled its backlog and increased its market share to about 35% of total market backlog. The Company anticipates higher railcar deliveries, improved margins, and operating profits in North America during fiscal year 2003."

Rittenbaum added, "Greenbrier ended the year meeting its liquidity and cash flow objectives, with cash balances of nearly $60 million, paydowns of term debt of about $50 million, and over $110 million in unused lines of credit in North America. We will continue to manage the Company for liquidity rather than reported earnings until a firm economic recovery is evident. North American manufacturing EBITDA was $2 million positive for the fourth quarter of 2002. Our leasing and services, marine manufacturing and rail services businesses continue to provide a stable revenue base and positive earnings and cash flow."

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 thirteen 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 50,000 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 fourth quarter results. Teleconference details are as follows:

Wednesday, November 6, 2002
7:30 am 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 available on the same site.

Condensed Consolidated Balance Sheets THE GREENBRIER COMPANIES, INC.
August 31,

(Unaudited, in thousands, except per share amounts)

Assets	2002	2001
Cash and cash equivalents	$58,777	$74,547
Accounts and notes receivable	45,135	35,949
Inventories	56,868	54,191
Investment in direct finance leases	69,536	103,576
Equipment on operating leases	151,580	150,126
Property, plant, and equipment	58,292	64,264
Other	21,507	25,821
Discontinued operations	65,751	99,571
	$527,446	$608,045

Liabilities and Stockholders' Equity		
Revolving notes	$3,571	$7,856
Accounts payable and accrued liabilities	108,244	88,485
Deferred participation	52,937	56,176
Deferred income taxes	13,823	26,920
Notes payable	136,577	168,703
Discontinued operations	77,188	83,407
Subordinated debt	27,069	37,491
Minority interest	4,898	4,898
Stockholders' equity	103,139	134,109
	$527,446	$608,045

Consolidated Statements of Operations THE GREENBRIER COMPANIES, INC.

Years ended August 31, (Unaudited, in thousands, except per share amounts)	2002	2001	2000
Revenue			
Manufacturing	$231,810	$427,841	$488,672
Leasing & services	73,819	80,986	91,189
	305,629	508,827	579,861
Cost of revenue			
Manufacturing	217,238	393,422	428,829
Leasing & services	44,694	43,295	46,711
	261,932	436,717	475,540
Margin	43,697	72,110	104,321
Other Costs			
Selling and administrative expense	30,003	38,558	46,262
Interest expense	15,456	18,478	19,637
Special charges	1,896	--	--
	47,355	57,036	65,899
Earnings (loss) before income tax, minority interest and equity in unconsolidated subsidiary	(3,658)	15,074	38,422
Income tax benefit (expense)	2,072	(6,804)	(16,052)
Earnings (loss) before minority interest and equity in unconsolidated subsidiary	(1,586)	8,270	22,370
Minority interest	--	--	(2,308)
Equity in earnings (loss) of unconsolidated subsidiary	(2,578)	(641)	1,054
Earnings (loss) from continuing operations	(4,164)	7,629	21,116
Loss from discontinued operations (net of tax)	(21,930)	(6,510)	(6,762)

Net earnings (loss)	$(26,094)	$1,119	$14,354
Basic earnings (loss) per common share:			
Continuing operations	$(0.30)	$0.54	$1.48
Discontinued operations	(1.55)	(0.46)	(0.47)
Net earnings (loss)	$(1.85)	$0.08	$1.01
Diluted earnings (loss) per common share:			
Continuing operations	$(0.30)	$0.54	$1.48
Discontinued operations	(1.55)	(0.46)	(0.47)
Net earnings (loss)	$(1.85)	$0.08	$1.01
Weighted average common shares:			
Basic	14,121	14,151	14,227
Diluted	14,121	14,170	14,241

THE GREENBRIER COMPANIES, INC.

Condensed Consolidated Statements
of Cash Flows
Years ended August 31,

(Unaudited, in thousands)	2002	2001	2000
Cash flows from operating activities:			
Net earnings (loss)	$(26,094)	$1,119	$14,354
Adjustments to reconcile net earnings (loss) to net cash provided by (used in) operating activities:			
Loss from discontinued operations	21,930	6,510	6,762
Deferred income taxes	(10,291)	1,682	7,604
Deferred participation	(3,239)	1,910	3,827
Depreciation and amortization	17,960	17,796	16,472
Gain on sales of equipment	(910)	(1,390)	(4,527)
Other	(2,660)	(1,492)	1,349
Decrease (increase) in assets:			
Accounts and notes receivable	(6,980)	20,300	(9,238)
Inventories	(3,600)	42,141	(38,000)

Other	2,977	2,507	(1,019)
Increase (decrease) in liabilities:			
Accounts payable and accrued liabilities	38,180	(25,064)	(11,879)
Net cash provided by (used in) operating activities	27,273	66,019	(14,295)
Cash flows from investing activities:			
Acquisitions, net of cash acquired	--	(282)	(530)
Principal payments received under direct finance leases	18,828	20,761	18,143
Proceeds from sales of equipment	24,042	47,772	49,789
Investment in joint venture	--	(4,000)	--
Investment in discontinued operations	(16,843)	(4,660)	(20,462)
Capital expenditures	(21,402)	(70,136)	(87,082)
Net cash provided by (used in) investing activities	4,625	(10,545)	(40,142)
Cash flows from financing activities:			
Changes in revolving notes	(4,285)	(227)	8,083
Proceeds from borrowings	4,285	50,000	16,180
Repayments of borrowings	(36,399)	(31,604)	(26,987)
Repayment of subordinated debt	(10,422)	(257)	--
Dividends	(847)	(5,086)	(5,132)
Purchase of minority interest	--	--	(7,190)
Purchase of common stock	--	(959)	(246)
Net cash provided by (used in) financing activities	(47,668)	11,867	(15,292)
Increase (decrease) in cash and cash equivalents	(15,770)	67,341	(69,729)
Cash and cash equivalents			
Beginning of period	74,547	7,206	76,935
End of period	$58,777	$74,547	$7,206

THE GREENBRIER COMPANIES, INC.

Summarized results of operations related to discontinued operations are:

Years ended August 31,

(Unaudited, in thousands)	2002	2001	2000
Revenues	$61,695	$85,170	$39,568
Cost of Revenue	60,770	76,954	37,519
Margin	925	8,216	2,049
Selling and administrative expense	9,050	10,989	7,940
Interest expense	3,542	3,778	1,528
Special charges	17,129	--	--
Loss from operations	(28,796)	(6,551)	(7,419)
Estimated loss on discontinued operations	(14,776)	--	--
Loss before income taxes and minority interest	(43,572)	(6,551)	(7,419)
Income tax benefit (expense)	21,515	(3)	--
Minority interest	127	44	657
Loss from discontinued operations	$(21,930)	$(6,510)	$(6,762)

The following assets and liabilities of the European operations were reclassified as discontinued operations as of August 31,:

(Unaudited, in thousands)	2002	2001
Cash and cash equivalents	$8,953	$2,752
Accounts receivable	9,645	16,471
Inventory (A)	39,304	40,390
Property, plant, and equipment	1,072	12,634
Other assets	6,777	27,324
Total assets - Discontinued operations	$65,751	$99,571
Revolving notes	$22,249	$25,130
Accounts payable and accrued liabilities (A)	47,385	49,405
Notes payable	7,554	8,872
Total liabilities - Discontinued operations	$77,188	$83,407

(A) Includes $26.9 million in 2002 and $11.9 million in 2001 for railcars delivered to customer for which cash was received, but revenue recognition delayed, pending final railcar certification. Final certification was obtained in October 2002.

THE GREENBRIER COMPANIES, INC.
Quarterly Results of Operations
Unaudited operating results by quarter for fiscal years ending
August 31, 2002 and 2001 are as follows:

(In thousands, except per share amounts)

	First	Second	Third	Fourth	Total
2002					
Revenue					
Manufacturing	$53,217	$52,265	$53,792	$72,536	$231,810
Leasing & services	18,239	19,557	18,431	17,592	73,819
	71,456	71,822	72,223	90,128	305,629
Cost of revenue					
Manufacturing	49,692	52,899	51,619	63,028	217,238
Leasing & services	10,231	10,632	12,142	11,689	44,694
	59,923	63,531	63,761	74,717	261,932
Margin	$11,533	$8,291	$8,462	$15,411	$43,697
Earnings (loss) from continuing operations	(801)	(4,773)	(495)	1,905	(4,164)
Earnings (loss) from discontinued operations	(4,242)	(12,053)	(1,476)	(4,159)	(21,930)
	$(5,043)	$(16,826)	$(1,971)	$(2,254)	$(26,094)
Basic earnings (loss) per common share:					
Continuing operations	$(.06)	$(.34)	$(.03)	$.13	$(.30)
Net earnings (loss)	$(.36)	$(1.19)	$(.14)	$(.16)	$(1.85)
Diluted earnings (loss) per common share:					
Continuing operations	$(.06)	$(.34)	$(.03)	$.13	$(.30)

Net earnings (loss)	$(.36)	$(1.19)	$(.14)	$(.16)	$(1.85)
2001					
Revenue					
Manufacturing	$113,990	$109,252	$97,052	$107,547	$427,841
Leasing & services	19,205	21,743	19,317	20,721	80,986
	133,195	130,995	116,369	128,268	508,827
Cost of revenue					
Manufacturing	104,033	105,031	86,398	97,960	393,422
Leasing & services	10,195	10,983	10,851	11,266	43,295
	114,228	116,014	97,249	109,226	436,717
Margin	$18,967	$14,981	$19,120	$19,042	$72,110
Earnings (loss) from continuing operations	1,559	2,633	1,145	2,292	7,629
Earnings (loss) from discontinued operations	1,440	(2,563)	(2,472)	(2,915)	(6,510)
Net earnings (loss)	$2,999	$70	$(1,327)	$(623)	$1,119
Basic earnings (loss) per common share:					
Continuing operations	$.11	$.19	$.08	$.16	$.54
Net earnings (loss)	$.21	$.00	$(.09)	$(.04)	$.08
Diluted earnings (loss) per common share:					
Continuing operations	$.11	$.19	$.08	$.16	$.54
Net earnings (loss)	$.21	$.00	$(.09)	$(.04)	$.08

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SOURCE: The Greenbrier Companies

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