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 noncore 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 1,896 Special charges 47,355 57,036 65,899 Earnings (loss) before income tax, minority interest and equity in (3,658)15,074 unconsolidated subsidiary 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 (2,308)Minority interest 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)\$(26,094) Net earnings (loss) \$1,119 \$14,354 Basic earnings (loss) per common share: Continuing operations \$(0.30) \$0.54 \$1.48 (1.55)Discontinued operations (0.46)(0.47)\$0.08 Net earnings (loss) \$(1.85) \$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) \$0.08 \$1.01 \$(1.85)

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

49,692 52,899 51,619 217,238 Manufacturing 63,028 Leasing & services 10,231 10,632 12,142 11,689 44,694 63,761 74,717 59,923 63,531 261,932

Margin \$11,533 \$8,291 \$8,462 \$15,411 \$43,697

```
Earnings (loss)
from continuing
               (801)
                      (4,773)
                                (495)
                                          1,905 (4,164)
operations
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
                                       $(.16)
 (loss)
             $(.36)
                     $(1.19)
                               $(.14)
                                               $(1.85)
Diluted earnings
(loss) per common
share:
 Continuing
                       $(.34)
                                $(.03)
                                          $.13
 operations
               $(.06)
                                                 $(.30)
 Net earnings
                              $(.14)
 (loss)
             $(.36)
                     $(1.19)
                                       $(.16) $(1.85)
2001
Revenue
               $113,990 $109,252
                                      $97,052 $107,547 $427,841
Manufacturing
                            21,743
                                      19,317
                                               20,721
Leasing & services 19,205
                                                        80,986
                               116,369 128,268 508,827
           133,195
                     130,995
Cost of revenue
                104,033
                          105,031
                                     86,398
                                              97,960
                                                       393,422
Manufacturing
Leasing & services 10,195
                            10,983
                                     10,851
                                               11,266
                                                        43,295
                     116,014
                               97,249 109,226
           114,228
                                                  436,717
Margin
             $18,967
                       $14,981
                                  $19,120
                                           $19,042 $72,110
Earnings (loss)
from continuing
                1,559
                                          2,292
operations
                         2,633
                                  1,145
                                                   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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