

Highlights -- Enhanced performance in North America and Europe improved bottom line results from the same period last year. Loss from continuing operations of \$.8 million, or \$.05 per share, was realized for the second quarter of fiscal 2003. This compares to a loss from continuing operations of \$3.2 million, or \$.22 per share, in the second quarter of fiscal 2002. -- Second quarter fiscal 2003 results included costs of \$3.2 million pre-tax associated with certain temporary manufacturing inefficiencies and supplier related issues in North America. -- Management forecasts a return to profitability in the second half of the fiscal year and the year as a whole, as the result of higher production rates, improved margins, and operating efficiencies. -- New orders for 1,500 freight cars, with a value of \$90 million, were received during the second quarter. -- New railcar manufacturing backlog in North America and Europe rose to 5,800 units valued at \$330 million at February 28, 2003, compared to 5,700 units valued at \$310 million at November 30, 2002. -- The Company continues to maintain strong liquidity. After debt paydowns of \$17 million in the first half of the year, February 28, 2003 cash balances were virtually unchanged from August 31, 2002 at nearly \$60 million; unused lines of credit remained at \$110 million in North America.

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LAKE OSWEGO, Ore.

The Greenbrier Companies today reported improved results for its second fiscal quarter ended February 28, 2003. Both North American and European operations showed significant financial improvement against the prior year's second fiscal quarter. New railcar backlog and production rates have doubled during this same period. The Company anticipates a return to profitability for the second half of the fiscal year and for the year as a whole.

Results for continuing operations in North America were a loss of \$0.8 million for the second quarter of fiscal year 2003, compared to a loss of \$3.2 million in the second quarter of 2002 and nearly break even results for the first quarter of 2003. Loss from discontinued European operations was \$.5 million for the quarter, compared to a loss of \$13.7 million in the second quarter of 2002 and a loss of \$.6 million in the first quarter of 2003. The prior year's second quarter results include a special charge to continuing North American operations of \$2.1 million pretax, and a \$17.1 million pretax special charge to discontinued operations.

Net loss for the quarter was \$1.2 million, or \$.09 per share, compared to a net loss of \$16.8 million, or \$1.19 per share, in the second quarter of fiscal 2002.

Backlog remained strong and stable during the quarter in both North America and Europe. The February 28, 2003 backlog includes 4,500 units valued at \$230 million from North American operations and 1,300 units valued at \$100 million from European operations. The November 30, 2002 backlog also included 4,500 units valued at \$230 million in North America and 1,200 units valued at \$80 million in Europe. During the quarter, the Company received orders for 1,500 new railcars valued at \$90 million.

William A. Furman, president and chief executive officer, said, "Greenbrier's business outlook in new freight cars continues to improve. Orders for over 3,200 railcars have been received during the first six months of the fiscal year, pushing new railcar production and related financial visibility into our next fiscal year. We expect the Company to be profitable for the second half of the year and the year as a whole, due to higher production levels and improved margins at all of our new railcar facilities. The available supply of rail castings to meet scheduled production continues to be a critical item. We intend to press forward to protect our own interests and to seek a solution for the industry's difficulties."

"In Mexico, Gunderson-Concarril has been re-opened, and we have commenced production of boxcars for TTX Company. Starting in May, our Gunderson facility will exclusively build double-stack intermodal cars, where the market outlook is strong. Recent orders for over 1,300 riserless deck center partition cars provide a solid outlook for our TrentonWorks facility in Canada. Greenbrier's marine business also received a new order during the second quarter for a 100,000 barrel ocean-going oil barge, pushing its backlog into mid-2004."

Furman added, "We continue to make great progress in our European operations, as a result of aggressive cost reduction measures taken in 2002 and a rebound in the market. Greenbrier remains committed to its plan to recapitalize European operations by the end of fiscal 2003."

Mark Rittenbaum, senior vice president and treasurer, noted, "During each of the first two fiscal quarters of 2003, the Company delivered 1,200 new railcars in North America, compared to only 700 cars in the second quarter of 2002. Deliveries in the second half of fiscal 2003 are anticipated to exceed 3,500 units, as we operate at higher production levels."

"The company's second quarter was impacted by temporary production inefficiencies at TrentonWorks due to

the delay in drop deck center partition car production while patent litigation is being resolved. As a result of recent new orders at TrentonWorks, production of riserless deck cars has been accelerated to offset the delay, and TrentonWorks is operating at efficient levels of production again. Gunderson also experienced certain supplier related issues which are now resolved."

Rittenbaum added, "Greenbrier continues to maintain strong liquidity, with cash balances unchanged over the past six months at nearly \$60 million, pay downs of debt of \$17 million, and unused lines of credit of nearly \$110 million. EBITDA from continuing operations was \$14.3 million for the first six months of fiscal 2003, compared to \$11.2 million for the first six months of fiscal 2002."

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 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 second quarter results. Teleconference details are as follows:

Wednesday, April 9, 2003

8:00 a.m. 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, unaudited)

	February 28, 2003	August 31, 2002
Assets		
Cash and cash equivalents	\$59,240	\$58,777
Accounts and notes receivable	40,916	45,135
Inventories	69,949	56,868
Investment in direct finance leases	52,855	69,536
Equipment on operating leases	143,575	151,580
Property, plant and equipment	57,091	58,292
Other	19,959	21,507
Discontinued operations	45,416	65,751
	\$489,001	\$527,446
Liabilities and Stockholders' Equity		
Revolving notes	\$5,511	\$3,571
Accounts payable and accrued liabilities	117,493	108,244
Deferred participation	43,963	52,937
Deferred income taxes	14,859	13,823
Notes payable	122,046	136,577
Discontinued operations	56,672	77,188
Subordinated debt	23,131	27,069
Minority interest	4,898	4,898
Stockholders' equity	100,428	103,139
	\$489,001	\$527,446

Consolidated Statements of Operations
(In thousands, except per share amounts, unaudited)

	Three Months Ended February 28, 2003		Six Months Ended February 28, 2003	
Revenue				
Manufacturing	\$86,539	\$53,552	\$165,749	\$106,769
Leasing & services	18,190	18,270	35,869	36,509
	104,729	71,822	201,618	143,278
Cost of revenue				
Manufacturing	83,173	52,899	157,508	102,591
Leasing & services	10,961	10,632	22,52	720,863
	94,134	63,531	180,035	123,454
Margin	10,595	8,291	21,583	19,824
Other costs				
Selling and administrative expense	8,162	7,132	15,232	14,623
Interest expense	2,992	3,915	6,273	8,163
Special charges	--	2,083	--	2,083
	11,154	13,130	21,505	24,869
Earnings (loss) before income taxes, minority interest and equity in unconsolidated subsidiary	(559)	(4,839)	78	(5,045)
Income tax benefit (expense)	213	1,911	(16)	1,996
Earnings (loss) before minority interest and equity in unconsolidated subsidiary	(346)	(2,928)	62	(3,049)
Minority interest	18	171	--	--
Equity in unconsolidated subsidiary	(437)	(416)	(955)	(925)
Loss from continuing operations	(765)	(3,173)	(893)	(3,974)
Loss from discontinued operations (net of tax)	(472)	(13,653)	(1,088)	(17,895)
Net loss	\$(1,237)	\$(16,826)	\$(1,981)	\$(21,869)
Basic loss per common share				
Continuing operations	\$(0.05)	\$(0.22)	\$(0.06)	\$(0.28)
Discontinued operations	(0.04)	(0.97)	(0.08)	(1.27)
Net loss	\$(0.09)	\$(1.19)	\$(0.14)	\$(1.55)
Diluted loss per common share				
Continuing operations	\$(0.05)	\$(0.22)	\$(0.06)	\$(0.28)
Discontinued operations	(0.04)	(0.97)	(0.08)	(1.27)
Net loss	\$(0.09)	\$(1.19)	\$(0.14)	\$(1.55)
Weighted average common shares:				
Basic	14,121	14,121	14,121	14,121

Diluted	14,121	14,121	14,121	14,121
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Consolidated Statements of Cash Flows
(In thousands, unaudited)

Six Months Ended	
February 28,	
2003	2002

Cash flows from operating activities

Net loss	\$(1,981)	\$(21,869)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss from discontinued operations	1,088	17,895
Other changes in discontinued operations	(1,269)	(159)
Deferred income taxes	1,036	(5,051)
Deferred participation	(8,974)	(1,936)
Depreciation and amortization	8,895	9,044
Gain on sales of equipment	(333)	(507)
Other	(836)	(19)
Decrease (increase) in assets:		
Accounts and notes receivable	4,219	699
Inventories	(15,968)	157
Other	1,424	1,324
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	9,603	(4,639)
Net cash used in operating activities	(3,096)	(5,061)

Cash flows from investing activities

Principal payments received under direct finance leases	7,801	10,175
Proceeds from sales of equipment	17,492	14,785
Purchase of property and equipment	(4,928)	(10,312)
Investment in discontinued operations	--	(1,200)
Net cash provided by investing activities	20,365	13,448

Cash flows from financing activities

Changes in revolving notes	1,940	(7,856)
Repayments of notes payable	(14,808)	(20,663)
Repayment of subordinated debt	(3,938)	(8,230)
Dividends	--	(847)
Net cash used in financing activities	(16,806)	(37,596)

Increase (decrease) in cash and cash equivalents	463	(29,209)
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Cash and cash equivalents

Beginning of period	58,777	74,547
End of period	\$59,240	\$45,338

Supplemental Disclosure

Reconciliation of GAAP to EBITDA (A)
(In thousands, unaudited)

Six Months Ended	
February 28,	
2003	2002

Reported GAAP loss from continuing operations	\$(893)	\$(3,974)
Income tax (benefit) / expense	16	(1,966)
Interest expense	6,273	8,163
Depreciation and amortization	8,895	9,044
EBITDA from continuing operations	\$14,291	\$11,267

(A) "EBITDA" (earnings from continuing operations before interest, taxes, depreciation and amortization) is a measurement commonly used by the rail supply companies. It should not be considered in isolation or as a substitute for cash flow from operation activities or cash flow statement data prepared in accordance with generally accepted accounting principles.

Summarized results of operations of the discontinued operations are:

(In thousands)	Three Months Ended		Six Months Ended	
	February 28,		February 28,	
	2003	2002	2003	2002
Revenue (A)	\$13,851	\$27,246	\$55,751	\$35,673
Cost of revenue (A)	12,265	26,980	51,762	35,572
Margin	1,586	266	3,989	101
Selling and administrative expense	1,391	2,187	3,776	5,068
Interest expense	766	768	1,419	2,007
Special charges (B)	--	17,129	--	17,129
Loss before income taxes and minority interest	(571)	(19,818)	(1,206)	(24,103)
Income tax benefit	99	6,111	118	6,111
Minority interest	--	54	--	97
Loss from discontinued operations	\$(472)	\$(13,653)	\$(1,088)	\$(17,895)

The following assets and liabilities of the European operation are classified as discontinued operations:

(In thousands)	February 28, 2003	August 31, 2002
Cash and cash equivalents	\$8,695	\$8,953
Accounts receivable	15,750	9,645
Inventories (A)	12,128	39,304
Property, plant and equipment	1,540	1,072
Other	7,303	6,777
Total assets - discontinued operations	\$45,416	\$65,751
Revolving notes	\$19,480	\$22,249
Accounts payable and accrued liabilities (A)	29,721	47,385
Notes payable	7,471	7,554
Total liabilities - discontinued operations	\$56,672	\$77,188
Discontinued operations -liabilities	47,472	67,988
Estimated liabilities associated with discontinued operations ©	9,200	9,200
Total	\$56,672	\$77,188

(A) August 31, 2002 balances include \$26.9 million in inventory and associated deferred revenue for railcars delivered to a customer for which cash was received but revenue recognition delayed pending certification of railcars. Certification was obtained in the first quarter of 2003 and remaining railcars were delivered allowing recognition of revenue of \$27.7 million and the associated cost of revenue.

(B) Special charges relate to \$14.8 million of asset impairment write-downs and \$2.3 million in costs associated with a restructuring plan to reduce the scale of European operations.

© Estimated liabilities associated with discontinued operations represent obligations of the European operations. The settlement of these obligations will depend in part upon the results of negotiations. The aggregate amount of the obligations has been estimated pending determination of the final form of the resolution.

SOURCE: The Greenbrier Companies

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

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

<https://pressroom.gbrx.com/2003-04-09-Greenbrier-Announces-Improved-Second-Quarter-Results-and-Backlog-Forecasts-Return-to-Profitability-in-Second-Half-of-the-Fiscal-Year-and-for-the-Year-As-A-Whole>