Greenbrier Pressroom

PRNewswire-FirstCall
LAKE OSWEGO, Ore.

Ohio Castings Company, LLC, a joint venture between ACF Industries Holding Corp. (ACF) and The Greenbrier Companies today announced it has reached agreement with ASF-Keystone and Meridian Rail Products to take over the operation of Meridian's foundry located in Cicero, Illinois, a suburb of Chicago. The Cicero foundry, originally scheduled for closure by Meridian at the end of June, is one of only three railcar foundries currently operating in North America.

The foundry will operate as Chicago Castings Company, LLC, a wholly owned subsidiary of Ohio Castings. It will manufacture side frames and bolsters for ASF-Keystone, who will in turn re-market them to the industry, including to ACF and Greenbrier.

Ohio Castings was originally formed by ACF and Greenbrier in February 2003 as an equally owned LLC to address critical supply issues in the railroad truck castings industry. Under the new arrangement for Cicero, ASF-Keystone will acquire a minority interest in Ohio Castings and will supply intellectual property, designs and other assistance.

Jim Unger, vice chairman of ACF Industries LLP, said, "The railroad freight car building sector has been suffering from a severe shortage of castings. We have not been able to ship railcars on schedule, and builders have had to lay off employees because we cannot get castings. We realized that if Cicero shut down, the railcar building industry could grind to a halt. Somebody had to step in to make sure that did not happen. We got together with Greenbrier because we both saw a train wreck coming if railcar builders and railroads did not do something about the problem. This deal with ASF creates a strong buy-side alternative to an increasingly concentrated castings supply base weakened by an industry recession."

William A. Furman, president and chief executive officer of Greenbrier, noted, "The castings industry was facing near collapse after two years of very weak demand for new railcars. Additionally, there has been relentless buy-side pressure for lower prices from railroads and railcar leasing customers. Financial stability and competitive choice is needed in this sector; we felt that car builders had to play a leadership role. ASF-Keystone shared our concerns about the health of the industry and they bring world class technical and quality assurance capabilities to the venture."

John Wories, president of ASF-Keystone, said, "The production from Cicero is vital to keeping our customers supplied with castings. The decision to keep this facility running is a very positive development for the railcar industry. Ohio Castings will help to solve the short-term crisis and will strengthen the industry in the long term. Railcar builders have a vested interest in ensuring the viability of the castings supply chain, and ACF and Greenbrier have committed to being part of the solution."

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.

ACF Industries Holding Corporation and its subsidiaries and affiliates are major manufacturers and lessors of railcars, as well as foundry, castings and a wide range of other industrial products and services.

ASF-Keystone, a division of AMSTED Industries, is headquartered in Granite City, IL. AMSTED Industries Incorporated is a privately-held, diversified manufacturer of products for the railroad, vehicular, and construction and building industries.

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.

SOURCE: Greenbrier Company, LLC

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

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