LAKE OSWEGO, OREGON, JANUARY 13, 2004 -

## Highlights

- Strong performance in both North America and Europe drove profitability for the first fiscal quarter ended November 30, 2003.
- Net earnings for the first quarter of fiscal 2004 were \$4.2 million, or \$.28 per diluted share. This compares to a net loss of \$0.7 million, or \$.05 per diluted share, in the first quarter of fiscal 2003, and to net income of \$3.3 million, or \$.23 per diluted share, for the fourth quarter ended August 31, 2003.
- Revenues for the quarter grew by 16% to \$112 million, compared to the prior year's first quarter.
- New railcar deliveries in North America, including those from the Company's unconsolidated Mexican joint venture, grew by nearly 45% to 1,700 units, up from 1,200 units in the prior year's first quarter.
- New railcar manufacturing backlog in North America and Europe was 11,500 units valued at \$620 million at November 30, 2003, up from 10,700 units valued at \$580 million at August 31, 2003.
- An updated letter of intent was signed with a private equity group to recapitalize the Company's European freight car operations.
- The Company continues to maintain strong liquidity. After additions to the lease fleet and plant improvements of \$10 million and debt reductions of \$7 million during the quarter, and cash usage for working capital needs, cash balances were \$51 million. Unused lines of credit remained at nearly \$110 million in North America.
- EBITDA from continuing operations for the first quarter of 2004 was \$13 million, up from \$8 million in the prior year's first quarter, and \$11 million in the fourth quarter of 2003.

The Greenbrier Companies [NYSE:GBX] today reported profitable results for its first fiscal quarter ended November 30, 2003. Higher production rates, improved margins and operating efficiencies continue to drive results. Both continuing North American and discontinued European operations reported profits for the quarter.

New railcar backlog remains strong in both North America and Europe, stretching into fiscal 2005. The November 30, 2003 backlog includes 9,900 units valued at \$480 million from North American operations and 1,600 units valued at \$140 million from European operations. The August 31, 2003 backlog included 9,000 units valued at \$440 million in North America and 1,700 units valued at \$140 million in Europe.

William A. Furman, president and chief executive officer, said, "Our strong railcar and marine manufacturing backlog provides good financial visibility stretching well into fiscal 2005. The leasing & services segment is also benefiting from the market rebound. Our lease fleet of 12,000 <PAGE>

owned railcars realized 95% "on lease" utilization for the quarter, up from 92% at the end of the prior quarter. We intend to continue to add to our lease fleet during the year and to pursue other accretive investments."

Furman added, "The recapitalization of our European operation is proceeding on schedule. The Company has entered into a letter of intent with private investors, subject to satisfactory third party debt financing, completion of final documentation, obtaining necessary Polish government clearance, and other conditions. After the recapitalization, Greenbrier will maintain a small minority interest and assume a passive role. The Company remains committed to completing the recapitalization during its second fiscal quarter of 2004. In the meantime, Greenbrier Europe continues its return to profitability and has produced improved financial results."

The Greenbrier Companies (www.gbrx.com), 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. The Company produces rail castings through an unconsolidated joint venture and also manufactures new freight cars through the use of unaffiliated subcontractors. Greenbrier owns approximately 12,000 railcars and performs management services for approximately 113,000 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 first quarter 2004 results. Teleconference details are as follows:

Tuesday, January 13, 2004
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.

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THE GREENBRIER COMPANIES, INC.
Condensed Consolidated Balance Sheets
(In thousands, unaudited)

<TABLE> <CAPTION>

November August

	30, 2003	-	
<s></s>	<c></c>	 -C>	
Assets	<b>&lt;</b> 0 <i>&gt;</i>	<0>	
Cash and cash equivalents Accounts and notes receival Inventories Investment in direct finance Equipment on operating leas Property, plant and equipme Other Discontinued operations	103,2 leases ses ent 23,423	279 91,3 34,971 144,599	59,669 10 41,821 139,047 56,684
		\$538,948 ======	
Liabilities and Stockholders' E Revolving notes Accounts payable and accru Participation Deferred revenue Deferred income taxes	\$ 6 led liabilitie 56,3 3	78 55,90 6,090 39 18,908	2 114,459 01 9,776 16,127
Notes payable Discontinued operations	106	65,827 65,827	
Subordinated debt	1	8,923 2	·
Subsidiary's shares subject redemption	to mandato	ory 4,03	4 4,898
Stockholders' equity	11	18,638 1	11,142

  
 ====== | \$538,948 = ===== | == ||  | THE GRE | :FNRKIFK ( | COMPANIES, INC. |
Consolidated Statements of Operations (In thousands, except per share amounts, unaudited)

	Three Months Ended November 30,				
		2002			
Revenue  Manufacturing  Leasing & services	\$ 9	4,235 17,896	\$ 79,211 17,678		
	112,131	96,8	389		
Cost of revenue  Manufacturing  Leasing & services		5,144 10,836  85,9	11,566		
Margin	16,1	51 1	0,988		
Other costs Selling and administrative expense 8,167 6,670 Interest expense 2,079 3,282					
	10,246	9,95	52		
Earnings before income taxes minority interest and equity in loss of unconsolidated sub		5,90	05 1,036		
Income tax expense		(2,490)	(396)		
Earnings before minority interest and equity in loss of unconsolidated subsidiary	,	3,415	640		

Minority interest	(18)					
Equity in loss of						
unconsolidated subsidiary	(318) (517)					
Earnings from continuing operation	s 3,097 105					
Earnings (loss) from						
discontinued operations (net of tax)	1,058 (848)					
Net earnings (loss)	\$ 4,155 \$ (743)					
====	=====					
Pagio carningo (loca) par common o	charo:					
Basic earnings (loss) per common s Continuing operations	\$ 0.22 \$ 0.01					
Discontinued operations	0.07 (0.06)					
·						
Net earnings (loss)	\$ 0.29 \$ (0.05)					
====:	===== ======					
Diluted earnings (loss) per commor						
Continuing operations	\$ 0.21 \$ 0.01					
Discontinued operations	0.07 (0.06)					
Net earnings (loss)	\$ 0.28 \$ (0.05)					
====	=====					
Weighted average common shares:						
	14,353 14,121					
Diluted 1	4,890 14,121					

THE GREENBRIER COMPANIES, INC.

Consolidated Statements of Cash Flows (In thousands, unaudited)

## Three Months Ended November 30,

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2003 2002

## CASH FLOWS FROM OPERATING ACTIVITIES:

Net earnings (loss) \$ 4,155 \$ (743)

Adjustments to reconcile net earnings (loss) to net cash (used in) provided by operating activities:

(Earnings) loss from discontinued operations (1,058) 848

Other changes in discontinued operations 155 196

Deferred income taxes 2,781 (1,888)

Depreciation and amortization 5,176 4,446

Gain on sales of equipment (146) (29)

Other 2,756 549

Decrease (increase) in assets:

Accounts and notes receivable (1,903) 773

Inventories (12,061) (10,817)

Other 969 995

Increase (decrease) in liabilities:

Accounts payable and accrued liabilities (12,440) 3,917

Participation 477 860

Deferred revenue (3,495) 2,583

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Net cash (used in) provided by

operating activities (14,634) 1,690

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## CASH FLOWS FROM INVESTING ACTIVITIES:

Principal payments received under

direct finance leases 2,857 4,115

Proceeds from sales of equipment 4,057 4,018

Investment in unconsolidated joint venture (1,005)

Purchases of property and equipment (9,500) (3,535)

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Net cash (used in) provided by

investing activities (3,591) 4,598

CASH FLOWS FROM FINANCING ACTIVITIES:

Changes in revolving notes 740 (628)

Repayments of notes payable (4,571) (6,294)

Repayments of subordinated debt (1,998) (655)

Exercise of steek entires

Exercise of stock options 534 ---

Purchase of subsidiary's shares subject

to mandatory redemption (968) --

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Net cash used in financing activities (6,263) (7,577)

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DECREASE IN CASH AND CASH EQUIVALENTS

(24,488) (1,280)

CASH AND CASH EQUIVALENTS

Beginning of period 75,700 58,777

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End of period \$51,212 \$57,488

THE GREENBRIER COMPANIES, INC.

SUPPLEMENTAL DISCLOSURE

Reconciliation of Net Cash Provided by Operating Activities to EBITDA (In thousands, unaudited)

Three Months Ended

November 30,

2003 2002

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Changes in working capital	28	,453	1,689	)
Changes in discontinued operations	3	(155)	(1	96)
Deferred income taxes	(2,7	'81)	1,888	
Gain on sales of equipment		146	29	
Other	(2,756)	(549)		
Income tax expense	2,49	90	396	
Interest expense	2,079	3,2	282	
EBITDA from continuing operations		\$ 12,842	2 \$	8,229
	======	=====	=	

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

https://pressroom.gbrx.com/2004-01-13-Greenbrier-reports-strong-profits-grows-backlog-will-recapitalize-European-operations