Greenbrier Pressroom

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LAKE OSWEGO, Ore.

The Greenbrier Companies announced today it plans to defend vigorously a lawsuit it believes is "baseless" and "without merit." The Company said that the complaint filed by Greenbrier's chairman, Alan James, significantly distorts both the purpose of a recently adopted Stockholder Rights Plan and the process of adoption. The lawsuit was filed today in Delaware in an effort to rescind the Company's Stockholder Rights Plan, enacted following a recent meeting of the Company's Board of Directors. The Plan was adopted after careful consideration by the Board in the interest of all stockholders of the Company.

William A. Furman, president and chief executive officer, said, "The Rights Plan was enacted by the Company's Board of Directors on July 13, 2004 on a 6 - 1 vote, with Alan James the only Board member voting against the Plan. Over the span of several months and three separate Board meetings, and with the advice of counsel and financial advisors, the Board gave very careful and deliberate consideration to all aspects of the Plan, and to the concerns of Alan, prior to enacting it. Contrary to the allegations of the lawsuit and the colorful language of Alan's press release, Greenbrier's Board members did fulfill their fiduciary duties to all stockholders, and the Plan is sound."

Furman added, "The Rights Plan was not enacted in response to any particular threat or effort to acquire control of the Company. Rather, it was enacted to empower the Board to ensure that any potential acquirer would treat all stockholders fairly and equally. The Plan is similar to plans adopted by over 2,200 other public companies. We are all disappointed that Alan views the Rights Plan as directed at him."

Furman concluded, "Due to the unusual nature of Greenbrier's stock ownership, where Alan and I each own 29.3% of Greenbrier's stock, the Rights Plan is essential to empower the Board of Directors, as representative of all stockholders, to more effectively deal with any unsolicited offers to acquire the Company, irrespective of the origin of the offer. Adoption of the Plan coincides with the expiration on July 1, 2004 of certain provisions of the Stockholders' Agreement between Alan and me, which required our shares to be voted in concert on matters submitted to a vote of Greenbrier's stockholders."

The Company declined to comment on specific allegations in the complaint. However, Mr. Furman noted, "The Board carefully reviewed, over the course of three meetings, Alan's objections to adopting a Plan. The Board did make certain changes to accommodate his concerns. Most importantly, the Board has retained total flexibility under the Plan to make any future adjustments necessary."

The Greenbrier Companies (www.gbrx.com), headquartered in Lake Oswego, OR, is a leading supplier of transportation equipment and services to the railroad industry. In addition to building new railroad freight cars in the U.S., Canada, and Mexico and to repairing and refurbishing freight cars and wheels at 13 locations across North America, Greenbrier builds new railroad freight cars and refurbishes freight cars for the European market through both its operations in Poland and various subcontractor facilities throughout Europe. Greenbrier owns approximately 11,000 railcars, and performs management services for approximately 122,000 railcars.

"SAFE HARBOR" STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This release may contain forward-looking statements. Greenbrier uses words such as "anticipate," "believe," "plan," "expect," "future," "intend" and similar expressions to identify forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, actual future costs and the availability of materials and a trained workforce; steel price increases and scrap surcharges; changes in product mix and the mix between manufacturing and leasing & services segment; labor disputes, energy shortages or operating difficulties that might disrupt manufacturing operations or the flow of cargo; production difficulties and product delivery delays as a result of, among other matters, changing technologies or non-performance of subcontractors or suppliers; ability to obtain suitable contracts for the sale of leased equipment; all as may be discussed in more detail under the heading "Forward Looking Statements" on pages 3 through 4 of Part I of our Annual Report on Form 10-K for the fiscal year ended August 31, 2003. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements.

SOURCE: The Greenbrier Companies

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