~ Posts fourth quarter net earnings of \$0.37 per share on revenues of \$230 million ~ ~ Achieves improved performance in Manufacturing and Leasing & Services business segments ~ ~ Reaches fourth quarter EBITDA of \$23.7 million; Highest level in fiscal 2009 ~

PRNewswire-FirstCall LAKE OSWEGO, Ore.

The Greenbrier Companies today reported results for its fiscal fourth quarter and year ended August 31, 2009.

Financial Highlights

Fourth Quarter:

- -- Revenues for the quarter were \$230 million, down \$132 million vs. the prior year's fourth quarter.
- -- Net earnings for the quarter were \$6.7 million, or \$.37 per diluted share vs. \$7.4 million, or \$.45 per diluted share, in the prior year's fourth quarter.
- -- Results for the quarter include severance costs, write-off of loan fees and warrant amortization expense of \$2.5 million, net of tax, or \$.14 per diluted share. Results for the quarter also include tax benefits of \$6.8 million, or \$.37 per diluted share, related to a reversal of a deferred tax liability and deemed liquidation of a foreign subsidiary for tax purposes.
- -- EBITDA for the quarter was \$23.7 million, or 10.3% of revenues, compared to \$33.7 million, or 9.3% of revenues in the fourth quarter of 2008.

Fiscal 2009:

- -- Revenues for the year were down 21%, to \$1.0 billion, reflecting the impact of the economic recession on all business segments.
- -- Net loss for 2009 was \$54.1 million, or \$3.21 per diluted share, vs. prior year's net earnings of \$19.5 million, or \$1.19 per diluted share. The 2009 results include special charges, net of tax, of \$51.0 million, or \$3.03 per diluted share. The 2008 results include special charges of \$2.3 million, or \$.14 per diluted share, with no related tax benefit. Special charges for fiscal 2009 relate to the impairment

of a portion of the Company's goodwill, while fiscal 2008 special charges were associated with closure costs of the Company's Canadian railcar manufacturing facility.

-- EBITDA before special charges for fiscal 2009 was \$65.9 million, or 6.5% of revenues, vs. 2008 EBITDA before special charges of \$116 million, or 9.0% of revenues.

Liquidity:

- -- The Company ended the year with \$76 million of cash and \$106 million of committed additional borrowing capacity.
- -- Net debt was reduced by \$35 million during the quarter and \$102 million during the year.

Deliveries and Backlog:

- -- New railcar deliveries in the fourth quarter of 2009 were 900 units, compared to 1,800 units in the fourth quarter of 2008.
- -- Total new railcar deliveries were 3,700 units in fiscal 2009, compared to 7,300 units in fiscal 2008.
- -- Greenbrier's new railcar manufacturing backlog as of August 31, 2009 was 13,400 units valued at \$1.16 billion, compared to 14,100 units valued at \$1.25 billion as of May 31, 2009. Based on current production plans, approximately 2,400 units in backlog are scheduled for delivery in 2010.
- -- Marine backlog was \$126 million as of August 31, 2009 and \$145 million as of May 31, 2009.

Fourth Quarter Results

Revenues for the fourth quarter of fiscal 2009 were \$230.4 million, down from \$362.0 million in the prior year's fourth quarter. Gross margin for the quarter was 14.0% compared to 11.9% in the prior comparable period. EBITDA was \$23.7 million, or 10.3% of revenues for the quarter, compared to \$33.7 million, or 9.3% of revenues in the prior year's fourth quarter. Net earnings were \$6.7 million, or \$.37 per diluted share, for the quarter, compared to net earnings of \$7.4 million, or \$.45 per diluted share for the same period in 2008.

Backlog and GE Multi-Year Contract

Approximately 11,500 units, or 85% of the Company's new railcar backlog as of August 31, 2009, are subject to a long term contract with General Electric Railcar Services ("GE"). 8,500 of these units, to be built over a five-year period commencing in mid 2011, are subject to our fulfillment of certain conditions. During calendar 2008, GE advised the Company of its desire to substantially reduce, delay or otherwise cancel deliveries under the contract, and we are currently in discussions with GE about a contract modification. Greenbrier continues to deliver and GE continues to accept and pay for railcars under the contract. As of October 31, 2009, 328 tank cars and 200 hopper cars have been delivered under the contract.

Discussion of Quarterly Results

William A. Furman, president and chief executive officer, said, "Stronger performance in our Manufacturing and Leasing & Services segments and a favorable tax rate led to a sequential improvement in our quarterly operating results. Our diversification efforts continue to pay off and reduce the effects of the economic downturn. Yet the markets in which we operate remain challenging. For example, year-to-date rail loadings in North America are down about 18%, and a significant portion of the entire North American railcar fleet remains idle. In this environment, we continue to scale our operations and control costs, manage the Company for cash flow and liquidity, and prudently deploy capital. During the quarter, we paid down net debt by an additional \$35 million."

Segment Details

The Refurbishment & Parts segment, consisting of a network of 38 locations, repairs and refurbishes railcars and provides wheel services and railcar parts across North America. Revenue for this segment in the current quarter was \$102.0 million, compared to \$158.6 million in the fourth quarter of 2008. This segment generated 44% of total Company revenues for the fourth quarter. Gross margin for the Refurbishment & Parts segment was 13.1% of revenues, compared to 22.2% of revenues in the prior comparable period. Lower volumes and net scrap pricing, as well as a less favorable mix of repair and refurbishment work led to lower margins.

The Manufacturing segment consists of marine and new railcar production in North America and new railcar production in Europe. Manufacturing segment revenue for the fourth quarter was \$108.2 million, compared to \$180.7 million in the fourth quarter of 2008. Current quarter new railcar deliveries of 900 units were down from 1,800 units in the prior comparable period. Manufacturing gross margin for the fourth quarter was 8.6% of revenues, compared to negative 2.0% in the fourth quarter of 2008. Manufacturing gross margin improvement reflects marine labor efficiencies and a more favorable railcar mix, offset somewhat by lower plant utilization levels and

\$1.7 million of severance costs.

The Leasing & Services segment includes results from the Company's owned lease fleet of approximately 9,000 railcars and from fleet management services provided for approximately 217,000 railcars. Revenue for this segment was \$20.2 million, compared to \$22.7 million in the same quarter last year. Leasing & Services gross margin for the quarter was 48.1% of revenue, compared to 50.0% of revenue in the same quarter last year. The revenue and gross margin decrease was principally due to lower lease fleet utilization and lower leasing rates on certain railcar leases. Lease fleet utilization as of the end of the quarter was 88.3%, as compared to 92.1% as of the end of the third quarter of 2009 and 95.2% as of the end of the fourth quarter of 2008. Gains on the sale of leased equipment were \$1.2 million for the quarter, compared to \$1.0 million for the fourth quarter of 2008.

Selling and administrative costs were \$17.6 million for the quarter, or 7.6% of revenues, versus \$20.5 million or 5.7% of revenues for the same quarter last year. The decrease in costs is principally due to cost reduction initiatives.

Interest and foreign exchange expense increased \$1.8 million to \$12.3 million for the quarter, compared to \$10.5 million in the fourth quarter of 2008. Current quarter results include \$1.1 million of amortization expense related to warrants issued as part of the WL Ross & Co strategic investment and a \$0.9 million write-off of loan fees associated with the reduction in size of the Company's North American revolving credit facility. In addition, foreign exchange losses for the quarter were \$1.0 million, as compared to \$0.8 million in the fourth quarter of 2008. In fiscal 2010, warrant amortization expense is expected to be \$4.5 million. Also, a convertible debt accounting methodology change, effective as of the beginning of fiscal 2010, will result in an additional \$4.1 million of non-cash interest expense in fiscal 2010.

Furman continued, "2009 was a turbulent and challenging year for the economy and the markets in which we operate. Yet Greenbrier realized a number of operational and strategic accomplishments, including: 1) delivery of our first tank and covered hopper cars under the GE contract, meeting GE's high quality standards despite the stress of prolonged disputes with GE; 2) a record year in our marine operations; 3) significant growth in our fleet of managed railcars, which increased by 80,000 units; 4) an extension of a major wheel services contract with Union Pacific Railroad until Fall 2012; 5) improvement in our liquidity and a strengthening of our balance sheet, through the strategic investment by WL Ross & Co. and renegotiation of our revolving credit lines; 6) return to profitability of our European operations; 7) a reduction in net debt outstanding by \$102 million; 8) a reduction in annual selling and administrative costs by almost \$20 million; and 9) a near doubling of gross margins in the second half of fiscal 2009 over the first half."

Furman concluded, "These initiatives, combined with our recent expansion into less cyclical

markets and improved manufacturing footprint, have allowed us to better weather the economic downturn, improve our competitive positioning, enhance and grow our integrated business model, improve liquidity and create a platform for future growth. While our outlook remains cautious in the near term, we continue to be optimistic about the long-term fundamentals that support rail and marine transportation."

Business Outlook

Given current industry trends, including depressed levels of railroad traffic and high levels of railcar storage, Greenbrier expects business to remain challenging in fiscal 2010, particularly for the Company's new railcar manufacturing operations. As a result, management anticipates that revenues will be lower in fiscal 2010 compared to fiscal 2009. However, the Company currently anticipates fiscal 2010 EBITDA will be higher than fiscal 2009 EBITDA before special charges due in part to higher expected gross margins in Greenbrier's Manufacturing and Refurbishment & Parts segments. Fiscal 2010 results are expected to include non-cash after-tax charges of \$5.2 million, or \$.27 per diluted share, related to warrant amortization expense and a change in accounting methodology for convertible bonds. Second half fiscal 2010 results are anticipated to be stronger than the first half, similar to what occurred in fiscal 2009.

Conference Call

The Greenbrier Companies will host a teleconference to discuss fourth quarter and fiscal year end results. Teleconference details are as follows:

- -- Thursday, November 12, 2009
- -- 8:00 am Pacific Standard Time
- -- Phone #: 630-395-0143, Password: "Greenbrier"
- -- 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 website for 30 days. Telephone replay will be available through November 28, 2009 at 203-369-0929.

About Greenbrier Companies

Greenbrier (www.gbrx.com), headquartered in Lake Oswego, Oregon, is a leading supplier of transportation equipment and services to the railroad industry. The Company builds new railroad freight cars in its three manufacturing facilities in the U.S. and Mexico and marine barges at its U.S. facility. It also repairs and refurbishes freight cars and provides wheels and railcar parts at

38 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 9,000 railcars, and performs management services for approximately 217,000 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, turmoil in the credit markets and financial services industry; high levels of indebtedness and compliance with the terms of our indebtedness; write-downs of goodwill in future periods; sufficient availability of borrowing capacity; fluctuations in demand for newly manufactured railcars or failure to obtain orders as anticipated in developing forecasts; loss of one or more significant customers; customer payment defaults or related issues; actual future costs and the availability of materials and a trained workforce; failure to design or manufacture new products or technologies or to achieve certification or market acceptance of new products or technologies; steel price fluctuations and scrap surcharges; changes in product mix and the mix between segments; 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 and risks related to car hire and residual values; difficulties associated with governmental regulation, including environmental liabilities; integration of current or future acquisitions; succession planning; all as may be discussed in more detail under the headings "Risk Factors" on page 11 of Part I, Item 1a and "Forward Looking Statements" on page 3 of our Annual Report on Form 10-K for the fiscal year ended August 31, 2008. 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 forwardlooking statements.

EBITDA is not a financial measure under GAAP. We define EBITDA as earnings from continuing operations before special charges, interest and foreign exchange, taxes, depreciation and amortization. We consider net cash provided by operating activities to be the most directly comparable GAAP financial measure. EBITDA is a liquidity measurement tool commonly used by rail supply companies and we use EBITDA in that fashion. You should not consider EBITDA in isolation or as a substitute for cash flow from operations or other cash flow statement data determined in accordance with GAAP. In addition, because EBITDA is not a measure of financial performance under GAAP and is susceptible to varying calculations, the EBITDA measure

presented may differ from and may not be comparable to similarly titled measures used by other companies.

THE GREENBRIER COMPANIES, INC.

Condensed Consolidated Balance Sheets Years ended August 31,

(In thousands)

Assets 2009 2008

Cash and cash equivalents \$76,187 \$5,957

Restricted cash 1,083 1,231

Accounts receivable 113,371 181,857

Inventories 142,824 252,048

Assets held for sale 31,711 52,363

Equipment on operating leases 313,183 319,321

Investment in direct finance leases 7,990 8,468

Property, plant and equipment 127,974 136,506

Goodwill 137,066 200,148

Intangibles and other assets 96,902 99,061

\$1,048,291 \$1,256,960

Liabilities and Stockholders' Equity

Revolving notes \$16,041 \$105,808

Accounts payable and accrued liabilities 170,889 274,322

Losses in excess of investment in de-consolidated

subsidiary 15,313 15,313

Deferred income taxes 62,530 74,329

Deferred revenue 19,250 22,035

Notes payable 542,180 496,008

Minority interest 8,724 8,618

Stockholders' equity: 213,364 260,527

\$1,048,291 \$1,256,960

THE GREENBRIER COMPANIES, INC.

Consolidated Statements of Operations Years ended August 31,

(In thousands, except per share

amounts) 2009 2008 2007

Revenue

Manufacturing\$462,496\$665,093\$738,424Refurbishment & Parts476,164527,466381,670Leasing & Services79,46597,520103,734

1,018,125 1,290,079 1,223,828

Cost of revenue

Manufacturing 458,733 653,879 680,908 Refurbishment & Parts 420,294 426,183 317,669

Leasing & Services 45,991 47,774 45,818

925,018 1,127,836 1,044,395

Margin 93,107 162,243 179,433

Other costs

 Selling and administrative
 65,743
 85,133
 83,414

 Interest and foreign exchange
 42,081
 40,770
 39,915

 Special charges
 55,667
 2,302
 21,899

55,007 2,502 21,

163,491 128,205 145,228

Earnings (loss) before income tax, minority interest and equity in unconsolidated subsidiary

(70,384) 34,038 34,205

Income tax benefit (expense) 15,417 (18,550) (13,657)

Earnings (loss) before minority interest and equity in unconsolidated subsidiary

(54,967) 15,488 20,548

Minority interest 1,472 3,182 1,504

Equity in earnings (loss) of

unconsolidated subsidiary (565) 872 (42)

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Net earnings (loss) \$(54,060) \$19,542 \$22,010

======= =======

Basic earnings (loss) per common

share: \$(3.21) \$1.19 \$1.37

Diluted earnings (loss) per common

share: \$(3.21) \$1.19 \$1.37

Weighted average common shares:

Basic 16,815 16,395 16,056 Diluted 16,815 16,417 16,094

THE GREENBRIER COMPANIES, INC.

Condensed Consolidated Statements of Cash Flows Years ended August 31,

(In thousands) 2009 2008 2007

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Cash flows from operating

activities:

Net earnings (loss) \$(54,060) \$19,542 \$22,010

Adjustments to reconcile net

earnings to net cash

provided by operating activities:

Deferred income taxes (11,799) 12,919 10,643 Depreciation and amortization 37,669 35,086 32,826

```
Gain on sales of equipment
                                  (1,167) (8,010) (13,400)
  Special charges
                              55,667
                                        2,302
                                                21,899
  Minority interest
                             (1,294)
                                      (3,128) (1,604)
   Discount accretion
                               1,117 -
                           3.405
                                     336
                                             205
  Other
Decrease (increase) in assets
excluding acquisitions:
   Accounts receivable
                               58,521 (7,621) (17,883)
   Inventories
                            98,751 (29,692) 14,260
   Assets held for sale
                              21,841 (10,621) 4,378
   Other
                           1,157
                                   (2,700) (411)
Increase (decrease) in liabilities
excluding acquisitions:
   Accounts payable and accrued
                         (86,514) 21,801 (24,600)
   liabilities
   Deferred revenue
                              (2,829) 1,904 (1,996)
Net cash provided by operating
activities
                          120,465 32,118 46,327
Cash flows from investing
activities:
   Principal payments received under
   direct finance leases
                                429
                                         375
                                                 511
   Proceeds from sales of equipment
                                   15,555 14,598 119,695
  Investment in and net advances to
   unconsolidated subsidiaries
                                          858
                                                  (849)
  Acquisitions, net of cash acquired - (91,166) (268,184)
                                - (1,217)
   De-consolidation of subsidiary
   Decrease (increase) in restricted
   cash
                           (109)
                                   2,046
                                             (454)
                               (38,847) (77,644) (137,294)
  Capital expenditures
Net cash used in investing
 activities
                          (22,972) (152,150) (286,575)
Cash flows from financing
activities:
  Changes in revolving notes (81,251) 55,514 15,007
```

Net proceeds from issuance of notes 69,768 49,613 payable 99,441 (16,436)Repayments of notes payable (6,919) (5,388)Repayment of subordinated debt (2,091)Investment by joint venture partner 1,400 6,600 6,750 Dividends paid (2,001) (5,261) (5,144)Stock options and restricted stock awards exercised 5,085 4,007 3,489 Excess tax benefit (expense)of stock options exercised (1,112)(76)3,719 Net cash provided by (used in) financing activities (24,547) 103,478 115,783 Effect of exchange rate changes (2,716) 1,703 2,379 Increase (decrease) in cash and cash equivalents 70,230 (14,851) (122,086) Cash and cash equivalents Beginning of period 5,957 20,808 142,894 End of period \$76,187 \$5,957 \$20,808

THE GREENBRIER COMPANIES, INC.

Supplemental Information Quarterly Results of Operations (Unaudited)

Operating results by quarter for 2009 and 2008 are as follows:

(In thousands, except per share amounts)

Total First Second Third Fourth

Revenue Manufacturing \$102,717 \$145,574 \$105,986

2009

\$108,219 \$462,496

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Refurbishment
          132,279 121,681 120,190 102,014 476,164
& Parts
Leasing &
          21,133 19,877 18,272 20,183
Services
                                           79,465
                           -----
       256,129 287,132 244,448 230,416 1,018,125
Cost of
revenue
Manufacturing 106,923 152,003 100,847 98,960 458,733
Refurbishment
& Parts
          119,326 107,427 104,859 88,682 420,294
Leasing &
Services
        11,929 11,547 12,049 10,466
                                           45,991
       238,178 270,977 217,755 198,108 925,018
Margin 17,951 16,155 26,693 32,308 93,107
Other costs
Selling and
administrative 15,980 16,265 15,886 17,612
                                            65,743
Interest and
foreign
exchange 10,846 8,192 10,749 12,294 42,081
Special
charges
          - - 55,667 - 55,667
        26,826 24,457 82,302 29,906 163,491
Earnings
(loss)
before
income tax,
minority
interest and
equity in
unconsolidated
```

(8,875) (8,302) (55,609) 2,402 (70,384)

subsidiary

Income tax benefit 4,544 1,324 4,841 4,708 15,417 Minority 687 interest 568 351 (134)1,472 Equity in earnings (loss) of unconsolidated subsidiary 434 (251)(457)(291)(565)Net earnings (loss) \$(3,329) \$(6,878) \$(50,538) \$6,685 \$(54,060) ====== ====== Basic earnings (loss) per common share: \$(0.20) \$(0.41) \$(3.00) \$0.40 \$(3.21) Diluted earnings

(1) Quarterly amounts do not total to the year ended amount as each quarter is calculated discretely. The dilutive effect of common stock equivalents is excluded from per share calculations for the first three quarters and the year ended August 31, 2009 due to a net loss for those periods.

\$(3.00)

\$(0.20) \$(0.41)

\$0.37

\$(3.21) (1)

First	Second	Third	Fourth	Total

(loss) per common

share:

Revenue Manufacturing Refurbishment Parts 10 Leasing & Services	& 03,889 1 23,295	112,576 23,603	152,367 27,914	158,634 22,708	527,4	466		
286, Cost of revenue Manufacturing Refurbishment Parts 8 Leasing & Services	,378 259 e 150,565 & 7,951 9	9,573 3 5 118,22 94,396 12,279	120,442	362,022 313 184, 123,394 11,352	276 6 426,18	653,879 33		
	,441 22	4,900 3	333,473	319,022				
Other costs Selling and administrative 20,184 21,000 23,407 20,542 85,133 Interest and foreign								
exchange Special charge						' 0		
30,792 32,966 33,397 31,050 128,205								
Earnings before income tax, minority interest and equity in unconsolidated subsidiary	d	1,707	15,236	11,950	34,038	3		
Income tax	(0.050)	(4.004)	(7.570)	(0.44=)	/10 FF	٥,		

(1,904) (7,573) (6,117) (18,550)

(2,956)

expense

Minority

interest 375 1,367 272 1,168 3,182

Equity in

earnings of

unconsolidated

subsidiary 78 253 191 350 872

Net earnings \$2,642 \$1,423 \$8,126 \$7,351 \$19,542

Basic earnings

per common

share: \$0.16 \$0.09 \$0.49 \$0.45 \$1.19

Diluted

earnings per

common share: \$0.16 \$0.09 \$0.49 \$0.45 \$1.19

THE GREENBRIER COMPANIES, INC.

Supplemental Disclosure

Reconciliation of Net Cash Provided by Operating Activities to EBITDA(1) (In thousands, unaudited)

Year ended August 31,

2009 2008

Net cash provided by

operating activities

\$120,465 \$32,118

Changes in working capital (36,377) 29,231

Special charges (55,667) (2,302)

Deferred income taxes 11,799 (12,919)

Gain on sales of equipment 1,167 8,010

Other (3,405) (336)

Minority interest 1,294 3,128 Income tax expense (benefit) (15,417) 18,550

Interest and foreign currency 42,081 40,770

Adjusted EBITDA from operations

before special charges \$65,940 \$116,250

Three months ended August 31, August 31, 2009 2008

Net cash provided by

operating activities \$31,224 \$12,158

Changes in working capital (14,954) 6,938

Deferred income taxes 1,373 (3,737)

Gain on sales of equipment 1,230 1,012

Other (2,453) (439)

Minority interest (324) 1,171

Income tax expense (benefit) (4,709) 6,118
Interest and foreign currency 12,294 10,507

Adjusted EBITDA from Operations

before special charges \$23,681 \$33,728

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(1) "EBITDA" (earnings from continuing operations before special charges, interest and foreign exchange, 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.

First Call Analyst:

FCMN Contact: emily.jenkins@gbrx.com

SOURCE: The Greenbrier Companies

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

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

https://pressroom.gbrx.com/2009-11-12-Greenbrier-Reports-Fiscal-Fourth-Quarter-and-Year-End-2009-Results