Greenbrier Pressroom

PR Newswire LAKE OSWEGO, Ore.

LAKE OSWEGO, Ore., Nov. 10, 2010 / PRNewswire-FirstCall / -- The Greenbrier Companies (NYSE: GBX) today reported results for its fiscal fourth quarter ended August 31, 2010.

Financial Summary

Fourth Quarter:

- Revenues for the fourth quarter of 2010 were \$181.4 million, down from \$230.4 million in the prior year's fourth quarter.
- EBITDA before a special item for the quarter was \$15.5 million, or 8.6% of revenues, compared to \$23.7 million, or 10.3% of revenues in the fourth quarter of 2009.
- The Company's net earnings for the quarter were \$7.7 million, or \$.33 per diluted share, compared to net earnings of \$6.1 million, or \$.33 per diluted share, in the prior year's fourth quarter. (1)
- Results for the 2010 fourth quarter include earnings of \$11.9 million, net of tax, or \$0.50 per diluted share, related to a special non-cash item for the release of the liability related to the 2008 deconsolidation of the Company's former subsidiary, TrentonWorks(2). Net earnings for the prior year's fourth quarter included 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.

Fiscal 2010

- Revenues for the year were \$764 million compared to \$1.018 billion last year, reflecting lower manufacturing production levels and lower wheel sales volumes.
- EBITDA before a special item for fiscal 2010 was \$72.1 million, or 9.4% of revenues, up from 2009 EBITDA before special charges of \$65.9 million, or 6.5% of revenues.
- Net earnings for 2010 were \$4.3 million, or \$.21 per diluted share, compared to the prior year's net loss of \$56.4 million, or \$3.35 per diluted share.(1) The 2010 results include earnings related to a special item, net of tax, of \$11.9 million, or \$.59 per diluted common share.(2) The 2009 results include special charges, net of tax, of \$51.0 million, or \$3.03 per diluted share.

Liquidity Summary:

- The Company ended the year with \$99 million of cash and \$105 million of committed additional borrowing capacity.
- During 2010, the Company strengthened its balance sheet and raised net proceeds of \$52.7 million from an equity offering of 4.5 million shares of common stock.
- Net debt was reduced by \$2 million during the quarter and \$76 million during the year.

Segment Summary:

- New railcar deliveries in the fourth quarter of 2010 were 700 units, compared to 900 units in the fourth quarter of 2009.
- Total new railcar deliveries were 2,500 units in fiscal 2010, compared to 3,700 units in fiscal 2009.
- Greenbrier's new railcar manufacturing backlog as of August 31, 2010 was 5,300 units with an estimated value of \$420 million, compared to 4,400 units valued at \$370 million at May 31, 2010. Subsequent to year end, additional orders for 3,200 units with an aggregate value of \$200 million were received.
- Marine backlog was \$10 million as of August 31, 2010. During the fourth quarter approximately \$60 million of marine vessels were removed from backlog due to the current likelihood that these vessels may not be produced and sold due to current economic conditions.

Discussion of Quarterly Results and Outlook

William A. Furman, president and chief executive officer, said, "In our fiscal 2010, economic forces continued to impede profit and EBITDA goals. However, we achieved all four of our other key objectives identified at the beginning of the year. First, we arrived at a satisfactory conclusion regarding the GE new railcar contract modification in the first quarter. Second, we improved the operational efficiency of our facilities, while maintaining the flexibility to respond to market demand. One example of this flexibility occurred in the fourth quarter when we seamlessly shifted 175 workers from marine barge construction to new railcar production in support of new railcar orders and to address softness in the marine market. Third, we produced positive operating cash flow, reduced net debt by \$76 million, and strengthened our balance sheet. Finally, our fourth objective was to further leverage our integrated business model. The competitive advantages of this model were successfully demonstrated with receipt of recent new railcar and railcar refurbishment orders which utilized our strengths in engineering and leasing to quickly take down transactions.

"The outlook for our new railcar manufacturing operations in North America continues to improve significantly. We now have five production lines dedicated to new railcar manufacturing, compared to two lines less than six months ago. We are well-positioned for the upturn, as rail traffic continues to improve and the economy continues to recover. In the very near term, we anticipate that reduced demand for wheel services and marine vessels will limit earnings growth."

Furman concluded, "For fiscal 2011, our objectives are: to improve gross margins steadily as the year progresses, focus on operational execution, continue to manage for cash flow and liquidity, continue to leverage our integrated business model, and return to meaningful profitability."

Segment Details

The Wheel Services, Refurbishment & Parts segment, consisting of a network of 38 locations, provides wheel services, and repairs and refurbishes railcars and provides railcar parts across North America. Revenue for this segment in the current quarter was \$90.6 million, compared to \$102 million in the fourth quarter of 2009. The revenue decline was primarily a result of reduced demand for wheel services. Gross margin for the Wheel Services, Refurbishment & Parts segment was 10.4% of revenues, compared to 13.1% of revenues in the prior comparable period. The gross margin decrease was primarily the result of a less favorable product mix, lower production levels, and call-back and training of new workers in our repair portion of this business.

The Manufacturing segment consists of marine and new railcar production in Europe and North America. Manufacturing segment revenue for the fourth quarter was \$69.5 million, compared to \$108.2 million in the fourth quarter of 2009. This revenue decline was primarily due to lower new railcar deliveries and a slowdown in marine production rates. Current quarter new railcar deliveries of 700 units were down from 900 units in the prior comparable period. Manufacturing gross margin for the fourth quarter was 10.8% of revenues, compared to 8.6% in the fourth quarter of 2009. The gross margin increase was primarily the result of a more favorable new railcar product mix and improved production efficiencies at our Mexican joint venture, partially offset by a significant decline in our marine business.

The Leasing & Services segment includes results from the Company-owned lease fleet of approximately 8,000 railcars and from fleet management services provided for approximately 225,000 railcars. Revenue for this segment was \$21.2 million for the quarter, compared to \$20.2 million in the same quarter last year. Leasing & Services' gross margin for the quarter was 54.2% of revenue, compared to 48.1% of revenue in the same quarter last year. The increase from the prior year's fourth quarter was primarily a result of higher gains on sale of assets from the lease fleet. Gains on lease fleet sales in the current quarter were \$2.5 million, compared to \$1.2 million in the fourth quarter of 2009. Lease fleet utilization as of the end of the quarter was 94.4%, compared to 94.5% as of May 31, 2010, and 88.3% as of August 31, 2009.

Selling and administrative costs were \$19.2 million for the quarter, or 10.6% of revenues, versus \$17.6 million, or 7.6% of revenues, for the same quarter last year. The increase from the prior period is primarily due to one-time import duties associated with certain purchases at one of our Mexican operations.

Interest and foreign exchange expense was \$10.1 million for the quarter, compared to \$13.3 million for the same period in 2009. The current quarter includes \$1 million of gain on debt extinguishment. The prior comparable period included a \$0.9 million write-off of loan fees associated with the reduction in size of the Company's North American revolving credit facility.

Business Outlook

Based on current business trends, management anticipates that both revenues and EBITDA will be higher in fiscal 2011, compared to fiscal 2010, with the second half of the year being stronger than the first half of the year. Management currently anticipates a net loss in the Company's first quarter and around break-even results for the second quarter. Management also expects that improving business trends in North American new railcar manufacturing will continue in fiscal 2011, with the effects of slower activity in its marine and wheel services operations partially dampening the positive railcar manufacturing trends in the first half of the year.

The major drivers for the year will be improved volumes and margins in the Wheel Services, Refurbishment & Parts business segment and, in particular, a recovery in wheel volumes, and continuing momentum in new railcar sales. The Company's Marine business is not expected to rebound until late in the fiscal year or early 2012. Marine has been a significant source of margin and EBITDA in 2009 and 2010 and is anticipated to become so again when market conditions improve.

Conference Call

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

- Wednesday, November 10, 2010
- 8:00 am Pacific Standard Time
- Phone: 1-630-395-0143, 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 27th at 402-220-3493.

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 8,000 railcars, and performs management services for approximately 225,000 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 "anticipates," "believes," "forecast," "potential," "contemplates," "expects," "intends," "plans," "seeks," "estimates," "could," "would," "will," "may," "can," and similar expressions to identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to certain risks and uncertainties that could cause actual results to differ materially from in the results contemplated by 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" and "Forward Looking Statements" in our Annual Report on Form 10-K for the fiscal year ended August 31, 2009 and in our Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2010, and in our prospectus supplement filed with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof. Except as otherwise required by law, we do not assume any obligation to update any forward-looking 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.

- (1) Net earnings (loss) is now referred to in the Consolidated Statements of Operations, in accordance with GAAP, as "Net earnings (loss) attributable to Greenbrier".
- (2) The weighted average common shares outstanding for the fourth quarter 2010 differs from that for the full fiscal year, resulting in a different EPS impact for the two periods.

	REE	NBRIER CO	MP/	ANIES, INC.
Condensed Consolidated Balance Sheets Years ended August 31,				
(In thousands, unaudited)				
Assets	_	2010		2009
Cash and cash equivalents	\$	98,864	\$	76,187
Restricted cash		2,525		1,083
Accounts receivable		89,252		113,371
Inventories		185,604		142,824
Assets held for sale		31,826		31,711
Equipment on operating leases, net		302,663		313,183
Investment in direct finance leases		1,795		7,990
Property, plant and equipment, net		132,614		127,974
Goodwill		137,066		137,066
Intangibles and other assets		90,679		96,902
				4 0 40 004
	\$	1,072,888	\$	1,048,291
	\$	1,072,888	\$	1,048,291
Liabilities and Equity	\$	1,072,888	\$	1,048,291
Liabilities and Equity Revolving notes	\$	1,072,888 2,630	\$ \$	16,041
• •	<u>-</u>		· <u> </u>	
Revolving notes	\$	2,630	· <u> </u>	16,041
Revolving notes Accounts payable and accrued liabilities	\$	2,630	· <u> </u>	16,041 170,889
Revolving notes Accounts payable and accrued liabilities Losses in excess of investment in de-consolidated subsidiar	\$	2,630 181,638	· <u> </u>	16,041 170,889 15,313
Revolving notes Accounts payable and accrued liabilities Losses in excess of investment in de-consolidated subsidiar Deferred income taxes	\$	2,630 181,638 - 81,136	· <u> </u>	16,041 170,889 15,313 69,199
Revolving notes Accounts payable and accrued liabilities Losses in excess of investment in de-consolidated subsidiar Deferred income taxes Deferred revenue	\$	2,630 181,638 - 81,136 11,377	· <u> </u>	16,041 170,889 15,313 69,199 19,250
Revolving notes Accounts payable and accrued liabilities Losses in excess of investment in de-consolidated subsidiar Deferred income taxes Deferred revenue	\$	2,630 181,638 - 81,136 11,377	· <u> </u>	16,041 170,889 15,313 69,199 19,250
Revolving notes Accounts payable and accrued liabilities Losses in excess of investment in de-consolidated subsidiar Deferred income taxes Deferred revenue Notes payable	\$	2,630 181,638 - 81,136 11,377 498,700	· <u> </u>	16,041 170,889 15,313 69,199 19,250 525,149
Revolving notes Accounts payable and accrued liabilities Losses in excess of investment in de-consolidated subsidiar Deferred income taxes Deferred revenue Notes payable Total equity Greenbrier	\$	2,630 181,638 - 81,136 11,377 498,700 285,938	· <u> </u>	16,041 170,889 15,313 69,199 19,250 525,149 223,726

Condensed Consolidated Statements of Operations

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Years ended August 31,						
(In thousands, except per share amounts, unaudited)		2010	_	2009		2008
Revenue						
Manufacturing	\$	295,566	\$	462,496	\$	665,093
Wheel Services, Refurbishment & Parts		390,061		476,164		527,466
Leasing & Services		78,823		79,465	_	97,520
		764,450	1	1,018,125	1	,290,079
Cost of revenue						
Manufacturing		268,395		458,733		653,879
Wheel Services, Refurbishment & Parts		344,522		420,294		426,183
Leasing & Services		41,365		45,991		47,774
Loading a convious		654,282	_	925,018		,127,836
		.,		,		, ,
Margin		110,168		93,107		162,243
Other costs						
Selling and administrative		69,931		65,743		85,133
Interest and foreign exchange		43,134		45,912		44,320
Special items		(11,870)		55,667		2,302
		101,195		167,322		131,755
Earnings (loss) before income tax and earnings (loss) from						
unconsolidated affiliates		8,973		(74,215)		30,488
Income tax benefit (expense) Earnings (loss) before earnings (loss) from		959	_	16,917		(17,159)
unconsolidated affiliates		9,932		(57,298)		13,329
Earnings (loss) of unconsolidated affiliates		(1,601)		(565)		872
Net earnings (loss)		8,331		(57,863)		14,201
Net (earnings) loss attributable to noncontrolling interest		(4,054)	_	1,472		3,182
Net earnings (loss) attributable to Greenbrier	\$	4,277	\$	(56,391)	\$	17,383
Basic earnings (loss) per common share:	\$	0.23	\$	(3.35)	\$	1.06
Diluted earnings (loss) per common share:	\$	0.21	\$	(3.35)	\$	1.06
Color per common chare.	Ψ	0.21	Ψ	(0.00)	Ψ	1.00
Weighted average common shares:						
Basic		18,585		16,815		16,395
Diluted		20,213		16,815		16,417
		, =				•

THE GREENBRIER COMPANIES, INC.

Condensed Consolidated Statements of Cash Flows Years ended August 31,

(In thousands, unaudited)	2010	2009	2008	
Cash flows from operating activities:				
Net earnings (loss) Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:	\$ 8,33	1 \$ (57,863)	\$ 14,201	
Deferred income taxes	15,05	2 (13,299)	11,528	
Depreciation and amortization	37,51	1 37,669	35,086	
Gain on sales of equipment	(6,54	3) (1,167)	(8,010)	

Accretion of debt discount 8,581 4,948 3,580 Gain on extinguishment of debt (3,218) - - Other 4,237 3,583 390 Decrease (increase) in assets excluding acquisitions: 22,430 58,521 (7,621) Inventories (44,276) 98,751 (29,692) Assets held for sale (177) 21,841 (10,621) Other 7,171 1,157 (2,700) Increase (decrease) in liabilities excluding acquisitions: 12,777 (86,514) 21,801 Accounts payable and accrued liabilities 12,777 (86,514) 21,801 Deferred revenue (7,445) (28,29) 1,904 Net cash provided by operating activities 42,561 120,465 32,118 Cash flows from investing activities 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) <	Overlieb Name	(44.070)	FF 007	0.000
Gain on extinguishment of debt Other (3,218) Other 4,237 3,583 390 Decrease (increase) in assets excluding acquisitions: 22,430 58,521 (7,621) Inventories (44,276) 98,751 (29,692) Assets held for sale (1777) 21,841 (10,621) Other 7,171 1,157 (2,700) Increase (decrease) in liabilities excluding acquisitions: 12,777 (86,514) 21,801 Net cash provided by operating activities 12,777 (86,514) 21,801 Net cash provided by operating activities 12,777 (86,514) 21,801 Net cash provided by operating activities 42,561 120,465 32,118 Net cash provided by operating activities 930 429 375 Principal payments received under direct finance leases 390 429 375 Principal payments received under direct finance leases 390 429 375 Principal payments received under direct finance leases 390 429 375 Principal pay	Special items	(11,870)	55,667	2,302
Other 4,237 3,583 390 Decrease (increase) in assets excluding acquisitions: 22,430 58,521 (7,621) Accounts receivable 22,430 58,521 (7,621) Inventories (44,276) 98,751 (29,692) Assets held for sale (1777) 21,841 (10,621) Other 7,171 1,157 (2,700) Increase (decrease) in liabilities excluding acquisitions: 12,777 (86,514) 21,801 Deferred revenue (7,445) (2,829) 1,904 Net cash provided by operating activities 42,561 120,465 32,118 Cash flows from investing activities 390 429 375 Principal payments received under direct finance leases 390 429 375 Principal payments received under direct finance leases 390 429 35 Principal payments received under direct finance leases 390 429 35 Principal payments received under direct finance leases 390 429 35		,	4,948	3,550
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Accounts receivable 22,430 58,521 (7,621) Inventories (44,276) 98,751 (29,692) Assets held for sale (177) 21,841 (10,621) Other 7,171 1,157 (2,700) Increase (decrease) in liabilities excluding acquisitions: 12,777 (86,514) 21,801 Accounts payable and accrued liabilities 12,777 (86,514) 21,801 Deferred revenue (7,445) (2,829) 1,904 Net cash provided by operating activities 42,561 120,465 32,118 Cash flows from investing activities: 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - (91,166) De-consolidation of subsidiary - - (1217) Decrease (increase) in restricted cash (1,442) (109 2,046 Capital expenditures (38,989) (38,		4,237	3,583	390
Inventories		00.400	50 504	(7.004)
Assets held for sale (177) 21,841 (10,621) Other 7,171 1,157 (2,700) Increase (decrease) in liabilities excluding acquisitions: 7,171 1,157 (2,700) Increase (decrease) in liabilities excluding acquisitions: 12,777 (86,514) 21,801 Deferred revenue (7,445) (2,829) 1,904 Net cash provided by operating activities 42,561 120,465 32,118 Cash flows from investing activities: 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - - Acquisitions, net of cash acquired - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046 Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170)		*	*	,
Other 7,171 1,157 (2,700) Increase (decrease) in liabilities excluding acquisitions: 4 2 4 21,801 Deferred revenue (7,445) (2,829) 1,904 Net cash provided by operating activities 42,561 120,465 32,118 Cash flows from investing activities: 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - Acquisitions, net of cash acquired - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046 Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities (24,170) (22,972) (152,150) Cash flows from financing activities (11,934)				
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Accounts payable and accrued liabilities 12,777 (86,514) 21,801 Deferred revenue (7,445) (2,829) 1,904 Net cash provided by operating activities 42,561 120,465 32,118 Cash flows from investing activities: Principal payments received under direct finance leases 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - - Acquisitions, net of cash acquired - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046 Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150 Cash flows from financing activities Net changes in revolving notes with maturities longer than 90 days (5,698 - -		7,171	1,157	(2,700)
Deferred revenue (7,445) (2,829) 1,904 Net cash provided by operating activities 42,561 120,465 32,118 Cash flows from investing activities: Teach flows from investing activities: 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - - Acquisitions, net of cash acquired - - (1,217) De-consolidation of subsidiary - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046 Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days (5,698) - -				
Net cash provided by operating activities 42,561 120,465 32,118 Cash flows from investing activities: Principal payments received under direct finance leases 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - Acquisitions, net of cash acquired - - (1,217) De-consolidation of subsidiary - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046 Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities (38,989) (38,847) (77,644) Other (1934) (81,251) 55,514 Proceeds from fevolving notes with maturities longer than 90 days 5,698 - - Repaym	Accounts payable and accrued liabilities	12,777	(86,514)	21,801
Cash flows from investing activities: Principal payments received under direct finance leases 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - Acquisitions, net of cash acquired - - (91,166) De-consolidation of subsidiary - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046) Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - -	Deferred revenue	(7,445)	(2,829)	1,904
Principal payments received under direct finance leases 390 429 375 Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - Acquisitions, net of cash acquired - - (91,166) De-consolidation of subsidiary - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046) Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable	Net cash provided by operating activities	42,561	120,465	32,118
Proceeds from sales of equipment 22,978 15,555 14,598 Investment in and advances to (from) unconsolidated affiliates (927) - 858 Contract placement fee (6,050) - - Acquisitions, net of cash acquired - - (91,166) De-consolidation of subsidiary - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046) Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (11,934) (81,251) 55,514 Proceeds from financing activities: (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offer	Cash flows from investing activities:			
Investment in and advances to (from) unconsolidated affiliates	Principal payments received under direct finance leases	390	429	375
Contract placement fee (6,050) - - Acquisitions, net of cash acquired - - (91,166) De-consolidation of subsidiary - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046) Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities: - - - Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - </td <td>Proceeds from sales of equipment</td> <td>22,978</td> <td>15,555</td> <td>14,598</td>	Proceeds from sales of equipment	22,978	15,555	14,598
Acquisitions, net of cash acquired - - (91,166) De-consolidation of subsidiary - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046) Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities (24,170) (22,972) (152,150) Cash flows from financing activities (24,170) (22,972) (152,150) Cash flows from financing activities (11,934) (81,251) 55,514 Proceeds from financing activities in ger than 90 days 5,698 - - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - - Net proceeds from issuance of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 <tr< td=""><td>Investment in and advances to (from) unconsolidated affiliates</td><td>(927)</td><td>-</td><td>858</td></tr<>	Investment in and advances to (from) unconsolidated affiliates	(927)	-	858
De-consolidation of subsidiary - - (1,217) Decrease (increase) in restricted cash (1,442) (109) 2,046) Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities: Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 <	Contract placement fee	(6,050)	-	-
Decrease (increase) in restricted cash (1,442) (109) 2,046) Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities: Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) <td>Acquisitions, net of cash acquired</td> <td>-</td> <td>-</td> <td>(91,166)</td>	Acquisitions, net of cash acquired	-	-	(91,166)
Capital expenditures (38,989) (38,847) (77,644) Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities: Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716)	De-consolidation of subsidiary	-	-	(1,217)
Other (130) - - Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities: Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677	Decrease (increase) in restricted cash	(1,442)	(109)	2,046)
Net cash used in investing activities (24,170) (22,972) (152,150) Cash flows from financing activities: Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents 76,18	Capital expenditures	(38,989)	(38,847)	(77,644)
Cash flows from financing activities: Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents 76,187 5,957 20,808	Other	(130)	-	-
Net changes in revolving notes with maturities of 90 days or less (11,934) (81,251) 55,514 Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents Beginning of period 76,187 5,957 20,808	Net cash used in investing activities	(24,170)	(22,972)	(152,150)
Proceeds from revolving notes with maturities longer than 90 days 5,698 - - Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents Beginning of period 76,187 5,957 20,808	Cash flows from financing activities:			
Repayments of revolving notes with maturities longer than 90 days (5,698) - - Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents Beginning of period 76,187 5,957 20,808	Net changes in revolving notes with maturities of 90 days or less	(11,934)	(81,251)	55,514
Net proceeds from issuance of notes payable 2,040 69,768 49,613 Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents 76,187 5,957 20,808	Proceeds from revolving notes with maturities longer than 90 days	5,698	-	-
Repayments of notes payable (38,267) (16,436) (6,919) Net proceeds from equity offering 52,708 - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents 76,187 5,957 20,808	Repayments of revolving notes with maturities longer than 90 days	(5,698)	-	-
Net proceeds from equity offering 52,708 - Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents 76,187 5,957 20,808	Net proceeds from issuance of notes payable	2,040	69,768	49,613
Investment by joint venture partner - 1,400 6,600 Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents 76,187 5,957 20,808	Repayments of notes payable	(38,267)	(16,436)	(6,919)
Dividends paid - (2,001) (5,261) Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents Beginning of period 76,187 5,957 20,808	Net proceeds from equity offering	52,708		_
Other 29 3,973 3,931 Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents Beginning of period 76,187 5,957 20,808	Investment by joint venture partner	-	1,400	6,600
Net cash provided by (used in) financing activities 4,576 (24,547) 103,478 Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents 5,957 20,808	Dividends paid	_	(2,001)	(5,261)
Effect of exchange rate changes (290) (2,716) 1,703 Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents Beginning of period 76,187 5,957 20,808	Other	29	3,973	3,931
Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents Beginning of period 76,187 5,957 20,808	Net cash provided by (used in) financing activities	4,576	(24,547)	103,478
Increase (decrease) in cash and cash equivalents 22,677 70,230 (14,851) Cash and cash equivalents Beginning of period 76,187 5,957 20,808	Effect of exchange rate changes	(290)	(2,716)	1,703
Cash and cash equivalents Beginning of period 76,187 5,957 20,808				(14,851)
Beginning of period 76,187 5,957 20,808				,
	•	76,187	5,957	20,808
End of period \$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	-	\$ 98,864	\$ 76,187	\$ 5,957

Supplemental Information Quarterly Results of Operations (Unaudited)

Operating results by quarter for 2010 and 2009 are as follows:

(In thousands, except per share amounts)

	First	Second	Third	Fourth	Total
2010					
Revenue					
Manufacturing Wheel Services. Refurbishment &	\$ 60,078	\$ 88,065	\$ 77,877	\$ 69,546	\$ 295,566
Parts	92,983	94,329	112,186	90,563	390,061
Leasing & Services	18,632	17,556	21,392	21,243	78,823

	171,693	199,950	211,455	181,352	764,450
Cost of revenue					
Manufacturing Wheel Services, Refurbishment &	55,847	81,608	68,931	62,009	268,395
Parts	83,286	83,387	96,725	81,124	344,522
Leasing & Services	10,918	10,789	9,931	9,727	41,365
	150,051	175,784	175,587	152,860	654,282
Margin	21,642	24,166	35,868	28,492	110,168
Other costs					
Selling and administrative	16,208	16,958	17,519	19,246	69,931
Interest and foreign exchange	11,112	12,406	9,536	10,080	43,134
Special items		-	-	(11,870)	(11,870)
	27,320	29,364	27,055	17,456	101,195
Earnings (loss) before income tax and loss from unconsolidated affiliates	(5,678)	(5,198)	8,813	11,036	8,973
Income tax benefit (expense)	2,500	944	(2,418)	(67)	959
Loss from unconsolidated affiliates	(183)	(131)	(318)	(969)	(1,601)
Net earnings (loss) Net loss (earnings) attributable to	(3,361)	(4,385)	6,077	10,000	8,331
noncontrolling interest	117	(367)	(1,514)	(2,290)	(4,054)
Net earnings (loss) attributable to Greenbrier	\$ (3,244)	\$ (4,752)	\$ 4,563	\$ 7,710	\$ 4,277
Basic earnings (loss) per common share:	\$ (0.19)	\$ (0.28)	\$ 0.25	\$ 0.35	\$ 0.23
Diluted earnings (loss) per common share:	\$ (0.19)	\$ (0.28)	\$ 0.23	\$ 0.33	\$ 0.21 (1)

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

Supplemental Information Quarterly Results of Operations (Unaudited)

	First	Second	Third	Fourth	Total
2009	_			_	
Revenue					
Manufacturing Wheels Services, Refurbishment &	\$ 102,717	\$ 145,574	\$ 105,986	\$ 108,219	\$ 462,496
Parts	132,279	121,681	120,190	102,014	476,164
Leasing & Services	21,133	19,877	18,272	20,183	79,465
	256,129	287,132	244,448	230,416	1,018,125
Cost of revenue					
Manufacturing Wheel Services, Refurbishment &	106,923	152,003	100,847	98,960	458,733
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	11,771	9,146	11,710	13,285	45,912

Special items	-	 -	 55,667	 -	 55,667
Earnings (loss) before income tax and earnings (loss) from unconsolidated affiliates	27,751	25,411 (9,256)	83,263 (56,570)	30,897	167,322
Income tax benefit	4,906	1,698	5,217	5,096	16,917
Earnings (loss) from unconsolidated affiliates Net earnings (loss)	 434 (4,460)	 (251)	 (457)	 (291) 6,216	 (565)
Net loss (earnings) attributable to noncontrolling interest	568	 351	 687	 (134)	1,472
Net earnings (loss) attributable to Greenbrier	\$ (3,892)	\$ (7,458)	\$ (51,123)	\$ 6,082	\$ (56,391)
Basic earnings (loss) per common share:	\$ (0.23)	\$ (0.45)	\$ (3.04)	\$ 0.36	\$ (3.35)
Diluted earnings (loss) per common share:	\$ (0.23)	\$ (0.45)	\$ (3.04)	\$ 0.33	\$ (3.35)

⁽¹⁾ Quarterly amounts do not total to the year to date amount as each period 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.

Supplemental Disclosure

Reconciliation of Net earnings (loss) attributable to Greenbrier to Adjusted EBITDA(1) (In thousands, unaudited)

Year ended August 31,				
2010	2009			
\$ 4,277	\$ (56,391)			
43,134	45,912			
(959)	(16,917)			
37,511	37,669			
(11,870)	55,667			
\$ 72,093	\$ 65,940			
	2010 \$ 4,277 43,134 (959) 37,511 (11,870)			

	Three months ended					
	August 31, 2010	August 31, 2009				
Net earnings attributable to Greenbrier	\$ 7,710	\$ 6,082				
Interest and foreign exchange	10,080	13,285				
Income tax expense (benefit)	67	(5,096)				
Depreciation and amortization	9,544	9,410				
Special Items (non-cash portion)	(11,870)	-				
Adjusted EBITDA	\$ 15,531	\$ 23,681				

^{(1) &}quot;EBITDA" (earnings (loss) attributable to Greenbrier before the non-cash portion of special items, 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 financial statement data prepared in accordance with generally accepted accounting principles.

https://pressroom.gbrx.com/2010-11-10-Greenbrier-Reports-Fiscal-Fourth-Quarter-2010-Results