~ Announces orders of 6,000 railcars valued at over \$600 million

~~ Backlog grows; Book-to-bill of 1.1x

~~ Reaffirms FY 2018 earnings guidance

LAKE OSWEGO, Ore., June 29, 2018 / PRNewswire -- The Greenbrier Companies, Inc. (NYSE: GBX) today reported financial results for its third fiscal quarter ended May 31, 2018.

Third Quarter Highlights

- Net earnings attributable to Greenbrier for the quarter were \$33.0 million, or \$1.01 per diluted share, on revenue of \$641.4 million. Quarterly results include \$9.5 million, net of tax, (\$0.29 per share) impact associated with a non-cash goodwill impairment charge recorded by GBW, our 50/50 joint venture with Watco Companies, LLC.
- Adjusted net earnings attributable to Greenbrier for the quarter were \$42.4 million, or \$1.30 per diluted share.
- Adjusted EBITDA for the quarter was \$86.9 million, or 13.6% of revenue.
- Orders for 6,000 diversified railcars were received during the quarter, valued at over \$600 million. Bookto-bill of 1.1x is the highest since May 2017.
- New railcar backlog as of May 31, 2018 was 24,200 units with an estimated value of \$2.3 billion.
- New railcar deliveries totaled 5,600 units for the quarter.
- Board declares quarterly dividend of \$0.25 per share, payable on August 9, 2018 to shareholders as of July 19, 2018.
- Cash provided by operating activities was \$87.3 million for the guarter.
- Annual earnings guidance of \$5.00 per diluted share is reaffirmed. Guidance excludes \$0.29 per share related to the goodwill impairment and includes the Q2 \$0.70 per share non-recurring net benefit from the 2017 Tax Cut and Jobs Act ("Tax Act").

William A. Furman, Chairman and CEO, said, "Greenbrier produced strong operating and financial results in the third fiscal quarter, highlighted by healthy gross margins, a strong balance sheet and the highest quarterly order activity this fiscal year. Greenbrier's strategy is to strengthen core North American markets while making demonstrable advancements in international railcar markets. This strategy is succeeding. With North American railcar loadings increasing and improving indicators for the U.S. and global economies, current industry fundamentals remain favorable for most of Greenbrier's business segments. GBW continues to underperform expectations. We intend to eliminate this headwind to Greenbrier's financial performance and will soon share plans to resolve GBW's challenges."

Furman continued, "We are encouraged by the 6,000 new railcar orders we received in the third quarter. Order activity continues to be broad-based and diversified, originating primarily in the improving North American market. Looking forward, we expect to see continued order strength in North America and internationally, but do not expect order activity to be linear. Backlog is a key indicator of future earnings and cash flow generation. At quarter-end, Greenbrier had diversified backlog of 24,200 units with an estimated value of \$2.3 billion."

Furman concluded, "Greenbrier's flexibility and creativity allow us to navigate the current market environment successfully. We remain confident in our long-term strategy and integrated business model. We are narrowing and reaffirming the guidance targets laid out earlier in the year."

Business Outlook

Based on current business trends and production schedules for fiscal 2018, Greenbrier believes:

- Deliveries will be approximately 20,000 21,000 units including Greenbrier-Maxion (Brazil) which will account for up to 10% of deliveries
- Revenue will be approximately \$2.5 billion
- Diluted EPS will be \$5.00 excluding \$0.29 per share related to the GBW goodwill impairment and including the Q2 \$0.70 per share non-recurring net benefit from the Tax Act

As noted in the "Safe Harbor" statement, there are risks to achieving this guidance. Certain orders and backlog in this release are subject to customary documentation and completion of terms.

Financial Summary

	Q3	Q2	Sequential Comparison – Main Drivers
	FY18	FY18	
Revenue	\$641.4M	\$629.3M	Up 1.9% primarily due to higher wheel and component volumes and higher
			external syndication activity
Gross margin	16.9%	16.7%	Up 20 bps primarily due to product mix, including wheels, higher management
			fees and increased syndication activity
Selling and	\$51.8M	\$50.3M	Up 3.0% primarily due to higher employee related costs including long term
administrative expense			incentive compensation
Net gain on disposition	\$14.8M	\$5.8M	Reflects continued rebalancing of lease portfolio
of equipment			
Adjusted EBITDA	\$86.9M	\$79.1M	Higher gain on sale and operating margin
Effective tax rate	24.5%	(21.0%)	Q2 included non-recurring benefit from the Tax Act
Earnings (loss) from	(\$12.8M)	\$0.1M	
unconsolidated affiliates	1		
Adjusted net earnings attributable	\$42.4M	\$61.6M ²	
to Greenbrier			
Adjusted diluted EPS	\$1.30	\$1.91 ²	

⁽¹⁾ Includes \$9.5 million, net of tax, or \$0.29 per share, impact associated with a non-cash goodwill impairment charge recorded by GBW.

Segment Summary

	Q3	Q2	Sequential Comparison – Main Drivers
	FY18	FY18	
Manufacturing			
Revenue	\$510.1M	\$511.8M	Primarily attributable to product mix
Gross margin	16.1%	16.2%	Continued strong performance
Operating margin (1)	12.2%	12.3%	
Deliveries (2)	5,100	4,300	Increased syndication activity
Wheels & Parts			
Revenue	\$94.5M	\$88.7M	Up 6.5% primarily attributable to seasonally higher wheel and component volumes
Gross margin	9.2%	9.0%	Improved operating efficiencies
Operating margin (1)	5.9%	5.8%	
Leasing & Services			
Revenue	\$36.8M	\$28.8M	Up 27.8% primarily due to higher volume of externally sourced railcar syndications and interim rent

⁽²⁾ Q2 included a non-recurring net benefit of \$22.9 million, or \$0.70 per share, from the Tax Act.

Gross margin	47.9%	51.0%	Down primarily due to lower margins on externally sourced railcar syndications
Operating margin (1)	72.6%	56.0%	
(3)			
Lease fleet utilization	90.4%	92.2%	

- (1) See supplemental segment information on page 10 for additional information.
- (2) Excludes Brazil deliveries which are not consolidated into manufacturing revenue and margins.
- (3) Includes Net gain on disposition of equipment, which is not included in gross margin.

Conference Call

Greenbrier will host a teleconference to discuss its third quarter 2018 results. In conjunction with this news release, Greenbrier has posted a supplemental earnings presentation to our website.

Teleconference details are as follows:

- June 29, 2018
- 8:00 a.m. Pacific Daylight 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.

About Greenbrier

Greenbrier, headquartered in Lake Oswego, Oregon, is a leading international supplier of equipment and services to global freight transportation markets. Greenbrier designs, builds and markets freight railcars and marine barges in North America. Greenbrier-Astra Rail is an end-to-end freight railcar manufacturing, engineering and repair business with operations in Poland and Romania that serves customers across Europe and in the nations of the GCC. Greenbrier builds freight railcars and rail castings in Brazil through two separate strategic partnerships. We are a leading provider of wheel services, parts, railcar management & regulatory compliance services and leasing services to railroads and related transportation industries in North America. Greenbrier offers freight railcar repair, refurbishment and retrofitting services in North America through GBW, a joint venture with Watco Companies, LLC. Through other unconsolidated joint ventures, we produce tank heads and other components and have an ownership stake in a leasing warehouse. Greenbrier owns a lease fleet of 7,900 railcars and performs management services for 356,000 railcars. Learn more about Greenbrier at www.gbrx.com.

"SAFE HARBOR" STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This press release may contain forward-looking statements, including any statements that are not purely statements of historical fact. Greenbrier uses words such as "anticipates," "believes," "forecast," "potential," "goal," "contemplates," "expects," "intends," "plans," "projects," "hopes," "seeks," "estimates," "strategy," "could," "would," "should," "likely," "will," "may," "can," "designed to," "future," "foreseeable future" 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 the results contemplated by the forward-looking statements. Factors that might cause such a difference include, but are not limited to, reported backlog and awards that are not indicative of

Greenbrier's financial results; uncertainty or changes in the credit markets and financial services industry; high levels of indebtedness and compliance with the terms of Greenbrier's indebtedness; write-downs of goodwill, intangibles and other assets 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; policies and priorities of the federal government regarding international trade, taxation and infrastructure; sovereign risk to contracts, exchange rates or property rights; 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 or specialty component price fluctuations and availability 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, costs or inefficiencies associated with expansion, start-up, or changing of production lines or changes in production rates, changing technologies, transfer of production between facilities or non-performance of alliance partners, subcontractors or suppliers; ability to obtain suitable contracts for the sale of leased equipment and risks related to car hire and residual values; integration of current or future acquisitions and establishment of joint ventures; succession planning; discovery of defects in railcars or services resulting in increased warranty costs or litigation; physical damage or product or service liability claims that exceed Greenbrier's insurance coverage; train derailments or other accidents or claims that could subject Greenbrier to legal claims; actions or inactions by various regulatory agencies including potential environmental remediation obligations or changing tank car or other railcar or railroad regulation; and issues arising from investigations of whistleblower complaints; all as may be discussed in more detail under the headings "Risk Factors" and "Forward Looking Statements" in Greenbrier's Annual Report on Form 10-K for the fiscal year ended August 31, 2017, Greenbrier's Quarterly Report on Form 10-Q for the fiscal quarter ended February 28, 2018, and Greenbrier's other reports on file with the Securities and Exchange Commission. 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, Greenbrier does not assume any obligation to update any forward-looking statements.

Adjusted EBITDA, Adjusted net earnings attributable to Greenbrier and Adjusted diluted EPS are not financial measures under generally accepted accounting principles (GAAP). These metrics are performance measurement tools commonly used by rail supply companies and Greenbrier. You should not consider these metrics in isolation or as a substitute for other financial statement data determined in accordance with GAAP. In addition, because these metrics are not a measure of financial performance under GAAP and are susceptible to varying calculations, the measures presented may differ from and may not be comparable to similarly titled measures used by other companies.

We define Adjusted EBITDA as Net earnings before Interest and foreign exchange, Income tax expense (benefit), Depreciation and amortization and excluding the impact associated with items we do not believe are indicative of our core business or which affect comparability. We believe the presentation of Adjusted EBITDA provides useful information as it excludes the impact of financing, foreign exchange, income taxes and the accounting effects of capital spending. These items may vary for different companies for reasons unrelated to the overall operating performance of a company's core business. We believe this assists in comparing our performance across reporting periods.

Adjusted net earnings attributable to Greenbrier and Adjusted diluted EPS excludes the impact associated with items we do not believe are indicative of our core business or which affect comparability. We believe this assists in comparing our performance across reporting periods.

THE GREENBRIER COMPANIES, INC.

Consolidated Balance Sheets

(In thousands, unaudited)

	May 31 2018	,	Feb. 28, 2018		Nov. 30, 2017	Aug. 31, 2017		ľ	May 31, 2017
Assets									
Cash and cash equivalents	\$ 589,9	969	\$ 586,008	\$	591,406	\$	611,466	\$	465,413
Restricted cash	9,2	-	8,875		8,839		8,892		8,753
Accounts receivable, net	322,3	328	321,795		315,393		279,964		267,830
Inventories	396,5	18	408,419		411,371		400,127		414,012
Leased railcars for syndication	158,1	94	168,748		130,991		91,272		149,119
Equipment on operating leases, net	302,0	74	258,417		274,598		315,941		315,976
Property, plant and equipment, net	424,0		429,465		426,961		428,021		330,471
Investment in unconsolidated affiliates	75,8		98,009		101,529		108,255		110,058
Intangibles and other assets, net	82,0	30	83,308		83,819		85,177		68,930
Goodwill	70,3	347	69,011		67,783		68,590		43,265
	\$ 2,430,5	83	\$ 2,432,055	\$	2,412,690	\$ 2	2,397,705	\$ 2	2,173,827
Liabilities and Equity Revolving notes	\$ 20.3	337	\$ 7,990) \$	6,885	\$	4,324	\$	_
Accounts payable and accrued liabilities	447.8		461.088		441.373	Ψ	415,061	Ψ	339.001
Deferred income taxes	36,6		41.257		69,984		75,791		80,482
Deferred income taxes Deferred revenue	102,9		85,886		120,044		129,260		82,006
Notes payable, net	437,8		559,755		558,987		558,228		532,638
Contingently redeemable noncontrolling									
interest	31,1	35	33,046		35,209		36,148		-
Total equity - Greenbrier	1,225,5		1,095,447		1,032,557		1,018,130		986,221
Noncontrolling interest	128,3		147,586		147,651		160,763		153,479
Total equity	1,353,8		1,243,033		1,180,208		1,178,893		,139,700
	\$ 2,430,5	83	\$ 2,432,055	\$	2,412,690	\$ 2	2,397,705	\$ 2	2,173,827

THE GREENBRIER COMPANIES, INC.

Consolidated Statements of Income

(In thousands, except per share amounts, unaudited)

	Three Months Ended May 31,				Nine Months Ended May 31,			
		2018		2017		2018		2017
Revenue								
Manufacturing	\$	510,099	\$	317,104	\$	1,473,411	\$	1,216,641
Wheels & Parts		94,515		85,231		261,236		237,580
Leasing & Services		36,773		36,826		95,611		103,536
		641,387		439,161		1,830,258		1,557,757
Cost of revenue								
Manufacturing		427,875		245,228		1,237,890		948,436
Wheels & Parts		85,850		77,985		239,064		218,460
Leasing & Services		19,155		26,247		50,136		69,484
		532,880		349,460		1,527,090		1,236,380
Margin		108,507		89,701		303,168		321,377
Selling and administrative expense		51,793		42,810		149,130		123,518
Net gain on disposition of equipment		(14,825)		(1,581)		(39,813)		(4,793)
Earnings from operations		71,539		48,472		193,851		202,652
Other costs								
Interest and foreign exchange		6,533		7,894		20,582		15,291
Earnings before income tax and loss fromunconsolidated affiliates		65,006		40,578		173,269		187,361

Income tax expense	(15,944)	(8,656)	(22,778)		(53,900)
Earnings before loss from unconsolidated affiliates Loss from unconsolidated affiliates	49,062 (12,823)	31,922 (681)	150,491 (15,586)		133,461 (5,253)
Net earnings Net (earnings) loss attributable to noncontrolling interest	36,239 (3,288)	134,905 (14,059)	128,208 (35,887)		
Net earnings attributable to Greenbrier	\$ 32,951	\$ 32,823	\$ 120,846	\$	92,321
Basic earnings per common share:	\$ 1.03	\$ 1.12	\$ 3.99	\$	3.16
Diluted earnings per common share:	\$ 1.01	\$ 1.03	\$ 3.75	\$	2.91
Weighted average common shares: Basic Diluted	32,034 32,914	29,348 32,690	30,250 32,774		29,192 32,515
Dividends declared per common share	\$ 0.25	\$ 0.22	\$ 0.71	\$	0.64

THE GREENBRIER COMPANIES, INC.

Consolidated Statements of Cash Flows

(In thousands, unaudited)

Nine Months Ended May 31,

	2018	2017		
Cash flows from operating activities:				
Net earnings	\$ 134,905	\$	128,208	
Adjustments to reconcile net earnings to net cash				
provided by operating activities:				
Deferred income taxes	(38,825)		16,815	
Depreciation and amortization	55,161		46,616	
Net gain on disposition of equipment	(39,813)		(4,793)	
Accretion of debt discount	3,109		1,329	
Stock based compensation expense	20,311		19,007	
Noncontrolling interest adjustments	1,067		1,203	
Other	1,345		1,017	
(Increase) decrease in assets:				
Accounts receivable, net	(24,980)		(27,109)	
Inventories	(4,270)		(47,209)	
Leased railcars for syndication	(69,994)		(16,122)	
Other	30,549		8,419	
Increase (decrease) in liabilities:				
Accounts payable and accrued liabilities	34,898		(35,800)	
Deferred revenue	(23,837)		(13,650)	
Net cash provided by operating activities	79,626		77,931	
Cash flows from investing activities:				
Proceeds from sales of assets	129,828		20,344	
Capital expenditures	(118,656)		(53,848)	
Decrease in restricted cash	(312)		15,526	
Investment in and advances to unconsolidated affiliates	(21,455)		(34,068)	
Cash distribution from unconsolidated affiliates	3,941		550	
Net cash used in investing activities	(6,654)		(51,496)	
Cash flows from financing activities:				
Net changes in revolving notes with maturities of 90 days or				
less	16,013		-	
Proceeds from issuance of notes payable	13,749		275,000	
Repayments of notes payable	(19,274)		(5,469)	
Debt issuance costs	-		(9,082)	
Dividends	(21,866)		(18,619)	
Cash distribution to joint venture partner	(69,413)		(27,267)	
Investment by joint venture partner	6,500		-	
Tax payments for net share settlement of restricted stock	(7,716)		(5,208)	
Excess tax deficiency from restricted stock awards	-		(2,396)	
Net cash provided by (used in) financing activities	 (82,007)		206,959	

Effect of exchange rate changes Increase (decrease) in cash and cash equivalents	(12,462) (21,497)	9,340 242,734
Cash and cash equivalents		
Beginning of period	611,466	222,679
End of period	\$ 589,969	\$ 465,413

THE GREENBRIER COMPANIES, INC.

Supplemental Information

(In thousands, except per share amounts, unaudited)

Operating Results by Quarter for 2018 are as follows:

		First	;	Second		Third		Total
Revenue								
Manufacturing	\$	451,485	\$	511,827	\$	510,099	\$	1,473,411
Wheels & Parts	Ψ	78,011	Ψ	88.710	Ψ	94,515	Ψ	261,236
Leasing & Services		30,039		28,799		36,773		95,611
Leasing & Services		559,535		629,336		641,387		1,830,258
Cost of revenue		339,333		029,330		041,307		1,030,230
Manufacturing		380,850		429,165		427,875		1,237,890
Wheels & Parts		72,506		80,708		85,850		239,064
Leasing & Services		16,865		14,116		19,155		50,136
·		470,221		523,989		532,880		1,527,090
Margin		89,314		105,347		108,507		303,168
Selling and administrative expense		47,043		50,294		51,793		149,130
Net gain on disposition of equipment		(19,171)		(5,817)		(14,825)		(39,813)
Earnings from operations		61,442		60,870		71,539		193,851
Other costs								
Interest and foreign exchange		7,020		7,029		6,533		20,582
Earnings before income taxes and earnings (loss) from	-	,		,		,		,
unconsolidated affiliates		54,422		53,841		65,006		173,269
Income tax benefit (expense)		(18,135)		11,301		(15,944)		(22,778)
Earnings before earnings (loss) fromunconsolidated affiliates		36,287		65,142		49,062		150,491
Earnings (loss) from unconsolidated affiliates		(2,910)		147		(12,823)		(15,586)
Net earnings		33,377		65,289		36,239		134,905
Net earnings attributable to noncontrolling interest		(7,124)		(3,647)		(3,288)		(14,059)
Net earnings attributable to Greenbrier	\$	26,253	\$	61,642	\$	32,951	\$	120,846
Basic earnings per common share ⁽¹⁾	\$	0.90	\$	2.10	\$	1.03	\$	3.99
				-			•	
Diluted earnings per common share ⁽¹⁾	\$	0.83	\$	1.91	\$	1.01	\$	3.75

⁽¹⁾ Quarterly amounts may not total to the year to date amount as each period is calculated discretely. Diluted earnings per common share excludes the dilutive effect of the 2024 Convertible Notes, since the average stock price was less than the applicable conversion price and therefore was considered anti-dilutive, using the treasury stock method but includes restricted stock units that are not considered participating securities, restricted stock units that are subject to performance criteria, for which actual levels of performance above target have been achieved, and the dilutive effect of shares underlying the 2018 Convertible Notes using the "if converted" method, during the periods in which they were outstanding, in which debt issuance and interest costs, net of tax, were added back to net earnings.

THE GREENBRIER COMPANIES, INC.

Supplemental Information

(In thousands, except per share amounts, unaudited)

Operating Results by Quarter for 2017 are as follows:

First	Second	Third	Fourth	Total

Manufacturing	\$ 454,033	\$	445,504	\$	317,104	\$	508,547	\$ -	1,725,188
Wheels & Parts	69,635		82,714		85,231		75,099		312,679
Leasing & Services	28,646		38,064		36,826		27,761		131,297
· ·	 552,314		566,282		439,161		611,407	2	2,169,164
Cost of revenue									
Manufacturing	356,555		346,653		245,228		425,531	-	1,373,967
Wheels & Parts	64,978		75,497		77,985		69,876		288,336
Leasing & Services	 18,030		25,207		26,247		16,078		85,562
	439,563		447,357		349,460		511,485	-	1,747,865
Margin	112,751		118,925		89,701		99,922		421,299
Selling and administrative expense	41,213		39,495		42,810		47,089		170,607
Net gain on disposition of equipment	(1,122)		(2,090)		(1,581)		(4,947)		(9,740)
Earnings from operations	72,660		81,520		48,472		57,780		260,432
Other costs									
Interest and foreign exchange	1,724		5,673		7,894		8,901		24,192
Earnings before income tax and earnings (loss)			,		,		,,		
from unconsolidated affiliates	70,936		75,847		40,578		48,879		236,240
Income tax expense	(20,386)		(24,858)		(8,656)		(10,114)		(64,014)
Earnings before earnings (loss) from									
unconsolidated affiliates	50,550		50,989		31,922		38,765		172,226
Earnings (loss) from unconsolidated affiliates	(2,584)		(1,988)		(681)		(6,511)		(11,764)
Net earnings	47,966		49,001		31,241		32,254		160,462
Net earnings attributable to	(00.004)		(4.4.405)		4 500		(0.500)		(44.005)
noncontrolling interest	 (23,004)	Φ.	(14,465)	Φ.	1,582	Φ.	(8,508)	Φ.	(44,395)
Net earnings attributable to Greenbrier	\$ 24,962	\$	34,536	\$	32,823	\$	23,746	\$	116,067
Basic earnings per common share ⁽¹⁾	\$ 0.86	\$	1.19	\$	1.12	\$	0.81	\$	3.97
Diluted earnings per common share ⁽¹⁾	\$ 0.79	\$	1.09	\$	1.03	\$	0.75	\$	3.65

(1) Quarterly amounts do not total to the year to date amount as each period is calculated discretely. Diluted earnings per common share excludes the dilutive effect of the 2024 Convertible Notes, since the average stock price was less than the applicable conversion price and therefore was considered anti-dilutive, but includes restricted stock units that are subject to performance criteria, for which actual levels of performance above target have been achieved, using the treasury stock method when dilutive and the dilutive effect of shares underlying the 2018 Convertible Notes using the "if converted" method in which debt issuance and interest costs, net of tax, were added back to net earnings.

THE GREENBRIER COMPANIES, INC.

Supplemental Information

(In thousands, unaudited)

Segment Information

Three months ended May 31, 2018:

			Reve	enue			Earnings (loss) from operations						
·	Ex	ternal	Inter	Intersegment		Total		External		rsegment	Total		
Manufacturing	\$	510,099	\$	53,501	\$	563,600	\$	62,435	\$	6,215	\$	68,650	
Wheels & Parts		94,515		10,879		105,394		5,546		686		6,232	
Leasing & Services		36,773		3,886		40,659		26,704		3,380		30,084	
Eliminations		-		(68, 266)		(68,266)		-		(10,281)		(10,281)	
Corporate		-		-		-		(23,146)		-		(23,146)	
-	\$	641,387	\$	-	\$	641,387	\$	71,539	\$	-	\$	71,539	

Three months ended February 28, 2018:

			Reve	enue		Earnings (loss) from operations			
	E	ternal	Inters	segment	Total	External	Intersegment	Total	
					\$	\$	\$	\$	
Manufacturing	\$	511,827	\$	13,948	525,775	63,185	3,415	66,600	
Wheels & Parts Leasing &		88,710		8,951	97,661	5,119	780	5,899	
Services Eliminations		28,799 -		4,365 (27,264)	33,164 (27,264)	16,114 -	3,794 (7,989)	19,908 (7,989)	

Corporate	-	-	-	(23,548)	-	(23,548)
			\$	\$	\$	\$
	\$ 629,336	\$ -	629,336	60,870	-	60,870

	Total assets				
	May 31, 2018	February 28, 2018			
Manufacturing Wheels & Parts Leasing &	\$ 924,869 243,641	\$	911,505 260,077		
Services Unallocated	578,259 683,814		565,626 694,847		
	\$ 2,430,583	\$	2,432,055		

Information for GBW, which is Greenbrier's fourth reportable segment and which is accounted for under the equity method of accounting, is included in the table below. Information included in the table below represents totals for GBW rather than Greenbrier's 50% share, as this is how performance and resource allocation is evaluated.

	As of and for the Three Months Ended				
_	May 31, 2018	February 28, 2018			
Revenue	\$ 67,200	\$ 62,700			
Loss from operations	\$ (29,500) \$	\$ (5,500) \$			
Total assets	177,800	208,500			

During the third quarter of 2018, GBW recorded a pre-tax impairment loss of \$26.4 million. Our share of the non-cash impairment was \$9.5 million after-tax (\$0.29 per share) and is included as part of Loss from unconsolidated affiliates on our Consolidated Statement of Income.

THE GREENBRIER COMPANIES, INC.

Supplemental Information

(In thousands, excluding backlog and delivery units, unaudited)

Reconciliation of Net earnings to Adjusted EBITDA

	Three Months Ended			
		May 31,	February 28,	
		2018	2018	
			\$	
Net earnings	\$	36,239	65,289	
Interest and foreign exchange		6,533	7,029	
Income tax expense (benefit)		15,944	(11,301))	
Depreciation and amortization		18,707	18,084	
GBW goodwill impairment		9,493	-	
		\$	\$	
Adjusted EBITDA		86,916	79,101	

Three Months Ended May 31, 2018

Backlog Activity (units) (1)
Beginning backlog

Orders received	6,000
Production held as Leased railcars for syndication Production sold directly to third parties Ending backlog	(1,600) (4,300) 24,200
(1)	
Delivery Information (units) (1)	
Production sold directly to third parties	4,300
Sales of Leased railcars for syndication	1,300

 Includes Greenbrier-Maxion, our Brazilian railcar manufacturer, which is accounted for under the equity method

THE GREENBRIER COMPANIES, INC.

Supplemental Information

(In thousands, except per share amounts, unaudited)

Reconciliation of common shares outstanding and diluted earnings per share

The shares used in the computation of the Company's basic and diluted earnings per common share are reconciled as follows:

	Three M	onths Ended
	May 31, 2018	February 28, 2018
Weighted average basic common shares outstanding (1)	32,034	29,355
Dilutive effect of convertible notes (2)	655	3,349
Dilutive effect of restricted stock units ⁽³⁾	225	7
Weighted average diluted common shares outstanding	32,914	32,711

- (1) Restricted stock grants and restricted stock units that are considered participating securities, including some grants subject to certain performance criteria, are included in weighted average basic common shares outstanding when the Company is in a net earnings position.
- (2) The dilutive effect of the 2018 Convertible notes was included as they were considered dilutive under the "if converted" method as further discussed below. The 2018 Convertible notes matured April 1, 2018.
- (3) Restricted stock units that are not considered participating securities and restricted stock units subject to performance criteria, for which actual levels of performance above target have been achieved, are included in Weighted average diluted shares outstanding when the Company is in a net earnings position.

Diluted EPS was calculated using the more dilutive of two approaches. The first approach includes the dilutive effect, using the treasury stock method, associated with shares underlying the 2024 Convertible notes, restricted stock units that are not considered participating securities, and performance based restricted stock units that are subject to performance criteria, for which actual levels of performance above target have been achieved. The second approach supplements the first by including the "if converted" effect of the 2018 Convertible notes during the periods in which they were outstanding. Under the "if converted method" debt issuance and interest costs, both net of tax, associated with the convertible notes are added back to net earnings and the share count is increased by the shares underlying the convertible notes. The 2024 Convertible notes are included in the calculation of both approaches when the average stock price is greater than the applicable conversion price.

Net earnings attributable to Greenbrier
GBW goodwill impairment
Adjusted net earnings attributable to Greenbrier

	i nree Months Ended						
	Ma	ay 31,	Fe	February 28,			
	2	2018		2018			
_	\$	32,951	\$	61,642			
		9,493		-			
_	\$	42,444	\$	61,642			

	May 31, 2018		February 28, 2018	
Net earnings attributable to Greenbrier Add back: Interest and debt issuance costs on the 2018 Convertiblenotes, net of	\$	32,951	\$	61,642
tax		297		843
Earnings before interest and debt issuance costs onconvertible notes	\$	33,248	\$	62,485
Weighted average diluted common shares outstanding		32,914		32,711
Diluted earnings per share	\$	1.01	\$	1.91
GBW goodwill impairment		0.29 ⁽¹⁾		-
Adjusted diluted earnings per share	\$	1.30	\$	1.91

⁽¹⁾ GBW goodwill impairment of \$9.5 million, net of tax, divided by weighted average diluted common shares outstanding of 32,914 for the three months ended may 31, 2018.

SOURCE The Greenbrier Companies, Inc. (GBX)

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https://pressroom.gbrx.com/2018-06-29-Greenbrier-Reports-Third-Quarter-Results