- ~ Announces orders of 6,500 railcars valued at \$730 million
- ~~ Record quarterly revenue exceeding \$850 million
- ~~ Core North American operations continue to build momentum
- ~~ Pending ARI acquisition brings product & geographic diversification and greater scale

LAKE OSWEGO, Ore., July 2, 2019 / PRNewswire -- The Greenbrier Companies, Inc. (NYSE: GBX) today reported financial results for its third fiscal quarter ended May 31, 2019.

Third Quarter Highlights

- Net earnings attributable to Greenbrier for the quarter were \$15.2 million, or \$0.46 per diluted share, on revenue of \$856.2 million. Quarterly results include a \$10.0 million (\$0.30 per share) non-cash goodwill impairment charge in the railcar repair operation and \$4.3 million, net of tax, (\$0.13 per share) of American Railcar Industries (ARI) acquisition costs.
- Adjusted net earnings attributable to Greenbrier were \$29.6 million (\$0.89 per diluted share)
 excluding the goodwill impairment and ARI acquisition costs.
- Adjusted EBITDA for the quarter was \$84.4 million, or 9.9% of revenue.
- Orders for 6,500 diversified railcars were received during the quarter, valued at \$730 million.
 Book-to-bill ratio was 1.0x.
- New railcar backlog as of May 31, 2019 was 26,100 units with an estimated value of \$2.74 billion.
- New railcar deliveries totaled 6,500 units for the quarter.
- Board declares quarterly dividend of \$0.25 per share, payable on August 8, 2019 to shareholders as of July 18, 2019.
- Acquisition of the manufacturing assets of ARI remains subject to regulatory review and approval.

William A. Furman, Chairman and CEO, said, "Greenbrier gained the momentum we expected during the quarter, led by improved operating efficiencies in our core North American manufacturing business. Greenbrier's current and expected performance is consistent with our prior comments that revenue and margin would be back-half weighted this fiscal year. These gains were muted in our overall financial results due to continued weakness in Greenbrier's railcar repair business and certain international operations, along with costs associated with the ARI acquisition."

Furman continued, "Despite certain legacy headwinds and the management attention required on a major acquisition in the quarter, we are pleased with our improved core operating performance. We anticipate further strong momentum in the fourth quarter. Realignment of our railcar repair network is expected to be completed by the end of the year, which will help earnings performance in the Wheels, Repair & Parts segment. In Brazil, the long-delayed rail concession renewal process negatively affected the operations of our joint venture, resulting in a loss this quarter. Greenbrier's Brazil

operations are being right-sized for the current demand environment before order activity ramps up as expected in 2020 and over the coming years. Meanwhile, pricing and manufacturing performance in Europe responded more slowly than expected, but is now kicking in. Headwinds from Europe and Brazil are expected to turn to tailwinds in Q4 and beyond, along with other international performance contributions."

Furman concluded, "The Company is performing well in a choppy global freight railcar market. Greenbrier received orders for approximately 6,500 new railcars valued at \$730 million in the quarter. These orders span a range of railcar types from a diverse set of customers. Greenbrier's backlog of 26,100 units valued at \$2.7 billion provides strong visibility and cash flow into fiscal 2020. Greenbrier's four-part strategy remains unchanged: reinforcing our core North American markets, executing on our international strategy, developing a robust talent pipeline, and growing the business on a larger scale. The strategy and Greenbrier's integrated business model work in parallel to support our success over time, especially with the acquisition of ARI, which will allow a larger, more diversified product and geographic mix in North America."

Fiscal Q4 2019 Outlook

Based on current business trends, Greenbrier believes for the fourth quarter:

- Deliveries will be 7,000 8,000 units including Greenbrier-Maxion (Brazil) (which will account for approximately 100 – 200 units).
- Revenue will be nearly \$1.0 billion.
- Diluted EPS will be \$1.30 1.50 excluding any ARI acquisition costs or operational benefits.

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 FY19	Q2 FY19	Sequential Comparison – Main Drivers
Revenue	\$856.2M	\$658.7M	Up 30% due to increased delivery volumes
Gross margin	12.4%	8.2%	Primarily improved manufacturing efficiency
Selling and	\$54.4M	\$47.9M	Includes \$5.8 million of ARI acquisition expenses
administrative expense			
Adjusted EBITDA	\$84.4M	\$37.4M	Increased operating earnings; see reconciliation on page 12
Effective tax rate	30.0%	25.5%	Higher quarterly rate driven by goodwill impairment with no tax benefit;
			excluding goodwill, the rate would have been ~25%
Loss from	\$4.6M	\$0.8M	Decline primarily driven by negative performance in Brazil due to low
unconsolidated affiliates			delivery volume
Net earnings attributable	\$10.6M	\$3.0M	Increased deliveries and improved mix at GIMSA JV
to noncontrolling interest			
Adjusted net earnings	\$29.6M ⁽¹⁾	\$2.8M	Increased operating earnings reflecting higher delivery volumes and
attributable to Greenbrier			manufacturing gross margin
Adjusted diluted EPS	\$0.89 ⁽¹⁾	\$0.08	

⁽¹⁾ Excludes \$10.0 million (\$0.30 per share) non-cash impact associated with a goodwill impairment charge and \$4.3 million (\$0.13 per share), net of tax, expense associated with ARI acquisition costs.

Segment Summary

	Q3 FY19	Q2 FY19	Sequential Comparison – Main Drivers
Manufacturing			
Revenue	\$681.6M	\$476.0M	43% increase driven by 44% increase in deliveries
Gross margin	13.3%	6.9%	Improved efficiency and product mix
Operating margin (1)	10.6%	2.9%	
Deliveries (2)	6,500	4,500	Higher production levels and syndication activity
Wheels, Repair & Par	ts	•	
Revenue	\$125.0M	\$125.3M	Continued seasonally strong volumes
Gross margin	4.1%	5.4%	Continued operating challenges in railcar repair operations
Operating margin (1)	(7.1%)	2.3%	Includes \$10.0 million, non-cash goodwill impairment
Leasing & Services	•	•	
Revenue	\$49.6M	\$57.4M	Less secondary market syndication activity
Gross margin	21.4%	24.4%	Decline primarily reflects increased transportation costs and less interim rent on
			certain railcars
Operating margin (1)	30.9%	36.7%	Lower gross margin and modestly lower level of gains on disposition of equipment
(3)			

- (1) See supplemental segment information on page 11 for additional information. Excludes Brazil deliveries which are not consolidated into manufacturing revenue and
- (2) margins.
- (3) Includes Net gain on disposition of equipment, which is excluded from gross margin.

Conference Call

Greenbrier will host a teleconference to discuss its third quarter 2019 results. In conjunction with this news release, Greenbrier has posted a supplemental earnings presentation to our website.

Teleconference details are as follows:

- July 2, 2019
- 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 Europe is an end-to-end freight railcar manufacturing, engineering and repair business with operations in Poland, Romania and Turkey that serves customers across Europe and in the nations of the Gulf Cooperation Council. Greenbrier builds freight railcars and rail castings in Brazil through two separate strategic partnerships. We are a leading provider of freight railcar wheel services, parts, repair, refurbishment and retrofitting services in North America through our wheels, repair & parts business unit. Greenbrier offers railcar management, regulatory compliance services and leasing services to railroads and related transportation industries in North America. Through unconsolidated joint ventures, we produce industrial and rail castings, tank heads and other components. Greenbrier owns a lease fleet of 8,900 railcars and performs management services for 374,000 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 "affirms," "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, 2018, Greenbrier's Quarterly Report on Form 10-Q for the fiscal guarter ended February 28, 2019, 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, Adjusted diluted EPS and Diluted

earnings per share range excluding ARI acquisition costs are not financial measures under generally accepted accounting principles (GAAP). These metrics are performance measurement tools 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. Diluted earnings per share range excluding ARI acquisition costs exclude ARI acquisition costs. We believe these assist in comparing our performance across reporting periods.

THE GREENBRIER COMPANIES, INC.

Consolidated Balance Sheets

(In thousands, unaudited)

	I	May 31, 2019	Fe	bruary 28, 2019	Nov	vember 30, 2018	Α	ugust 31, 2018		May 31, 2018
Assets										
Cash and cash equivalents	\$	359,625	\$	341,500	\$	462,797	\$	530,655	\$	589,969
Restricted cash		21,471		21,584		8,872		8,819		9,204
Accounts receivable, net		330,385		335,732		306,917		348,406		322,328
Inventories		592,099		574,146		492,573		432,314		396,518
Leased railcars for syndication		130,489		163,472		233,415		130,926		158,194
Equipment on operating leases, net		376,241		381,336		317,282		322,855		302,074
Property, plant and equipment, net		478,502		472,739		461,120		457,196		424,035
Investment in unconsolidated affiliates		53,036		58,685		58,682		61,414		75,884
Intangibles and other assets, net		97,022		101,284		95,958		94,668		82,030
Goodwill		74,318		82,743		77,508		78,211		70,347
	\$	2,513,188	\$	2,533,221	\$	2,515,124	\$	2,465,464	\$	2,430,583
Liabilities and Equity										
Revolving notes	\$	25,952	\$	22,323	\$	22,189	\$	27,725	\$	20,337
Accounts payable and accrued liabilities		473,106	•	474,863	•	438,304	•	449,857	•	447,827
Deferred income taxes		12,089		29,481		30,631		31,740		36,657
Deferred revenue		76,170		91,533		108,566		105,954		102,919
Notes payable, net		483,918		486,107		487,764		436,205		437,833
Contingently redeemable noncontrolling										
interest		24,722		25,637		28,449		29,768		31,135
Total equity - Greenbrier		1,262,315		1,257,818		1,257,631		1,250,101		1,225,512
Noncontrolling interest		154,916		145,459		141,590		134,114		128,363
Total equity		1,417,231		1,403,277		1,399,221		1,384,215		1,353,875
	\$	2,513,188	\$	2,533,221	\$	2,515,124	\$	2,465,464	\$	2,430,583

Consolidated Statements of Income

(In thousands, except per share amounts, unaudited)

		Three Mo Ma	nths I y 31,	Ended	Nine Mo Ma	nths E ry 31,	Ended
		2019		2018	2019		2018
Revenue							
Manufacturing	\$	681,588	\$	510,099	\$ 1,629,396	\$	1,473,411
Wheels, Repair & Parts		124,980		94,515	358,801		261,236
Leasing & Services		49,584		36,773	131,149		95,611
		856,152		641,387	2,119,346		1,830,258
Cost of revenue							
Manufacturing		590,788		427,875	1,451,589		1,237,890
Wheels, Repair & Parts		119,821		85,850	339,254		239,064
Leasing & Services		38,971		19,155	95,554		50,136
		749,580		532,880	1,886,397		1,527,090
Margin		106,572		108,507	232,949		303,168
Selling and administrative expense		54,377		51,793	152,701		149,130
Net gain on disposition of equipment		(11,019)		(14,825)	(37,474)		(39,813)
Goodwill impairment		10,025		-	10,025		-
Earnings from operations		53,189		71,539	107,697		193,851
Other costs							
Interest and foreign exchange		9,770		6,533	23,411		20,582
Earnings before income taxes and loss from		·		·	,		<u> </u>
unconsolidated affiliates		43,419		65,006	84,286		173,269
Income tax expense		(13,008)		(15,944)	(24,391)		(22,778)
Earnings before loss from unconsolidated affiliates	-	30,411		49,062	59,895		150,491
Loss from unconsolidated affiliates		(4,564)		(12,823)	(4,883)		(15,586)
Net earnings	-	25,847		36,239	55,012		134,905
Net earnings attributable to noncontrolling interest		(10,599)		(3,288)	(19,043)		(14,059)
Net earnings attributable to Greenbrier	\$	15,248	\$	32,951	\$ 35,969	\$	120,846
Basic earnings per common share:	\$	0.47	\$	1.03	\$ 1.10	\$	3.99
Diluted earnings per common share:	\$	0.46	\$	1.01	\$ 1.08	\$	3.75
Weighted average common shares: Basic Diluted		32,603 33,183		32,034 32,914	32,623 33,161		30,250 32,774
Dividends declared per common share	\$	0.25	\$	0.25	\$ 0.75	\$	0.71

THE GREENBRIER COMPANIES, INC.

Consolidated Statements of Cash Flows

(In thousands, unaudited)

		tns , 31,	Enaea	
	2019			2018
Cash flows from operating activities				
Net earnings	\$	55,012	\$	134,905
Adjustments to reconcile net earnings to net cash provided by(used in) operating				
activities:				
Deferred income taxes		(20,478)		(38,825)
Depreciation and amortization		60,833		55,161
Net gain on disposition of equipment		(37,474)		(39,813)
Accretion of debt discount		3,268		3,109

Stock based compensation expense	10,792	20,311
Goodwill impairment	10,025	-
Noncontrolling interest adjustments	7,322	1,067
Other	1,916	1,345
Decrease (increase) in assets:	07.000	(04.000)
Accounts receivable, net	27,926	(24,980)
Inventories	(169,813)	(4,270)
Leased railcars for syndication	(43,796)	(69,994)
Other	(2,525)	30,549
Increase (decrease) in liabilities:	00.504	04.000
Accounts payable and accrued liabilities	30,581	34,898
Deferred revenue	(27,712)	(23,837)
Net cash provided by (used in) operating activities	(94,123)	79,626
Cash flows from investing activities		
Proceeds from sales of assets	100,730	129,828
Capital expenditures	(149,945)	(118,656)
Investment in and advances to unconsolidated affiliates	(11,393)	(21,455)
Cash distribution from unconsolidated affiliates	1,986	3,941
Net cash used in investing activities	(58,622)	(6,342)
Cash flows from financing activities		
Net change in revolving notes with maturities of 90 days or less	(1,882)	16,013
Proceeds from issuance of notes payable	225,000	13,749
Repayments of notes payable	(179,803)	(19,274)
Debt issuance costs	(2,974)	-
Investment by joint venture partner	=	6,500
Dividends	(25,072)	(21,866)
Cash distribution to joint venture partner	(11,715)	(69,413)
Tax payments for net share settlement of restricted stock	(6,321)	(7,716)
Net cash used in financing activities	(2,767)	(82,007)
Effect of exchange rate changes	(2,866)	(12,462)
Decrease in cash, cash equivalents and restricted cash	(158,378)	(21,185)
Cash and cash equivalents and restricted cash	(,,	(,,
Beginning of period	539,474	620,358
End of period	\$ 381,096	\$ 599,173
Balance Sheet Reconciliation	+ ,	, , -
Cash and cash equivalents	\$ 359,625	\$ 589,969
Restricted cash	21,471	9,204
Total cash and cash equivalents and restricted cash as presented above	\$ 381,096	\$ 599,173
rotal dash and dash equivalents and restricted dash as presented above	Ψ 001,000	ψ 555,175

THE GREENBRIER COMPANIES, INC.

Supplemental Information

(In thousands, except per share amounts, unaudited)

Operating Results by Quarter for 2019 are as follows:

——————————————————————————————————————	First	Second	Third	Total
Revenue				
Manufacturing \$	471,789	\$ 476,019	\$ 681,588	\$ 1,629,396
Wheels, Repair & Parts	108,543	125,278	124,980	358,801
Leasing & Services	24,191	57,374	49,584	131,149
	604,523	658,671	856,152	2,119,346
Cost of revenue				
Manufacturing	417,805	442,996	590,788	1,451,589
Wheels, Repair & Parts	100,978	118,455	119,821	339,254
Leasing & Services	13,207	43,376	38,971	95,554
	531,990	604,827	749,580	1,886,397
Margin	72,533	53,844	106,572	232,949
Selling and administrative expense	50,432	47,892	54,377	152,701
Net gain on disposition of equipment	(14,353)	(12,102)	(11,019)	(37,474)
Goodwill impairment	-	<u>-</u>	10,025	10,025

Earnings from operations	 36,454	18,054	53,189	107,697
Other costs				
Interest and foreign exchange	 4,404	9,237	9,770	23,411
Earnings before income taxes and earnings (loss) from unconsolidated affiliates	32,050	8,817	43,419	84,286
Income tax expense	(9,135)	(2,248)	(13,008)	(24,391)
Earnings before earnings (loss) from unconsolidated				
affiliates	22,915	6,569	30,411	59,895
Earnings (loss) from unconsolidated affiliates	467	(786)	(4,564)	(4,883)
Net earnings	 23,382	5,783	25,847	55,012
Net earnings attributable to noncontrolling interest	(5,426)	(3,018)	(10,599)	(19,043)
Net earnings attributable to Greenbrier	\$ 17,956	\$ 2,765	\$ 15,248	\$ 35,969
Basic earnings per common share (1)	\$ 0.55	\$ 0.08	\$ 0.47	\$ 1.10
Diluted earnings per common share (1)	\$ 0.54	\$ 0.08	\$ 0.46	\$ 1.08

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, but includes restricted stock units that are not considered participating securities and restricted stock units that are subject to performance criteria, for which actual levels of performance above target have been achieved, when dilutive.

THE GREENBRIER COMPANIES, INC.

Supplemental Information

(In thousands, except per share amounts, unaudited)

Operating Results by Quarter for 2018 are as follows:

Operating Results by Quarter for			vs:	0	Third	Farmela	Total
		First		Second	Third	Fourth	Total
Revenue							
Manufacturing	\$	451,485	\$	511,827	\$ 510,099	\$ 571,175	\$ 2,044,586
Wheels, Repair & Parts		78,011		88,710	94,515	85,787	347,023
Leasing & Services		30,039		28,799	36,773	32,244	127,855
		559,535		629,336	641,387	689,206	2,519,464
Cost of revenue							
Manufacturing		380,850		429,165	427,875	489,517	1,727,407
Wheels, Repair & Parts		72,506		80,708	85,850	79,266	318,330
Leasing & Services		16,865		14,116	19,155	14,536	64,672
		470,221		523,989	532,880	583,319	2,110,409
Margin		89,314		105,347	108,507	105,887	409,055
Selling and administrative							
expense		47,043		50,294	51,793	51,309	200,439
Net gain on disposition of equipment		(19,171)		(5,817)	(14,825)	(4,556)	(44,369)
Earnings from operations		61,442		60,870	71,539	59,134	252,985
Other costs							
Interest and foreign exchange		7,020		7,029	6,533	8,786	29,368
Earnings before income tax and earnings (loss) from							
unconsolidated affiliates		54,422		53,841	65,006	50,348	223,617
Income tax benefit (expense)		(18,135)		11,301	(15,944)	(10,115)	(32,893)
Earnings before earnings (loss)		, ,		<u> </u>	, , ,	, , ,	, , ,
from unconsolidated affiliates		36,287		65,142	49,062	40,233	190,724
Earnings (loss) from							
unconsolidated affiliates		(2,910)		147	(12,823)	(3,075)	(18,661)
Net earnings		33,377		65,289	36,239	37,158	172,063

Net earnings attributable to noncontrolling interest	 (7,124)		(3,647)	(3,288)	(6,223)		(20,282)	
Net earnings attributable to Greenbrier	\$ 26,253	\$	61,642	\$ 32,951	\$ 30,935	\$	151,781	
Basic earnings per common								
share ⁽¹⁾ Diluted earnings per common	\$ 0.90	\$	2.10	\$ 1.03	\$ 0.95	\$	4.92	
share (1)	\$ 0.83	\$	1.91	\$ 1.01	\$ 0.94	\$	4.68	

(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 not considered participating securities and restricted stock units that are subject to performance criteria, for which actual levels of performance above target have been achieved, 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 2018 Convertible Notes matured on April 1, 2018.

THE GREENBRIER COMPANIES, INC.

Supplemental Information

(In thousands, unaudited)

Segment Information

Three months ended May 31, 2019:

			Re	venue		Earnings (loss) from operations							
	Е	xternal	Intersegment		Total		External		Intersegment			Total	
Manufacturing Wheels,	\$	681,588	\$	29,201	\$	710,789	\$	72,110	\$	2,000	\$	74,110	
Repair & Parts Leasing &		124,980		11,601		136,581		(8,820)		808		(8,012)	
Services Eliminations Corporate		49,584 - -		5,848 (46,650)		55,432 (46,650)		15,337 - (25,438)		4,913 (7,721) -		20,250 (7,721) (25,438)	
	\$	856,152	\$	-	\$	856,152	\$	53,189	\$	-	\$	53,189	

Three months ended February 28, 2019:

		Re	evenue		Earnings (loss) from operations							
	External Intersegment			Total	External		Intersegment			Total		
Manufacturing Wheels,	\$ 476,019	\$	46,855	\$	522,874	\$	13,990	\$	2,358	\$	16,348	
Repair & Parts Leasing &	125,278		8,858		134,136		2,823		(858)		1,965	
Services Eliminations	57,374 -		2,911 (58,624)		60,285 (58,624)		21,030		2,101 (3,601)		23,131 (3,601)	
Corporate	 -						(19,789)		-		(19,789)	
	\$ 658,671	\$	-	\$	658,671	\$	18,054	\$		\$	18,054	

	Total assets			
		May 31,	Fe	bruary 28,
		2019		2019
Manufacturing Wheels,	\$	1,143,718	\$	1,093,593
Repair & Parts Leasing &		307,630		341,317
Services		650,483		704,016

411,357		394,295	
\$	2,513,188	\$ 2,533,221	

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,		Feb	ruary 28,	
	2019			2019	
Net earnings	\$	25,847	\$	5,783	
Interest and foreign exchange		9,770		9,237	
Income tax expense		13,008		2,248	
Depreciation and amortization		20,018		20,115	
Goodwill impairment		10,025		-	
ARI acquisition costs		5,761		-	
Adjusted EBITDA	\$	84,429	\$	37,383	

	Three Months Ended May 31, 2019
Backlog Activity (units) (1)	
Beginning backlog	26,000
Orders received	6,500
Production held as Leased railcars for	
syndication	(1,400)
Production sold directly to third parties	(5,000)
Ending backlog	26,100
Delivery Information (units) (1)	
Production sold directly to third parties	5,000
Sales of Leased railcars for syndication	1,500
Total deliveries	6,500

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

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

Three Months Ended			
May 31,	February 28,		
2019	2019		
32 603	32 628		

Dilutive effect of convertible notes (2)

Dilutive effect of performance awards (3)
Weighted average diluted common shares outstanding

-	-
580	578
33,183	33,206

- (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 2024 Convertible notes was excluded for the three months ended May 31, 2019 and February 28, 2019 as the average stock price was less than the applicable conversion price and therefore was considered anti-dilutive.
- (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.

	Three Months Ended			
		May 31, 2019	February 28, 2019	
Net earnings attributable to Greenbrier Goodwill impairment ARI acquisition costs, net of tax	\$	15,248 10,025 4,285	\$ 2,765 - -	
Adjusted net earnings attributable to Greenbrier	\$	29,558	\$ 2,765	
Weighted average diluted common shares outstanding		33,183	33,206	
Diluted earnings per share	\$	0.46	\$ 0.08	
Goodwill impairment		0.30 ⁽¹⁾	-	
ARI acquisition costs		0.13 ⁽²⁾	-	
Adjusted diluted earnings per share	\$	0.89	\$ 0.08	

- (1) Goodwill impairment of \$10.0 million divided by weighted average diluted common shares outstanding of 33,183 for the three months ended May 31, 2019.
- (2) ARI acquisition costs of \$4.3 million, net of tax, divided by weighted average diluted common shares outstanding of 33,183 for the three months ended May 31, 2019.

SOURCE The Greenbrier Companies, Inc. (GBX)

For further information: Lorie Tekorius, Investor Relations, Justin Roberts, Investor Relations, Ph: 503-684-7000