GBX

THE GREENBRIER COMPANIES

NYSE: GBX

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Safe Harbor Statement

"SAFE HARBOR" STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This presentation contains forward-looking statements, including statements that are not purely statements of historical fact. Greenbrier uses words, and variations of words, such as "assure," "approach," "believe," "create," "commitment," "continue," "dedicate," "drive," "expect," "focus," "goal," "invest," "often," "opportunity," "outlook," "provide," "position," "potential," "reduce," "require," "role," "should," "strategic," "strengthen," "trend," "will," and similar expressions to identify forward-looking statements. These forward-looking statements include, without limitation, statements about backlog and other orders, expectations for operating segments, environmental, social and governance commitments, financing, future liquidity, cash flow, strategic initiates, partnerships, tax treatment, and other information regarding future performance and strategies and appear throughout this presentation, including in the headlines and the sections titled "Our ESG Values," "Strategic Initiatives Drive Growth," and "Long Term Market Drivers." 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, the following: an economic downturn and economic uncertainty; inflation (including rising energy prices, interest rates, wages and other escalators) and policy reactions thereto (including actions by central banks); disruptions in the supply of materials and components used in the production of our products; the war in Ukraine and related events, and the COVID-19 pandemic, variants thereof, governmental reaction thereto, and related economic disruptions (including, among other factors, operations and supply disruptions and labor shortages). Our backlog of railcar units and marine vessels and other orders not included in backlog are not necessarily indicative of future results of operations. Certain orders in backlog are subject to customary documentation which may not occur. More information on potential factors that could cause our results to differ from our forward-looking statements is included in the Company's filings with the SEC, including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's most recently filed periodic report on Form 10-K. Except as otherwise required by law, the Company assumes no obligation to update any forward-looking statements or information, which speak as of their respective dates. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof.

Greenbrier Overview

Leading Railcar Manufacturer
in North America, Europe and South America

Strategic Market Position
with multiple growth drivers

Integrated Model
captures value throughout the railcar life cycle

Strong Liquidity Profile
conservative approach to balance sheet management

Diverse Product Portfolio
from low-cost, flexible manufacturing facilities

Large Aftermarket Business
provides stability & strategic benefits throughout cycle

Leasing Business
creates tax-advantaged annuity stream, reduces cycle exposure

Cash Flow Focus
investing in high return projects & shareholder returns

$3.4bn
backlog[1]

$767mn
revenue generated in Q1 2023

$477mn
in available liquidity[1]

[1] As of November 30, 2022

Greenbrier Core Strategies

- Continued manufacturing excellence
- Commitment to expand services
- Increased investment in human capital
- Purposeful ESG approach
- Intentional advocacy on public policy

Complementary Operating Segments

Greenbrier's business model delivers superior value to customers by creating customized freight car solutions over the entire life of a railcar.

Our diversified portfolio of quality products and services enhances our financial performance across the business cycle.

RAILCAR MANUFACTURING

Produce virtually all types of railcars for the North American, European and Brazilian markets. We are the North American market leader in intermodal railcar production.

RAILCAR LEASING

Greenbrier has a fleet of ~14,100 [1] railcars in North America, covering numerous car types which serve multiple market segments.

RAILCAR MANAGEMENT

Greenbrier Management Services (GMS) is North America's most comprehensive railcar management solutions provider. We manage 408,000 [1] railcars and customers include Class I railroads and leading shippers.

MAINTENANCE SERVICES

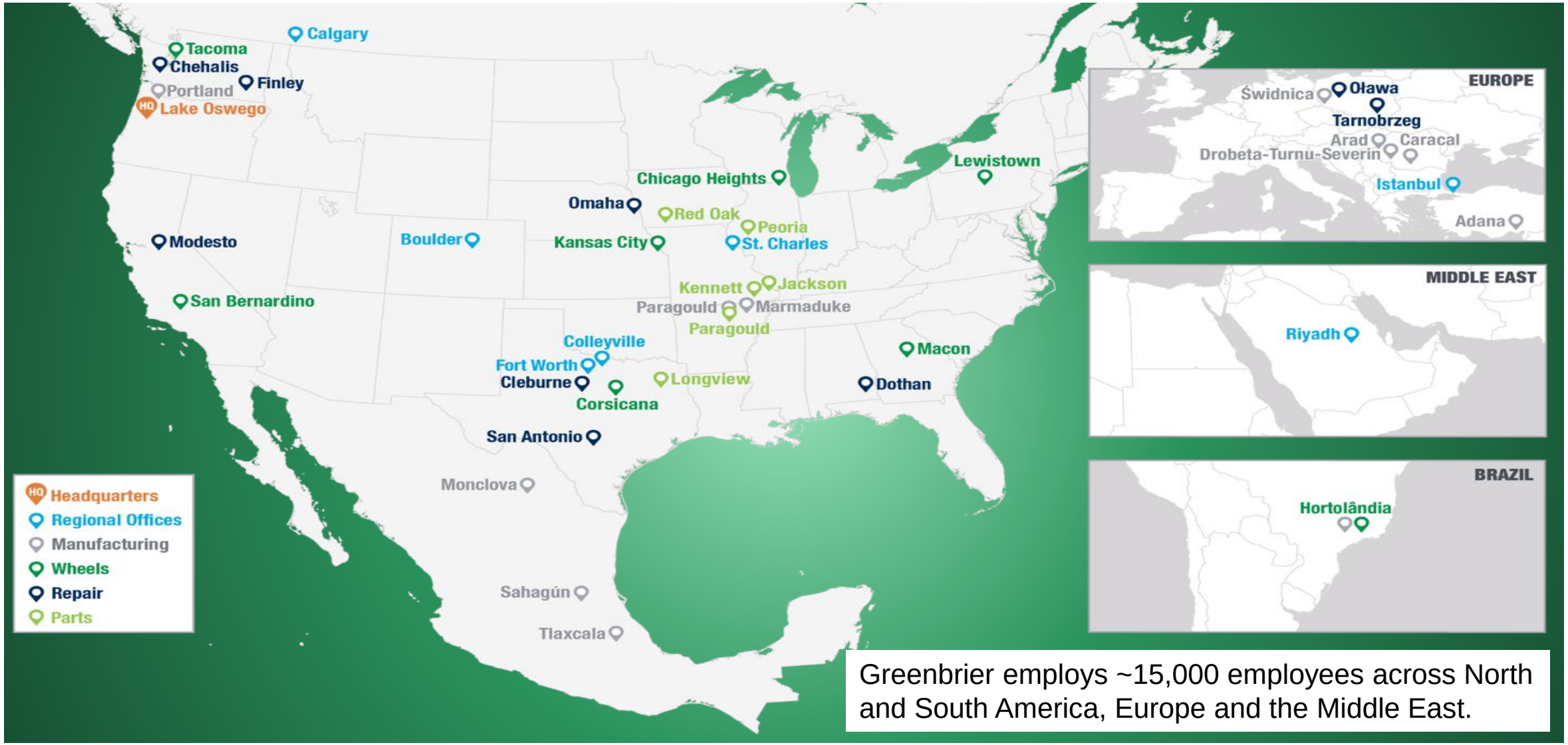
With decades of experience and industry leadership, we deliver seamless services and solutions throughout the lifecycle of a railcar that allow owners and shippers to focus on core business activities.

MARINE MANUFACTURING

Our deep-water facility has built a diverse portfolio of marine vessels with an emphasis on ocean-going barges, including heavy-lift deck barges, double-hull tank barges and many other heavy industrial products.

[1] Data as of 11/30/2022

Broad Operational Footprint



Greenbrier employs ~15,000 employees across North and South America, Europe and the Middle East.

Our ESG Values

SAFETY & QUALITY

Leading the Industry Worldwide

"To maintain our industry leading status, we pride ourselves on producing high-quality products while maintaining rigorous employee safety standards. Greenbrier's core values of safety and quality drive all our operations."

- ***Five consecutive years*** of improved safety statistics – achieved the lowest rate in 2022
- OSHA injury and DART[1] rates have ***improved by ~80% since 2013***
- Received multiple annual recognitions by the Portland Business Journal as a ***'Most Admired Company'***

ENVIRONMENT

Advancing Sustainability

"As one of the most fuel-efficient methods of transportation, the rail and marine industries and our role in them are inextricably linked to environmental sustainability."

- Greenbrier set a Scope 2 greenhouse gas reduction goal of 20% by 2027
- *Disclosed climate risk management process for the first time in 2022 ESG report*
- *Recent enhancements to Greenbrier's product designs include lowering the tare weight of various railcars, enhancing aerodynamics, introducing new safety features and incorporating recycled content where possible.*

PEOPLE & COMMUNITIES

Contributing to Our People and Communities

"Greenbrier is dedicated to serving and investing in our people and communities, making them better places to live and work. We do this through community action days, scholarship funding, volunteerism and our IDEAL program.

- Our ***charitable giving program*** encourages employees to provide service to their local communities
- Donated over $1 million and 9,000 hours to nonprofit organizations in a diverse focus areas
- Introduced employee resource groups (ERGs) as part of our ***IDEAL commitment***

GOVERNANCE & ETHICS

Assuring the Highest Standards of Oversight

"We are dedicated to sound governance practices at Greenbrier. This aspect of our ESG program includes business ethics, risk management, internal audits and our Board structure."

- Greenbrier's current percentage of ***female board members is 36%***, exceeding 50/50 Women on Board's 3+ category
- ***Over 80% of directors are independent***

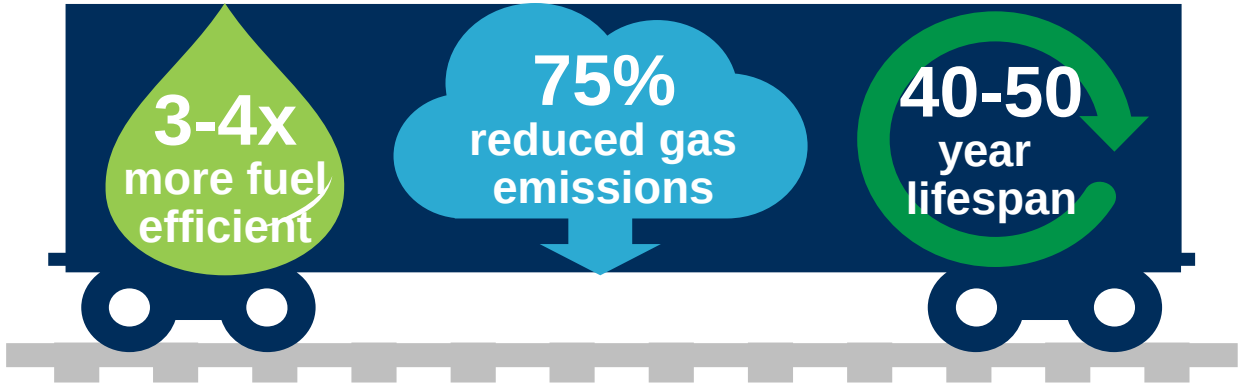
(1) Days Away, Restricted, and Transferred.

Environmental, Social and Governance (ESG)

Greenbrier's fourth annual ESG Report was published in November 2022. It was prepared in accordance with the Sustainability Accounting Standards Board (SASB) framework. The report also includes UN Sustainable Development Goals (SDG) targets and a Task Force on Climate-Related Financial Disclosures (TCFD) index and commitment to full alignment by 2030. Focus on:

- Environmental
- Safety & Quality
- Supply Chain
- Diversity, Equity and Inclusion (IDEAL)
- Risk Management

RAIL VERSUS TRUCK



Source: AAR

Strategic Initiatives Drive Growth

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2014

- GG SYNERGY — 50% stake in GGSynergy SA de C.V.

2015

- AmstedMaxion — 19.5% stake in Amsted-Maxion Hortolandia (rebranded Greenbrier-Maxion)

2016

- GBSummit — GBSummit

2017

- ASTRA RAIL INDUSTRIES — Formation of Greenbrier ASTRA Rail
- GREENBRIER MAXION AN AMSTED RAIL GLOBAL PARTNER — Increased stake to 60% stake in Greenbrier-Maxion
- SAR — Began delivery of approximately 1,200 railcars into the Kingdom of Saudi Arabia

2018

- RAYVAG — 68% stake in Rayvag

2019

- ARI — ARI Acquisition

2020

2021

- GBX LEASING — Formed GBX Leasing

2022

- RAILPulse — GBX joined the joint venture coalition

GBX has joined the RailPulse industry coalition to promote data transparency

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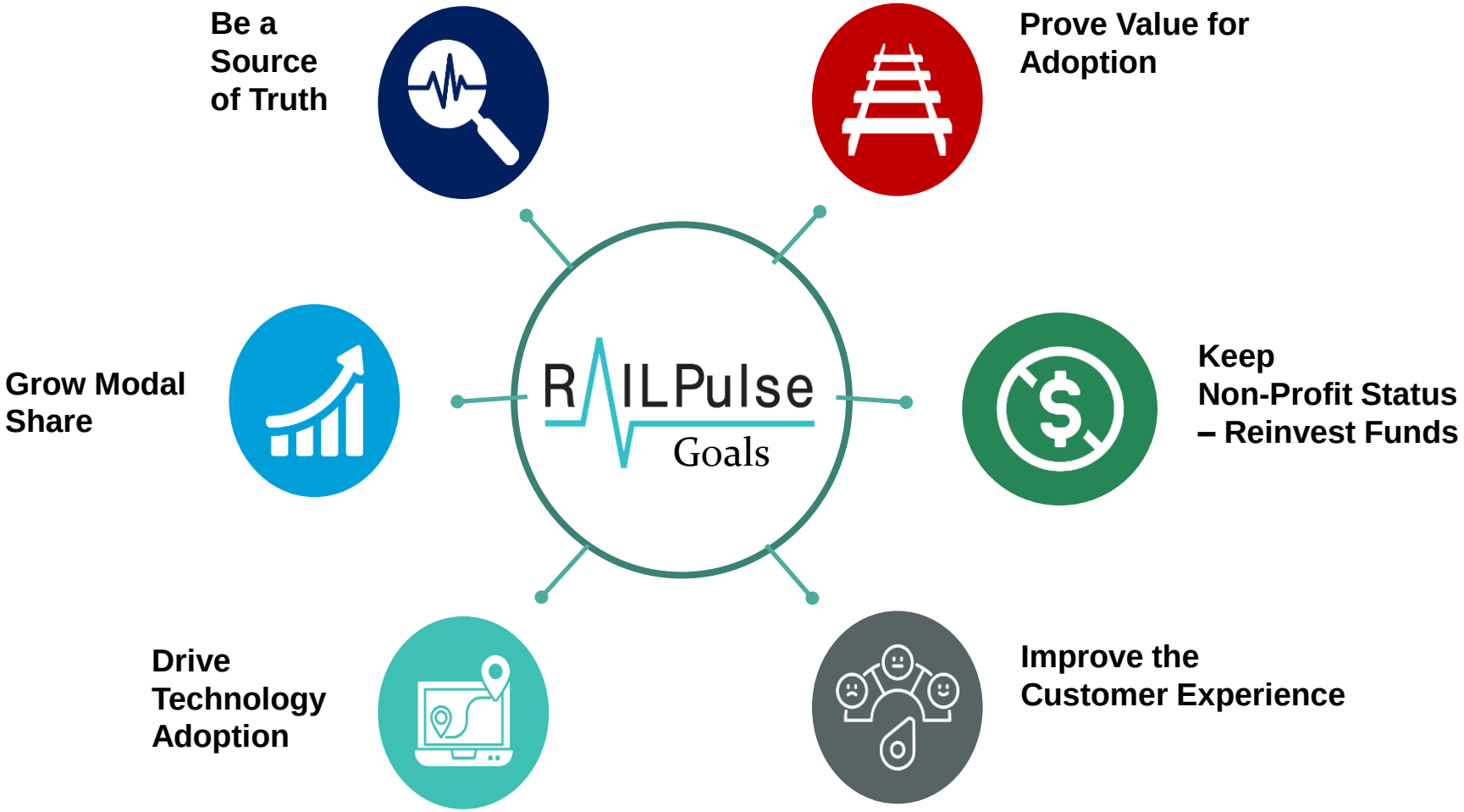
THE GREENBRIER COMPANIES

Seven Board Companies

- Norfolk Southern
- Genesee & Wyoming
- Union Pacific
- Watco Companies
- GATX
- The Greenbrier Companies
- TrinityRail

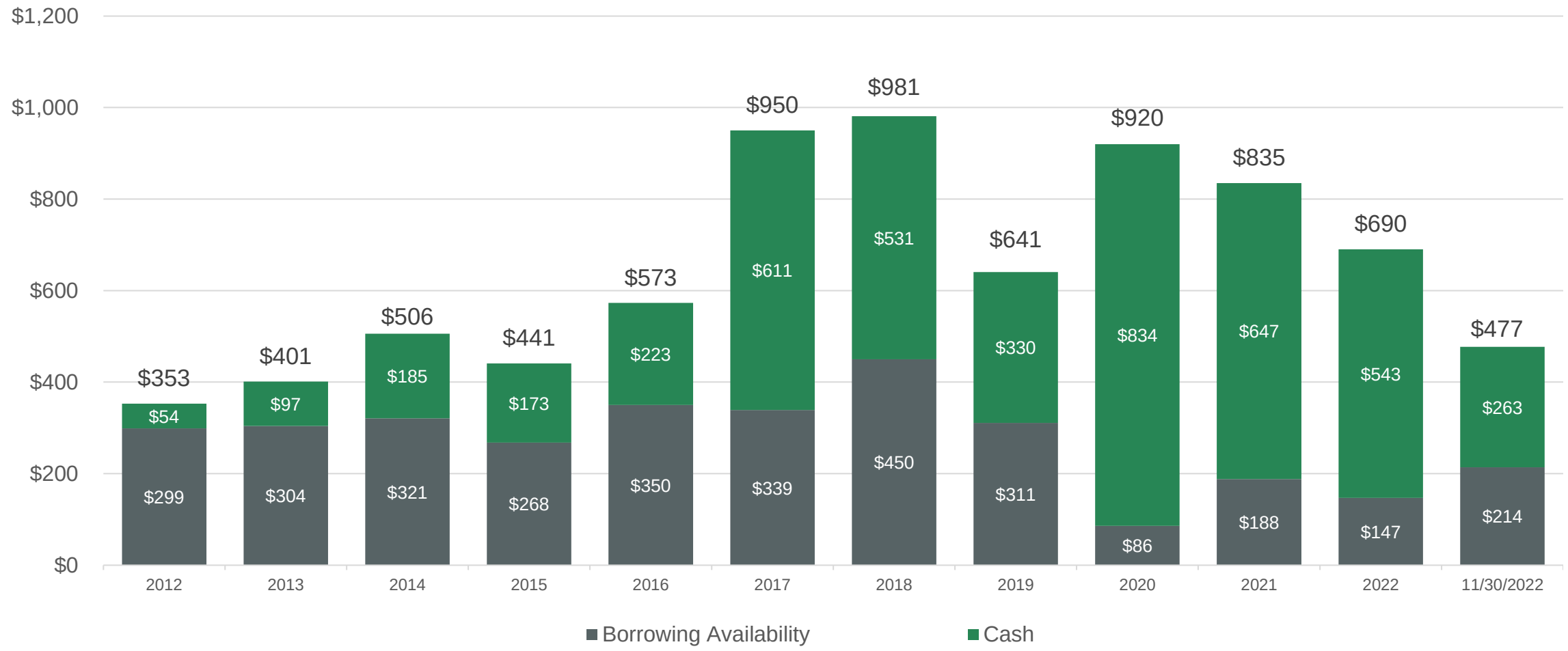


High-Strength Steel Innovation

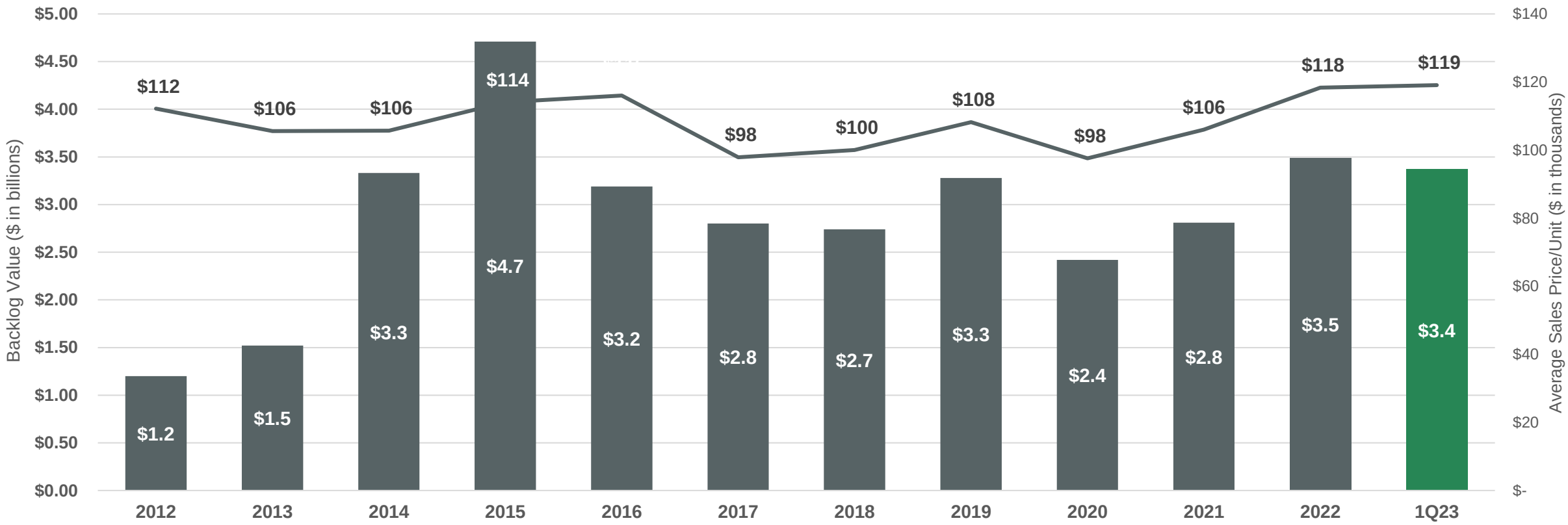
- Partnership between supplier, builder and end-user rooted in the recognition that North America's aging gondola fleet will require substantial replacement
- **Benefits:** Extended lifecycle, increased sustainability, greater freight capacity

Strong Balance Sheet and Liquidity Provide Flexibility

Liquidity Summary ($ in millions)



Railcar Backlog Provides Visibility



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	1Q23
Backlog units	10,700	14,400	31,500	41,300	27,500	28,600	27,400	30,300	24,600	26,600	29,500	28,300

Leasing Enhances Potential Returns

(In millions, except owned and managed fleet, unaudited)

(In Units)	Aug 31, 2022	Nov 30, 2022
Owned Fleet[1]	12,200,	14,100,
Managed Fleet	408,000	408,000
Owned Fleet Utilization[1]	98%	98%

	Aug 31, 2022	Nov 30, 2022
Beginning balance	11,800	12,200
Railcars added	1,700	2,300
Railcars sold / scrapped	(1,300)	(400)
Ending balance	12,200	14,100

	Aug 31, 2022	Nov 30, 2022
Equipment on operating lease[2]	$ 770.9	$ 836.2
GBX Leasing non-recourse warehouse	$ -	$ -
GBX Leasing ABS non-recourse notes	318.6	315.7
Leasing non-recourse term loan	268.0	306.6
Total Leasing non-recourse debt	$ 586.6	$ 622.3
Fleet leverage %[3]	76%	74%

- ✓ Reduces Greenbrier's exposure to new railcar order and delivery cycle; provides tax-advantaged recurring lease-based revenue and an inflation hedge
- ✓ Strengthens distribution and funding strategies allowing us to better serve our customers' needs and deepen relationships
- ✓ Complements Greenbrier's integrated business model of railcar manufacturing and services
- ✓ Continues to grow a diverse lease portfolio, with emphasis on industrial shipper and other long-standing customer relationships, including those gained through acquisition of ARI

(1) Owned fleet includes Leased railcars for syndication
(2) Equipment on operating lease assets not securing Leasing non-recourse term loan supports the $600 million U.S. revolver
(3) Total Leasing non-recourse debt / Equipment on operating lease

Syndication Model Provides Liquidity & Resilience

DIRECT MANUFACTURING

Railcars ordered by customers or for syndication

↓

Greenbrier Manufacturing builds ordered cars

↓

Revenue recognized by **Greenbrier Manufacturing**

LEASING & MANAGEMENT SERVICES

HOLD

Cars temporarily reside on Greenbrier's balance sheet ("Leased railcars for Syndication"), generating income for Leasing & Services Unit or capitalized into lease fleet ("Equipment on Operating Lease")

↓

SYNDICATE

Cars aggregated and sold to 3rd party investors (non-recourse to GBX), creating sales price premium due to attached lease.

Syndication activity recognized by **Greenbrier Leasing & Management Services**

↓

MANAGE

Long term management fees are often earned through servicing fleet now owned by investors

Revenue recognized by **Greenbrier Leasing & Management Services**

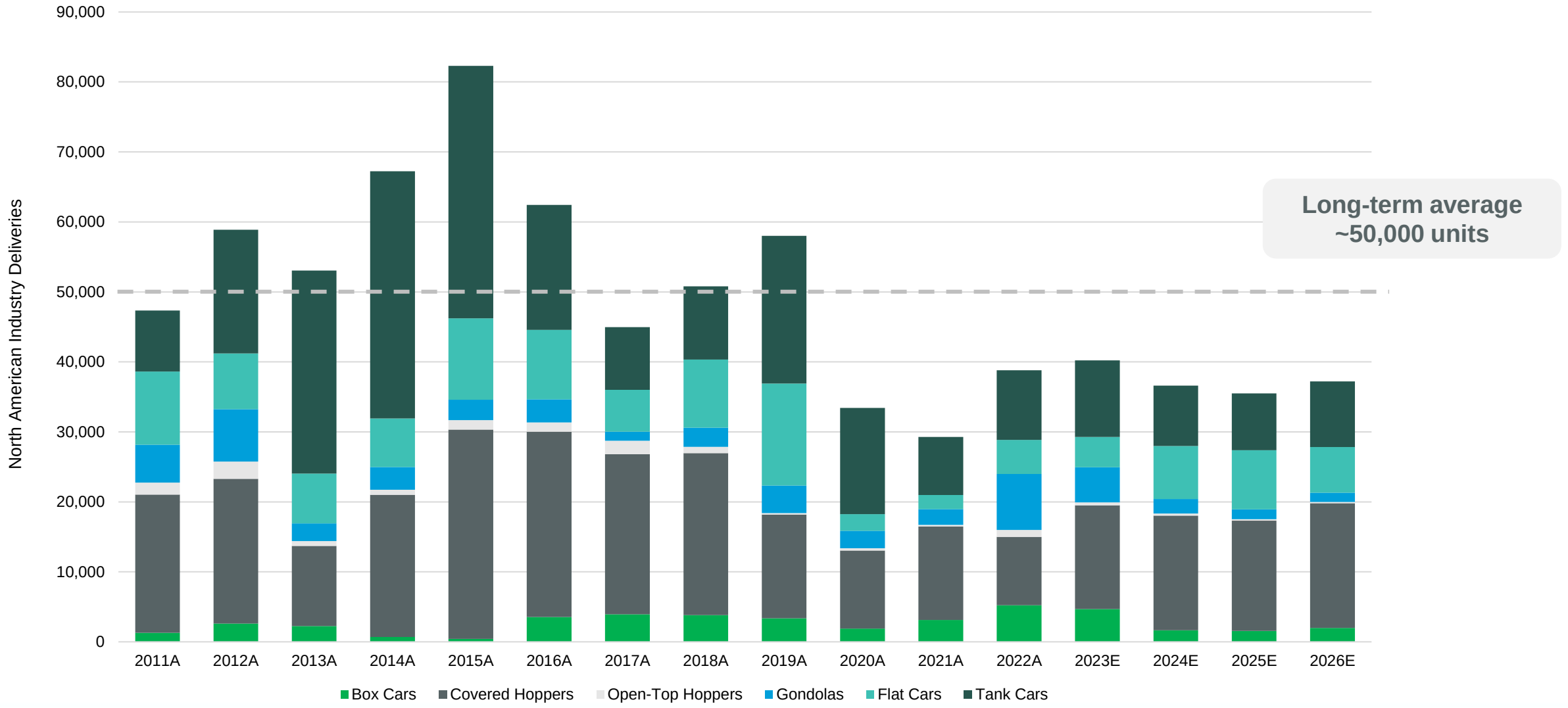
Greenbrier's unique lease syndication model provides an additional avenue to sell railcars and generated over $1.7 billion in proceeds within the last four years.

LEASING & MANAGEMENT SERVICES BY THE NUMBERS[1]

11,800	2,300	408K
long-term owned units	short-term owned units	managed units

[1]Data as of 11/30/2022

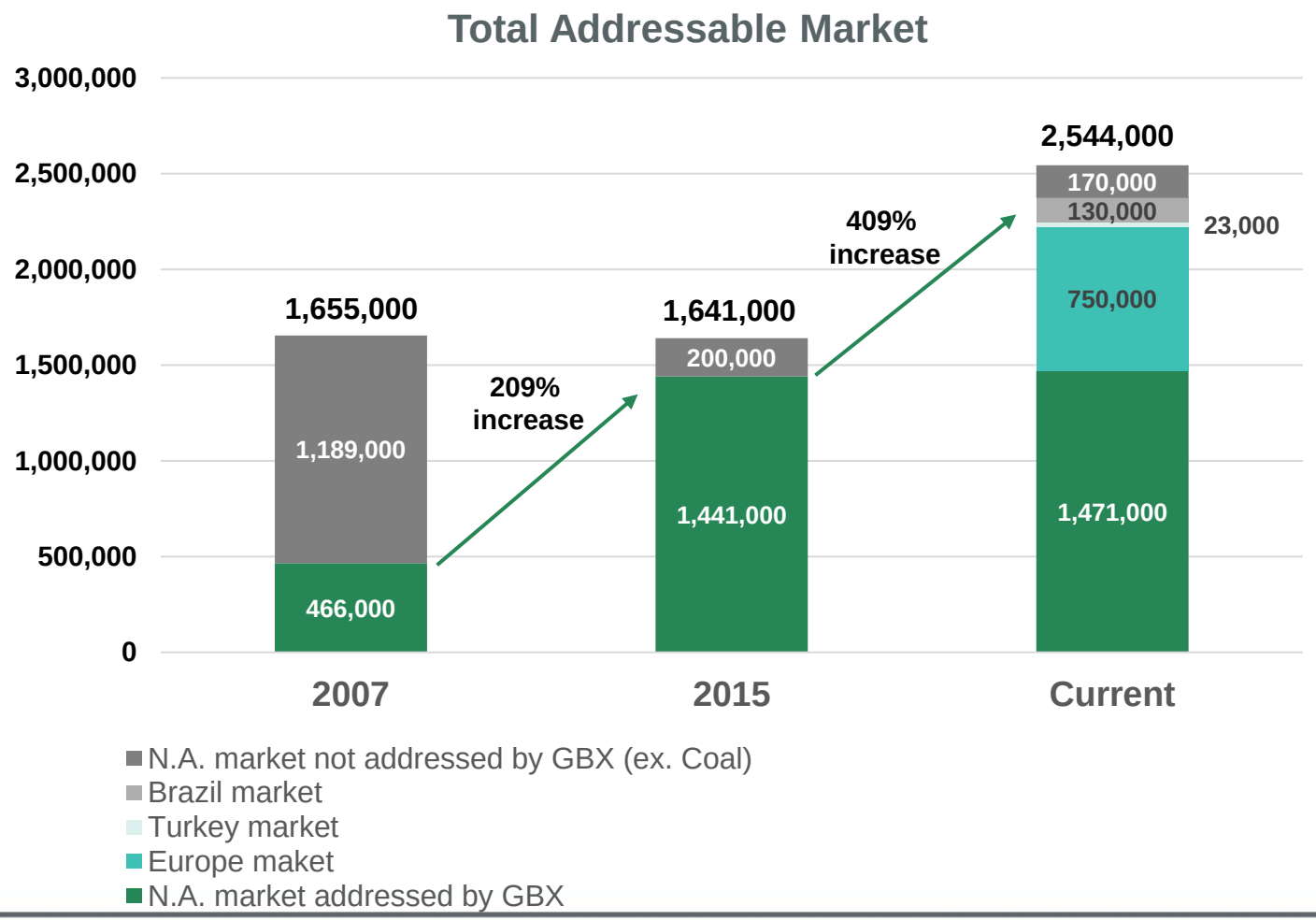
Manufacturing Flexibility Vital as Demand Changes

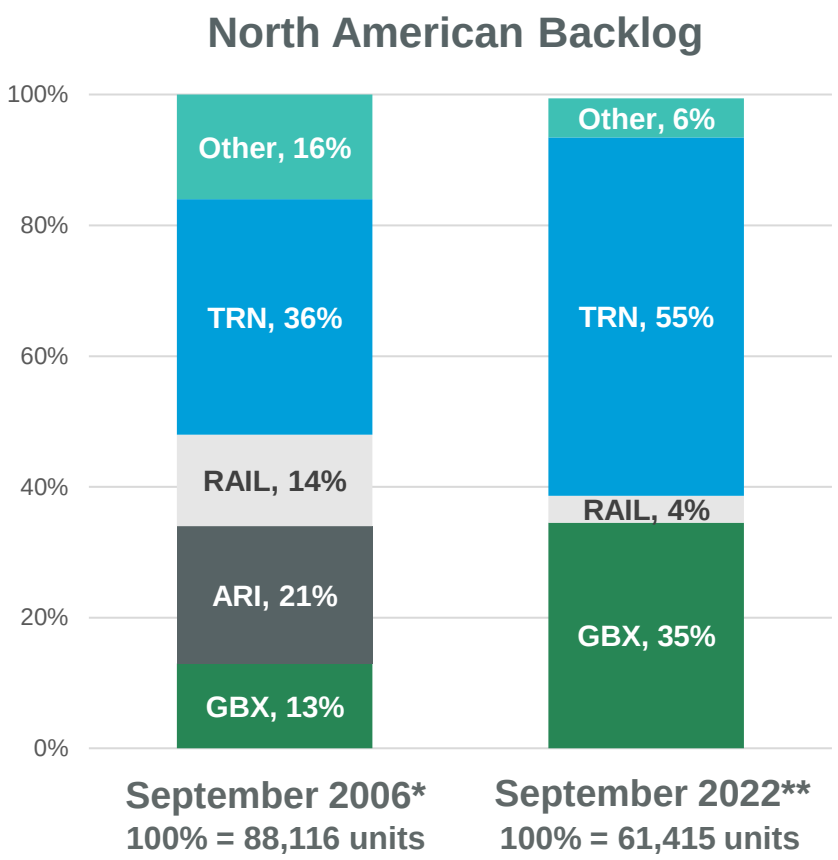


Source: FTR Associates – Rail Equipment Outlook (November 2022)

Growing Our Addressable Market

Product diversification and geographic expansion has grown the Greenbrier new railcar manufacturing market by over 400%

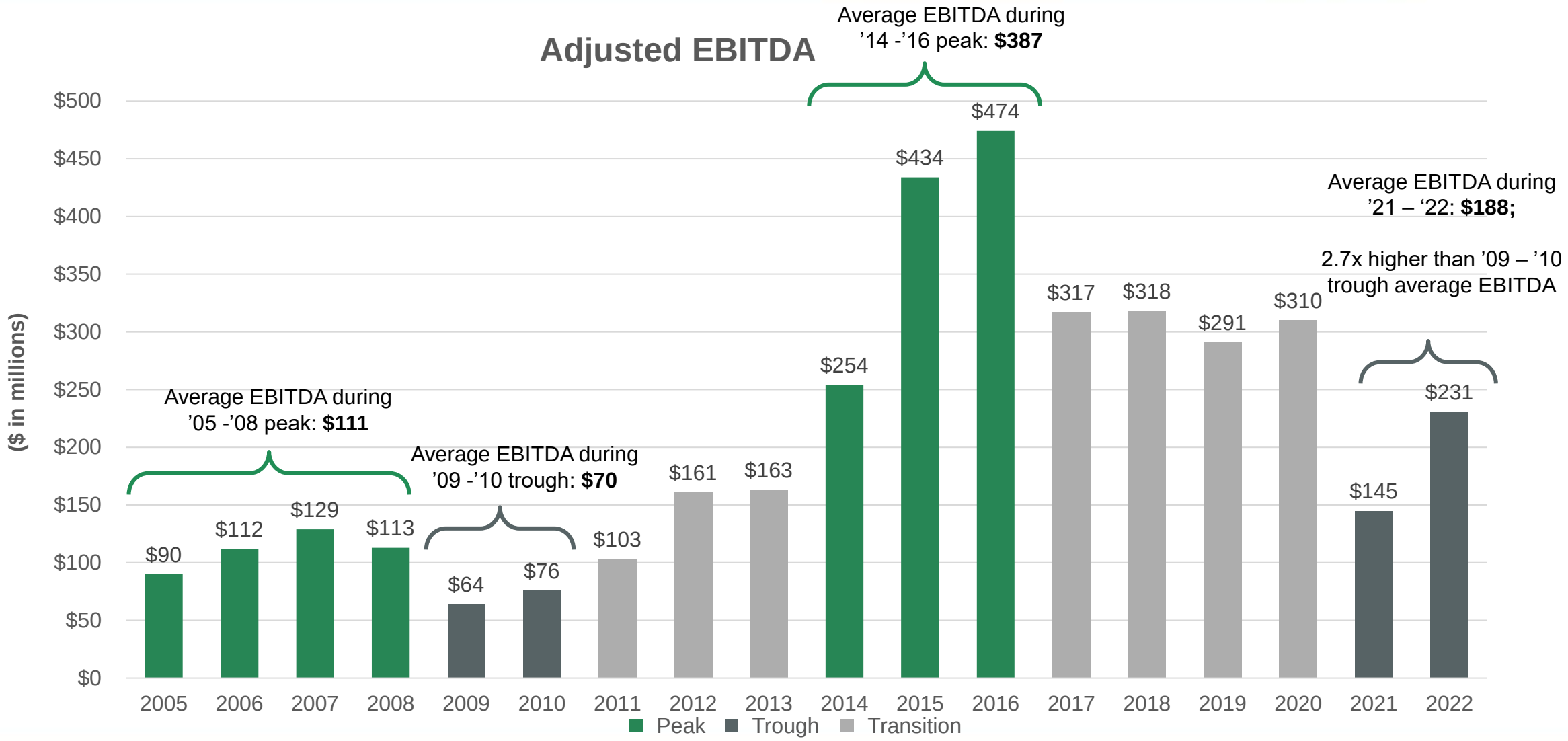




*September 2006 represents the industry backlog prior to Greenbrier's extensive transformations
**September 2022 represents the most recent comparable period

Source: SCI Multiclient Studies, Global Market Trends, public filings (August 2022), RSI ARCI (November 2022)

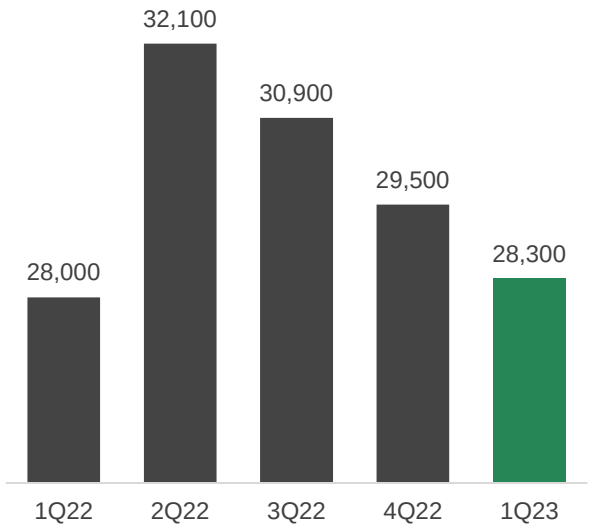
Increased Profitability Through Cycles



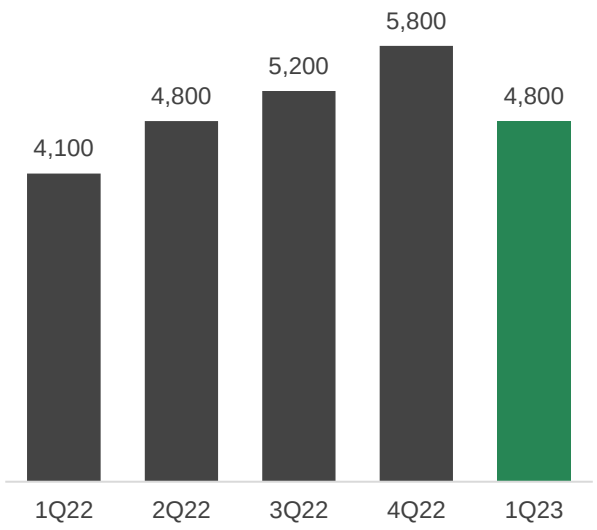
See Slides 28 and 29 for Reconciliation

Key Operational Metrics

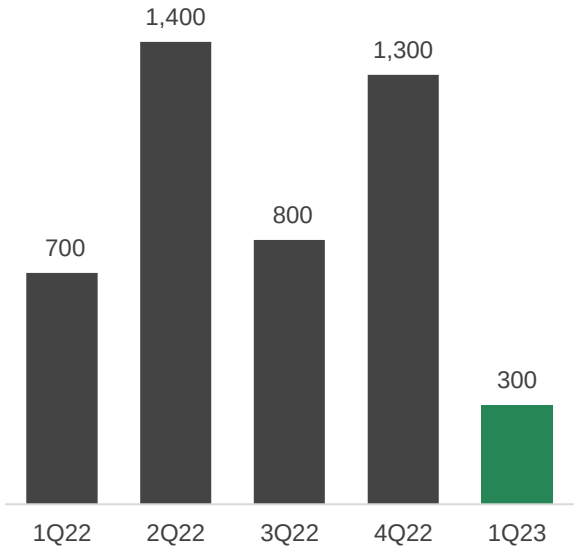
Backlog[1]



Deliveries[1]



Syndicated Deliveries

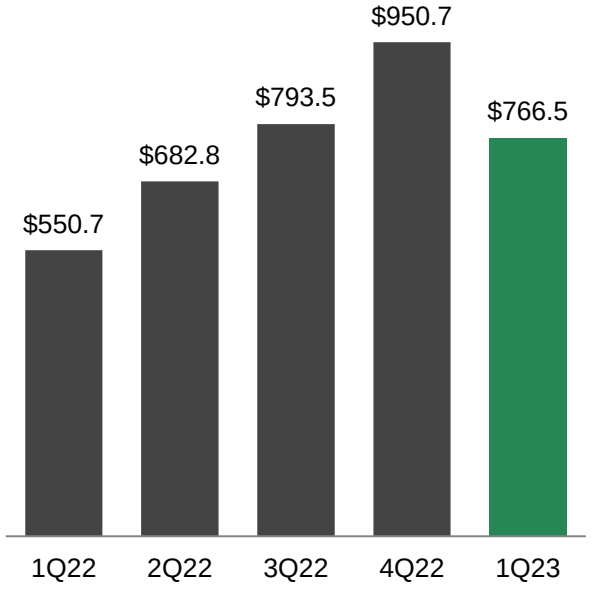


Orders for 5,600 railcars valued at $700 million received during Q1 FY 23 contribute to $3.4 billion backlog.

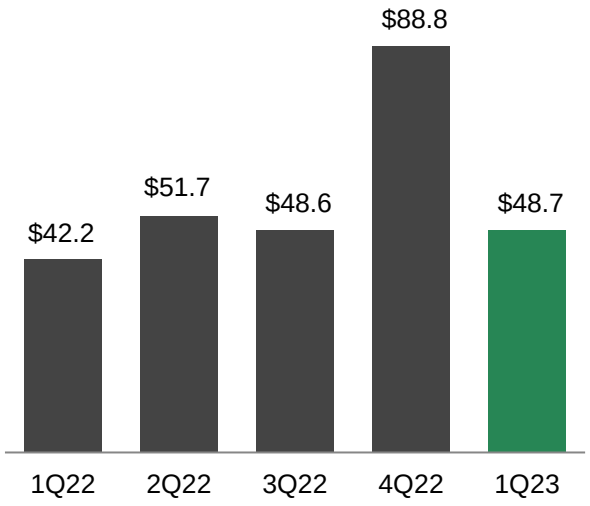
(1) Results include syndicated deliveries and Greenbrier-Maxion, our Brazilian railcar manufacturer, which is accounted for under the equity method

Income Statement Highlights

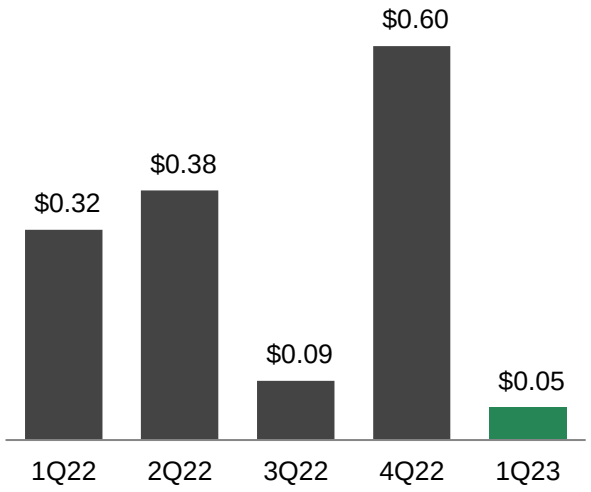
Revenue *($ millions)*



Adjusted EBITDA *($ millions)*[1]



Adjusted Diluted EPS[1]

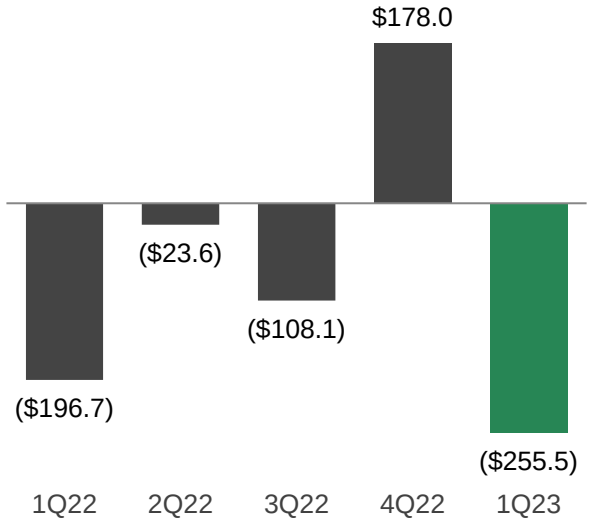


Lower adjusted EBITDA and adjusted EPS reflect decreased revenue and margin resulting from production of 2,300 units onto the balance sheet. Gross margin and margin % were impacted by increased costs related to outsourced components, material shortages, supplier issues and other supply chain complications.

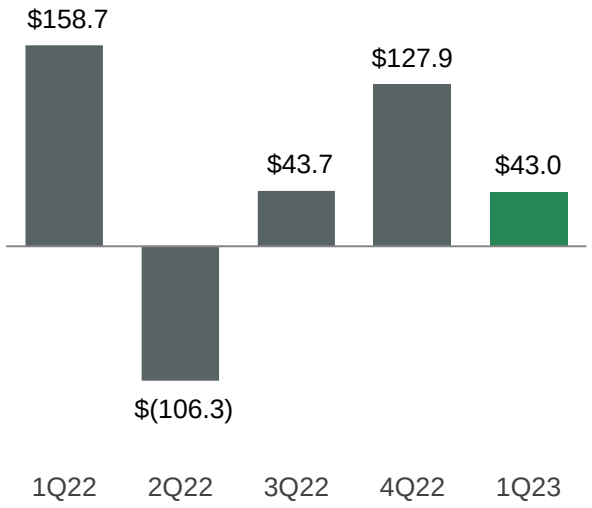
(1) See Slides 26 and 27 for Reconciliation

Balance Sheet & Cash Flow Trends

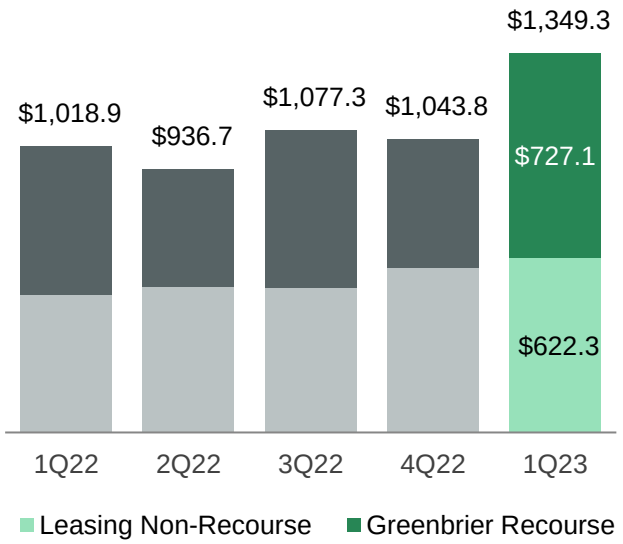
Operating Cash Flow



Net Capex & Invest. in Unconsolidated Affiliates(1)



Net Funded Debt(2)



Quarter end liquidity of $477 million, including $263 million in cash and $214 million of available borrowing capacity. The change in cash balance reflects continued investment into our lease fleet as well as an increase to working capital related to manufacturing supply chain issues.

(1) Investment in Unconsolidated Affiliates included to reflect investments in unconsolidated joint ventures; negative amount reflects cash generated

(2) Excludes capitalized issuance costs

($ in millions)

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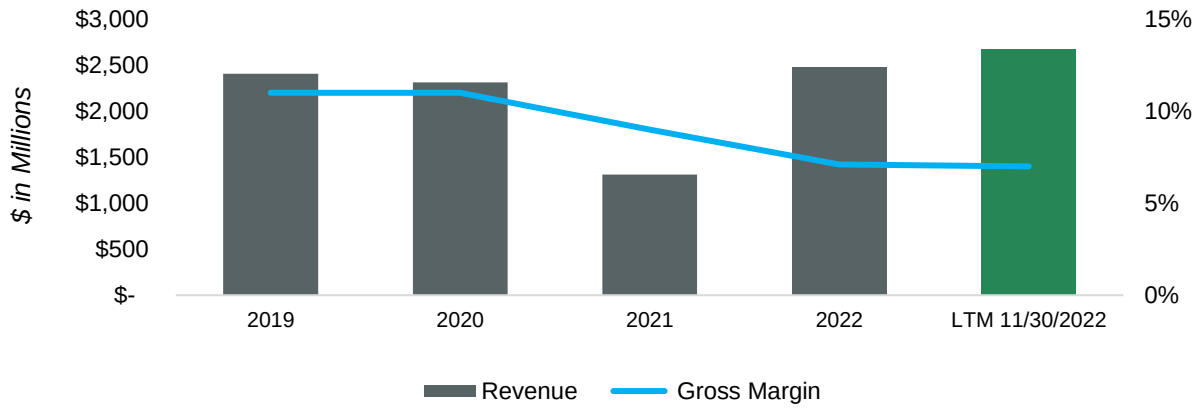
Appendix

Manufacturing Segment Update

First Quarter Developments

- Lower revenue and deliveries resulting from 2,300 units produced onto the Balance Sheet and timing of syndication activity
- Margins impacted by increased costs related to outsourced components, material shortages, supplier issues and other supply chain complications

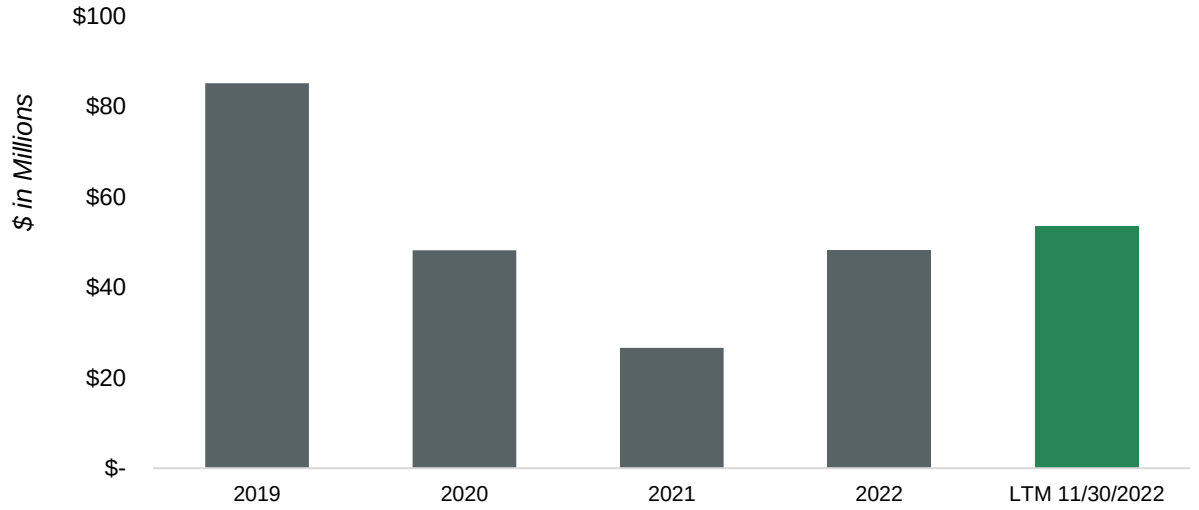
Revenue and Gross Margin %



Long Term Market Drivers

- Freight rail is 3 to 4 times more efficient than truck transport
- U.S. highway congestion, driver shortage, regulation and aging infrastructure constrain trucking
- Potential for significant demand improvement in Europe due to environmental concerns and replacement cycle
- Proposed environmental and other regulations in both North America and Europe should support secular demand for rail

Capital Expenditures



Maintenance Services Update

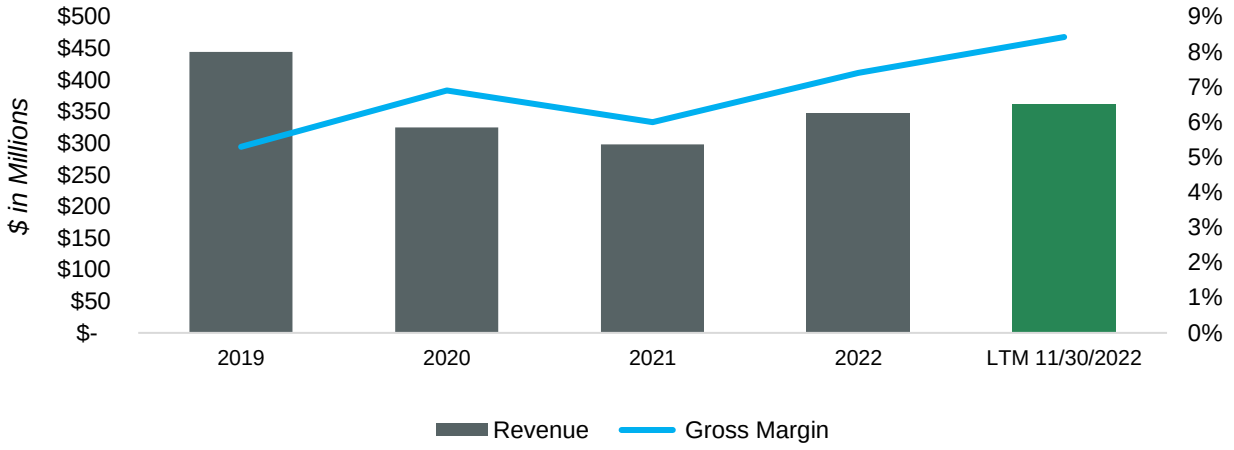
First Quarter Developments

- Modestly lower revenue due to lower volumes of wheelsets
- Lower margins impacted by increased labor and transportation cost in our wheel business. We are working with our customers to adjust pricing and contracts to address these impacts.

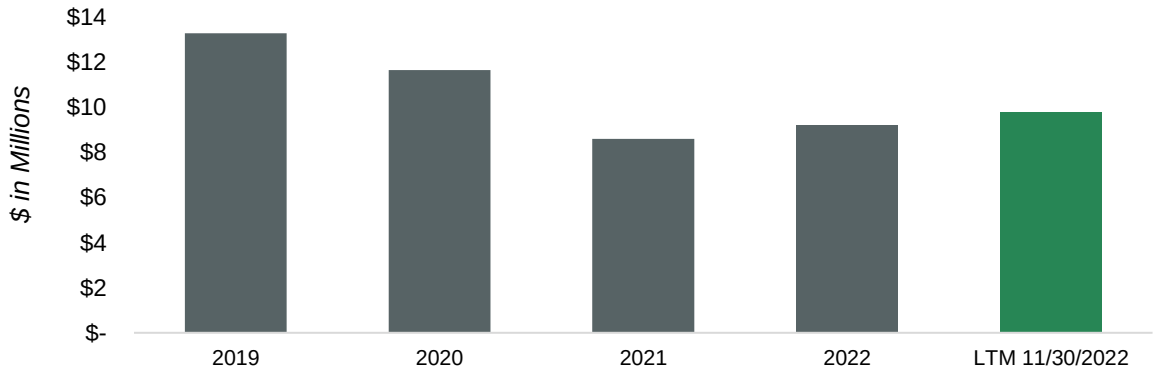
Long Term Market Drivers

- Ton-miles and equipment upgrades drive wheel and repair spending

Revenue and Gross Margin %



Capital Expenditures

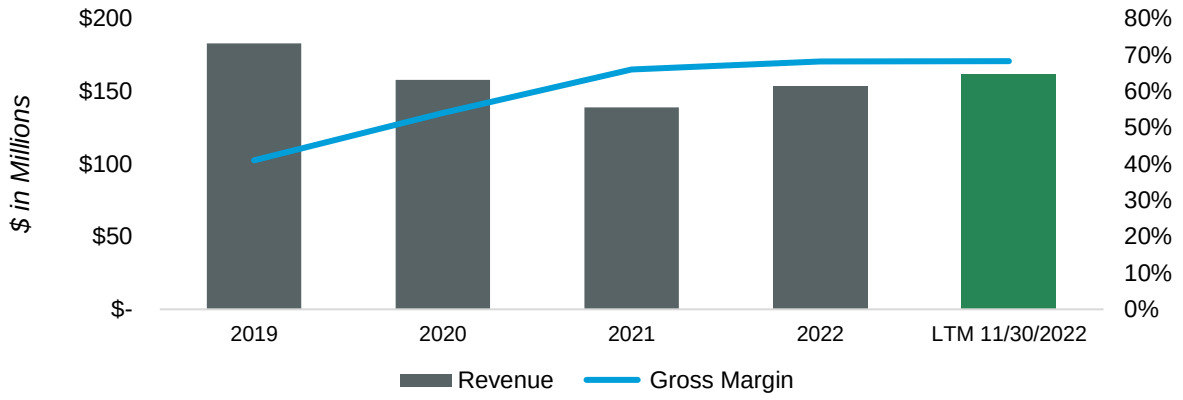


Leasing & Management Services Update

First Quarter Developments

- Revenue and margin reflect decreased syndication activity
- Strong lease fleet utilization rate of 98%

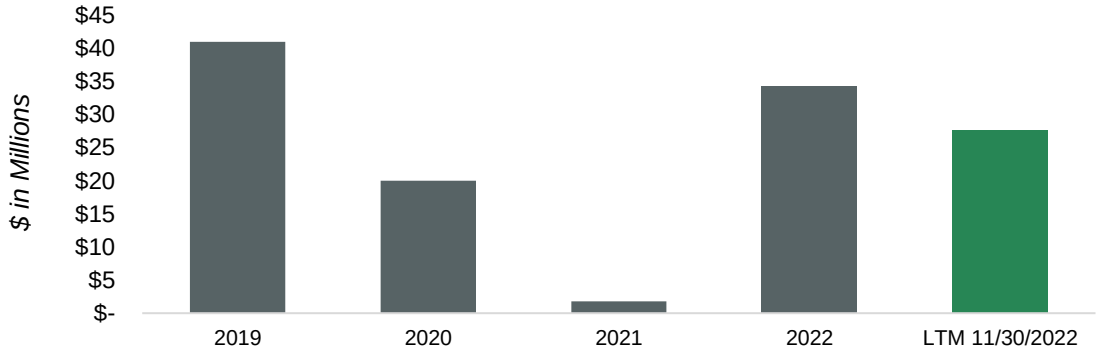
Revenue and Gross Margin %



Long Term Market Drivers

- Trend of increasing private ("leasing / shipping companies") railcar ownership expected to continue
- Users seek flexibility and financial institutions seek yield
- Opportunities created for partnering, service contracts and enhanced margins

Gain on Disposition of Equipment



Quarterly Segment Trends

Manufacturing

($ in millions, except backlog and deliveries)	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23
Revenues	$452.5	$555.7	$650.9	$817.5	$646.5
Gross Margin	$30.9	$20.7	$39.6	$84.5	$42.0
Gross Margin %	6.8%	3.7%	6.1%	10.3%	6.5%
Operating Margin %	2.7%	0.3%	3.2%	7.6%	3.2%
Capital Expenditures	$4.5	$7.7	$13.2	$22.9	$9.7
New Railcar Backlog	$2,980	$3,590	$3,630	$3,480	$3,370
New Railcar Backlog (units)	28,000	32,100	30,900	29,500	28,300
Deliveries (units) (1)	3,700	4,400	4,900	5,700	4,500

Maintenance Services

($ in millions)	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23
Revenues	$72.4	$86.6	$101.5	$87.2	$85.5
Gross Margin	$1.2	$4.9	$10.4	$9.2	$5.9
Gross Margin %	1.7%	5.7%	10.2%	10.6%	6.9%
Operating Margin %	(1.5%)	3.3%	8.5%	13.0%	6.4%
Capital Expenditures	$0.5	$1.7	$1.8	$5.2	$1.1

Leasing and Management Services

($ in millions, except managed fleet)	1Q 22	2Q 22	3Q 22	4Q 22	1Q 23
Revenues	$25.8	$40.5	$41.1	$46.0	$34.5
Gross Margin	$15.5	$29.2	$26.3	$33.6	$21.6
Gross Margin %	60.1%	72.1%	64.0%	73.0%	62.6%
Gain on Sale	$8.7	$24.7	$0.7	$0.2	$2.0
Operating Margin %	66.7%	117.5%	46.5%	53.0%	45.2%
Net Capital Expenditures(2)	$153.9	($118.9)	$29.3	$103.4	$32.4
Managed fleet (000's)	443	431	421	408	408
Lease Fleet Utilization	97.1%	97.9%	97.5%	98.4%	97.9%

Footnotes

(1) Excludes Brazil deliveries since they do not impact Manufacturing Revenue and Margins.
(2) Includes corporate expenditures and is net of proceeds from sale of equipment
(3) First quarter 2023 operating margin excludes the non-cash asset impairment of $24.2 million

Quarterly Adjusted EBITDA Reconciliation

Supplemental Disclosure
Reconciliation of Net Earnings (Loss) to Adjusted EBITDA
(In millions, unaudited)

	Quarter Ending				
	Nov. 30, 2021	Feb. 28, 2022	May 31, 2022	Aug. 31, 2022	Nov. 30, 2022
Net earnings (loss)	$5.6	$11.2	$7.6	$29.4	($17.3)
Interest and foreign exchange	12.6	11.8	14.9	18.1	19.6
Income tax expense (benefit)	(1.4)	3.2	1.1	15.2	(3.8)
Depreciation and amortization	25.4	25.5	25.0	26.1	26.0
Non-cash impairment of long-lived assets	-	-	-	-	24.2
Adjusted EBITDA	**$42.2**	**$51.7**	**$48.6**	**$88.8**	**$48.7**

See slide 30 for definition of EBITDA.

Quarterly Adjusted Diluted EPS Reconciliation

Supplemental Disclosure

Reconciliation of Net Earnings (Loss) Attributable to Greenbrier to Adjusted Net Earnings

(In millions, except per share amounts, unaudited)

	Quarter Ending				
	Nov. 30, 2021	Feb. 28, 2022	May 31, 2022	Aug. 31, 2022	Nov. 30, 2022
Net earnings (loss) attributable to Greenbrier	$10.8	$12.8	$3.1	$20.2	($16.7)
Non-cash impairment of long-lived assets, net of tax	-	-	-	-	18.3
Adjusted net earnings	$10.8	$12.8	$3.1	$20.2	$1.6
Weighted average diluted shares outstanding	33.6	34.5	33.7	34.5	33.7
Adjusted diluted EPS	**$0.32**	**$0.38**	**$0.09**	**$0.60**	**$0.05**

See slide 30 for definitions of Adjusted net earnings and Adjusted diluted EPS

Annual Adjusted EBITDA Reconciliation

Supplemental Disclosure

Reconciliation of Net Earnings (loss) to Adjusted EBITDA

(In millions)

	Year Ending August 31,										
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Net earnings	$61.2	($5.4)	$149.8	$265.3	$284.8	$160.5	$172.1	$105.8	$87.6	$35.1	$53.8
Interest and foreign exchange	24.8	22.2	18.7	11.2	13.5	24.2	29.3	31.0	43.6	43.3	57.4
Income tax expense (benefit)	32.4	25.1	72.4	112.2	112.3	64.0	32.9	41.6	40.2	(40.2)	18.1
Depreciation and amortization	42.4	41.4	40.4	45.1	63.4	65.1	74.4	83.7	109.9	100.7	102.0
ARI acquisition and integration costs	-	-	-	-	-	-	-	18.8	7.8	-	-
Severance expense	-	-	-	-	-	-	-	-	21.2	-	-
Goodwill impairment[1]	-	76.9	-	-	-	3.5	9.5	10.0	-	-	-
Gain on contribution to GBW	-	-	(29.0)	-	-	-	-	-	-	-	-
Loss on debt extinguishment	-	-	-	-	-	-	-	-	-	6.3	-
Special items	-	2.7	1.5	-	-	-	-	-	-	-	-
Adjusted EBITDA	**$160.8**	**$162.9**	**$253.8**	**$433.8**	**$474.0**	**$317.3**	**$318.2**	**$290.9**	**$310.3**	**$145.2**	**$231.3**

[1] 2013 and 2019 Goodwill impairment relates to our Wheels, Repair and Parts segment. 2017 and 2018 Goodwill impairment reflects our portion of a Goodwill impairment change recorded by GBW.

See slide 30 for definition of Adjusted EBITDA

Annual Adjusted Diluted EPS Reconciliation

Supplemental Disclosure

Reconciliation of Net Earnings (loss) Attributable to Greenbrier to Adjusted Net Earnings (loss)

(In millions, except per share amounts)

	Year Ending August 31,										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net earnings attributable to Greenbrier	$58.7	($11.1)	$111.9	$192.8	$183.2	$116.1	$151.8	$71.1	$49.0	$32.5	$46.9
Goodwill impairment[1]	-	71.8	-	-	-	3.5	9.5	10.0	-	-	-
ARI acquisition costs (after-tax)	-	-	-	-	-	-	-	14.1	8.3	-	-
Severance expense (after-tax)	-	-	-	-	-	-	-	-	12.9	-	-
Gain on contribution to GBW (after-tax)	-	-	(13.6)	-	-	-	-	-	-	-	-
Net loss on debt extinguishment (after-tax)	-	-	-	-	-	-	-	-	-	4.7	-
Non-recurring Tax Act (benefit)	-	-	-	-	-	-	(27.4)	-	-	-	-
Special items (after-tax)	-	1.8	1.0	-	-	-	-	-	-	-	-
Adjusted net earnings (loss)	$58.7	$62.5	$99.3	$192.8	$183.2	$119.6	$133.9	$95.2	$70.2	$37.2	$46.9
Weighted average diluted shares outstanding	33.7	34.2	34.2	33.3	32.5	32.6	32.8	33.2	33.4	33.7	33.6
Adjusted diluted EPS	**$1.91**	**$2.00**	**$3.07**	**$5.93**	**$5.73**	**$3.76**	**$4.13**	**$2.87**	**$2.10**	**$1.10**	**$1.40**

[1] 2013 and 2019 Goodwill impairment relates to our Wheels, Repair and Parts segment. 2017 and 2018 Goodwill impairment reflects our portion of a Goodwill impairment change recorded by GBW.

See slide 30 for definitions of Adjusted net earnings and Adjusted diluted EPS

Adjusted Financial Metric Definition

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 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 benefit (expense), Depreciation and amortization 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 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.

GBX

THE GREENBRIER COMPANIES

NYSE: GBX

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