
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

for the quarterly period ended May 31, 2024

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

for the transition period from _____ to _____

Commission File No. 1-13146

THE GREENBRIER COMPANIES, INC.

(Exact name of registrant as specified in its charter)

Oregon

93-0816972

(State of Incorporation)

(I.R.S. Employer Identification No.)

One Centerpointe Drive

97035

Suite 200

Lake Oswego

OR

(Address of principal executive offices)

(Zip Code)

(503) 684-7000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Trading Symbol(s)

Name of each exchange on which registered

**Common Stock
without par value**

GBX

New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (\$232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Accelerated filer

Large accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of the registrant's common stock, without par value, outstanding on July 1, 2024 was

31,130,943
shares.

FORM 10-Q

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Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. All statements, other than statements of historical fact included in this report, concerning our plans, objectives, goals, strategies, future events, future performance, financing needs, plans or intentions relating to business trends and other information referred to under "Management's Discussion and Analysis of Financial Condition and Results of Operations" are forward-looking statements. We use words such as "affect," "anticipate," "assume," "backlog," "be," "believe," "can," "contingent," "conclude," "continue," "could," "due to," "estimate," "expect," "future," "intend," "likely," "may," "ongoing," "opinion," "optimize," "plan," "potential," "schedule," "trend," "realize," "result," "seek," "should," "strategy," "will," "would," and similar expressions to identify forward-looking statements. Forward-looking statements are not guarantees of future performance.

Forward-looking statements are based on our current expectations and beliefs and on currently available operating, financial and market information and are subject to various risks and uncertainties, many of which, by their nature, are inherently uncertain and beyond our control. Our expectations and beliefs are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that our expectations or beliefs will result or be achieved and actual future results and trends may differ materially from what is expressed in or indicated by the forward-looking statements.

There are a number of risks, uncertainties and other important factors that could cause our actual results to differ materially from the forward-looking statements contained in this report. Such risks, uncertainties and important factors include but are not limited to the following:

- an economic downturn or economic uncertainty;
- shortages of skilled labor, increased labor costs, or a failure to maintain good relations with our workforce;
- price volatility for supplies to our business as well as goods and services in our industry;
- mismatch of supply and demand, interruptions of supply lines, inefficient or overloaded logistics platforms, among other factors which may cause the markets for the inputs to our business to fail to operate effectively or efficiently;
- undertaking and management of capital expenditures;
- creation, implementation and use of information technology systems;
- cybersecurity threats and incidents;
- equipment failures, technological failures, costs and inefficiencies associated with changing of production lines, or transfer of production between facilities;
- monetary and other policy interventions by governments and central banks, including the increase of interest rates;
- changes in demand for our railcar equipment and services;
- changes in our product mix or revenue due to shifts in demand;
- the cyclical nature of our business;
- the loss of, or reduction of, business from one or more of our limited number of customers;
- impacts from international conflicts or other geopolitical events, including the war in Ukraine;
- our ability to realize the anticipated benefits of our enhanced leasing strategy;
- inflation, including wage inflation and a rise in prices for energy and other inputs;
- a decline in performance, or increase in efficiency, of the rail freight industry;
- risks related to our operations outside of the United States (U.S.) including enforcement actions by regulators related to tax, environmental, labor, safety, or other regulations;
- governmental policy changes impacting international trade and corporate tax;
- a material delay in the movement of our products to customer delivery points, including delays at border crossings; and
- our inability to lease railcars at satisfactory rates, remarket leased railcars on favorable terms upon lease termination, or realize the expected residual values for end of life railcars due to changes in scrap prices.

There may be other factors that may cause our actual results to differ materially from the forward-looking statements, including the risks, uncertainties and factors described in more detail in Part I Item 1A "Risk Factors" in our most recent Annual Report on Form 10-K which are incorporated herein by reference. You should evaluate all forward-looking statements made in this report in the context of these risks, uncertainties and factors. You are cautioned not to place undue reliance on any 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.

PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

Condensed Consolidated Balance Sheets

(In millions, except number of shares which are reflected in thousands, unaudited)

	May 31, 2024	August 31, 2023
Assets		
Cash and cash equivalents	\$ 271.6	\$ 281.7
Restricted cash	20.2	21.0
Accounts receivable, net	488.5	529.9
Income tax receivable	20.0	42.2
Inventories	812.4	823.6
Leased railcars for syndication	155.3	187.4
Equipment on operating leases, net	1,226.9	1,000.0
Property, plant and equipment, net	648.3	619.2
Investment in unconsolidated affiliates	90.3	88.7
Intangibles and other assets, net	254.3	255.8
Goodwill	128.0	128.9
	<hr/> <u>4,115.8</u>	<hr/> <u>3,978.4</u>
Liabilities and Equity		
Revolving notes	\$ 348.4	\$ 297.1
Accounts payable and accrued liabilities	652.9	743.5
Deferred income taxes	82.9	114.1
Deferred revenue	74.0	46.2

Notes payable, net		1,413.9	1,311.7
Commitments and contingencies (Note 15)			
Contingently redeemable noncontrolling interest	56.3		55.6
Equity:			
Greenbrier			
Preferred stock - without par value;			
25,000			
shares authorized;			
none			
outstanding		—	—
Common stock - without par value;			
50,000			
shares authorized;			
31,131			
and			
30,880			
shares outstanding at May 31, 2024 and August 31, 2023		—	—
Additional paid-in capital		370.2	364.4
Retained earnings		966.9	897.5
Accumulated other comprehensive loss		(8.0)	(7.3)
Total equity – Greenbrier		1,329.1	1,254.6
Noncontrolling interest		158.3	155.6
Total equity		1,487.4	1,410.2
		<u>\$ 4,115.8</u>	<u>\$ 3,978.4</u>

The accompanying notes are an integral part of these financial statements

Condensed Consolidated Statements of Income

(In millions, except number of shares which are reflected in thousands and per share amounts, unaudited)

	Three months ended May 31, 2024		Nine months ended May 31, 2024	
	2024	2023	2024	2023
Revenue				
Manufacturing				
	\$ 685.1	\$ 870.2	\$ 2,096.8	\$ 2,485.3
Maintenance Services	69.9	122.9	228.9	306.4
Leasing & Management Services	65.2	45.0	166.0	134.9
	820.2	1,038.1	2,491.7	2,926.6
Cost of revenue				
Manufacturing				
	610.5	786.5	1,867.6	2,292.2
Maintenance Services	61.7	109.8	202.5	279.0
Leasing & Management Services	24.2	13.7	54.3	41.0
	696.4	910.0	2,124.4	2,612.2
Margin				
	123.8	128.1	367.3	314.4
Selling and administrative expense				
	59.3	63.3	179.2	175.7
Net gain on disposition of equipment	(7.8)	(2.3)	(12.6)	(15.2)
Asset impairment, disposal, and exit costs				
	—	16.4	—	40.6
Earnings from operations				
	72.3	50.7	200.7	113.3
Other costs				
Interest and foreign exchange				
	24.7	22.8	72.5	64.0
Earnings before income tax and earnings from unconsolidated affiliates				
	47.6	27.9	128.2	49.3
Income tax expense				
	(10.7)	(3.6)	(30.0)	(11.7)
Earnings before earnings from unconsolidated affiliates				
	36.9	24.3	98.2	37.6

Earnings from unconsolidated affiliates	3.7	2.4	9.2	8.6
Net earnings	40.6	26.7	107.4	46.2
Net earnings attributable to noncontrolling interest	(6.7)	(5.4)	(8.9)	(8.5)
Net earnings attributable to Greenbrier	33.9	21.3	98.5	37.7
Basic earnings per common share	\$ 1.09	\$ 0.67	\$ 3.17	\$ 1.17
Diluted earnings per common share	\$ 1.06	\$ 0.64	\$ 3.05	\$ 1.13
Weighted average common shares:				
Basic	31,131	31,757	31,091	32,346
Diluted	32,021	33,571	32,456	33,344

The accompanying notes are an integral part of these financial statements

Condensed Consolidated Statements of Comprehensive Income
(In millions, unaudited)

	Three months ended May 31, 2024		Nine months ended May 31, 2024	
	2024	2023	2024	2023
Net earnings				
	\$ 40.6	\$ 26.7	\$ 107.4	\$ 46.2
Other comprehensive income (loss)				
Translation adjustment	(1.3)	(6.0)	(3.1)	(16.9)
Reclassification of derivative financial instruments recognized in net earnings ¹	(4.2)	(2.7)	(11.7)	(4.8)
Unrealized gain (loss) on derivative financial instruments ²	(6.4)	(5.2)	(13.5)	(9.8)
Other (net of tax effect)				
	—	—	0.6	0.1
	(0.9)	(1.9)	(0.7)	(22.0)
Comprehensive income				
	41.5	24.8	106.7	68.2
Comprehensive income attributable to noncontrolling interest				
	(6.7)	(5.4)	(8.9)	(8.5)
Comprehensive income attributable to Greenbrier				
	\$ 34.8	\$ 19.4	\$ 97.8	\$ 59.7

¹ Net of tax effect of \$

1.2
million and \$

1.2
million for the three months ended May 31, 2024 and May 31, 2023, respectively, and \$

3.1
million and \$

2.2
million for the nine months ended May 31, 2024 and May 31, 2023, respectively.

² Net of tax effect of \$(

1.7
million) and \$(

1.2
million) for the three months ended May 31, 2024 and May 31, 2023, respectively, and \$(

3.5
million) and \$(

8.0
million) for the nine months ended May 31, 2024 and May 31, 2023, respectively.

The accompanying notes are an integral part of these financial statements

Condensed Consolidated Statements of Equity
(In millions, except per share amounts, unaudited)

Attributable to Greenbrier							Contingently Redeemable Noncontrolling Interest	
	Common Stock Shares	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity - Greenbrier	Noncontrolling Interest	Total Equity	
Balance August 31, 2023				(
	30.9	364.4	897.5	7.3	1,254.6	155.6	1,410.2	55.6
Net earnings		\$	\$	\$)	\$	\$	\$	\$
	—	—	98.5	—	98.5	8.2	106.7	0.7
Other comprehensive loss, net	—	—	—	((((
	—	—	—	0.7	0.7	—	0.7	
Noncontrolling interest adjustments	—	—	—))	—)	—
	—	—	—	—	—	—	1.7	1.7
Joint venture partner distribution declared	—	—	—	—	—	((
	—	—	—	—	—	7.2	7.2	
Restricted stock awards (net of cancellations)	—	—	—	—	—))	—
	0.2	14.5	—	—	14.5	—	14.5	—
Unamortized restricted stock	—	(—	—	(—	(
	—	19.6	—	—	19.6	—	19.6	
Stock based compensation expense	—)	—	—)	—)	—
	—	12.2	—	—	12.2	—	12.2	—
Repurchase of stock	—	(—	—	(—	(
	—	1.3	—	—	1.3	—	1.3	—
Cash dividends (\$	—)	(—)	((
0.90 per share)	—	—)	—)	—	29.1	—
Balance May 31, 2024				(
	31.1	370.2	966.9	8.0	1,329.1	158.3	1,487.4	56.3
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Attributable to Greenbrier							Contingently Redeemable Noncontrolling Interest	
	Common Stock Shares	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Equity - Greenbrier	Noncontrolling Interest	Total Equity	
Balance February 29, 2024				(
	31.1	366.1	942.7	8.9	1,299.9	154.6	1,454.5	56.0
Net earnings		\$	\$	\$)	\$	\$	\$	\$
	—	—	33.9	—	33.9	6.4	40.3	0.3
Other comprehensive income, net	—	—	—	—	—	—	—	
	—	—	—	0.9	0.9	—	0.9	
Noncontrolling interest adjustments	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	0.1	0.1
Joint venture partner distribution declared	—	—	—	—	—	((
	—	—	—	—	—	2.8	2.8	
	—	—	—	—	—))	—

Other comprehensive loss, net				(((
			1.9	1.9	—	1.9	—	
Noncontrolling interest adjustments	—	—	()	((—	
			26.3	—	26.3	0.4	25.9	
Joint venture partner distribution declared	—	—)	—)	((
						2.0	2.0	
Restricted stock awards (net of cancellations)	—	—	(—	((—	
			0.1	—	0.1	—	0.1	
Unamortized restricted stock	—)	—	—)	—)	
			0.3	—	0.3	—	0.3	
Stock based compensation expense			2.9	—	2.9	—	2.9	
Repurchase of stock	—	(—	—	(—	(
			1.2	32.0	—	32.0	—	
))	—)	—)	
Cash dividends (\$			(—	(—	(
0.27 per share)	—	—)	—)	—)	
Balance May 31, 2023	31.1	\$ 374.1	\$ 882.2	\$ 23.6	\$ 1,232.7	\$ 148.1	\$ 1,380.8	54.1

The accompanying notes are an integral part of these financial statements

Condensed Consolidated Statements of Cash Flows
(In millions, unaudited)

	Nine months ended May 31,	
	2024	2023
Cash flows from operating activities		
Net earnings	107.4	46.2
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Deferred income taxes	(33.1)	(18.4)
Depreciation and amortization	82.3	79.8
Net gain on disposition of equipment	(12.6)	(15.2)
Stock based compensation expense	12.2	8.8
Asset impairment, disposal, and exit costs	—	40.6
Noncontrolling interest adjustments	1.7	2.8
Other	3.1	2.8
Decrease (increase) in assets:		
Accounts receivable, net	(43.3)	(16.1)
Income tax receivable	22.2	10.0
Inventories	(6.4)	(80.7)
Leased railcars for syndication	(29.8)	(57.3)
Other assets	2.4	(42.9)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(94.2)	(8.3)
Deferred revenue	27.1	32.5
Net cash provided by operating activities	138.4	1.2
Cash flows from investing activities		
Proceeds from sales of assets	67.9	76.3

Capital expenditures	((
	324.7	253.9
Investments in and advances to / repayments from unconsolidated affiliates))
	3.5)
Cash distribution from unconsolidated affiliates and other	—)
	2.5	6.3
Net cash used in investing activities	((
	254.3	174.8
Cash flows from financing activities))
Net change in revolving notes with maturities of 90 days or less	((
	19.0	11.5
Proceeds from revolving notes with maturities longer than 90 days	176.9	220.0
Repayments of revolving notes with maturities longer than 90 days	((
	145.8	230.0
Proceeds from issuance of notes payable))
	180.5	75.0
Repayments of notes payable	((
	78.9	27.1
Debt issuance costs))
	((
	2.8	0.2
Repurchase of stock))
	((
Dividends	1.3	48.0
))
	((
	29.1	26.7
Cash distribution to joint venture partner))
	((
	7.2	8.4
Tax payments for net share settlement of restricted stock))
	((
	5.2	2.3
Net cash provided by (used in) financing activities))
	((
Effect of exchange rate changes	106.1	59.2
))
	((
	1.1	15.2
Decrease in Cash and cash equivalents and Restricted cash))
	((
	10.9	217.6
Cash and cash equivalents and restricted cash))
Beginning of period	302.7	559.1
End of period	291.8	341.5
Balance sheet reconciliation	\$	\$
Cash and cash equivalents	271.6	321.4
	\$	\$

Restricted cash

	20.2	20.1
Total cash and cash equivalents and restricted cash as presented above		
	<u>291.8</u>	<u>341.5</u>
Cash paid during the period for		
Interest		
	<u>65.9</u>	<u>57.1</u>
Income taxes paid, net		
	<u>40.3</u>	<u>13.7</u>
Non-cash activity		
Transfers between Leased railcars for syndication and Inventories and Equipment on operating leases, net		
	<u>66.8</u>	<u>40.0</u>
Capital expenditures accrued in Accounts payable and accrued liabilities		
	<u>15.7</u>	<u>3.2</u>
Change in Accounts payable and accrued liabilities associated with dividends declared		
	<u>—</u>	<u>0.2</u>
Change in Accounts payable and accrued liabilities associated with cash distributions to joint venture partner		
	<u>—</u>	<u>2.5</u>
Repurchase of stock accrued in Accounts payable and accrued liabilities		
	<u>—</u>	<u>1.4</u>

The accompanying notes are an integral part of these financial statements

Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 1 – Interim Financial Statements

The Condensed Consolidated Financial Statements of The Greenbrier Companies, Inc. and its subsidiaries (Greenbrier or the Company) as of May 31, 2024 and for the three and nine months ended May 31, 2024 and May 31, 2023 have been prepared to reflect all adjustments (consisting of normal recurring accruals) that, in the opinion of management, are necessary for a fair presentation of the financial position, operating results and cash flows for the periods indicated. All references to years refer to the fiscal years ended August 31st unless otherwise noted. The results of operations for the three and nine months ended May 31, 2024 are not necessarily indicative of the results to be expected for the entire year ending August 31, 2024.

Certain notes and other information have been condensed or omitted from the interim financial statements presented in this Quarterly Report on Form 10-Q. Therefore, these unaudited financial statements should be read in conjunction with the Consolidated Financial Statements contained in the Company's Annual Report on Form 10-K for the year ended August 31, 2023.

Management Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. (GAAP) requires judgment on the part of management to arrive at estimates and assumptions on matters that are inherently uncertain. These estimates may affect the amount of assets, liabilities, revenue and expenses reported in the financial statements and accompanying notes and disclosure of contingent assets and liabilities within the financial statements. Estimates and assumptions are periodically evaluated and may be adjusted in future periods. Actual results could differ from those estimates.

Share Repurchase Program – The Board of Directors has authorized the Company to repurchase in aggregate up to \$

100.0

million of the Company's common stock. The program may be modified, suspended, or discontinued at any time without prior notice and currently has an expiration date of January 31, 2025. Under the share repurchase program, shares of common stock may be purchased from time to time on the open market or through privately negotiated transactions. The timing and amount of purchases is based upon market conditions, securities law limitations and other factors.

During the nine months ended May 31, 2024, the Company purchased a total of

38

thousand shares for \$

1.3

million. There were

no

share repurchases during the three months ended May 31, 2024. As of May 31, 2024, the amount remaining for repurchase under the share repurchase program was \$

45.1

million. During the three and nine months ended May 31, 2023, the Company purchased a total of

1.2

million and

1.7

million shares for \$

32.0

million and \$

49.4

million, respectively.

Reclassifications - Certain immaterial reclassifications have been made to the accompanying prior year Condensed Consolidated Financial Statements to conform to the current year presentation.

Recent Accounting Pronouncements

Improvements to Reportable Segment Disclosures

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* (ASU 2023-07), which requires disclosure of incremental segment information on an annual and interim basis, primarily through enhanced disclosures of significant segment expenses. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024 and requires retrospective application to all periods presented upon adoption. Early adoption is permitted. The Company is currently evaluating the impact that ASU 2023-07 will have on its consolidated financial statements and disclosures.

Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* (ASU 2023-09), which requires disclosure of incremental income tax information within the rate reconciliation and expanded disclosures of income taxes paid, among other disclosure requirements. ASU 2023-09 is

effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact that ASU 2023-09 will have on its consolidated financial statements and disclosures.

Note 2 – Revenue Recognition

Contract balances

Contract assets primarily consist of work completed for railcar maintenance but not billed at the reporting date. Contract liabilities primarily consist of customer prepayments for new railcars and other management-type services, for which the Company has not yet satisfied the related performance obligations.

The contract balances are as follows:

(in millions)	Balance sheet classification	May 31, 2024	August 31, 2023	\$ change
Contract assets	Accounts Receivable			
		\$ 4.3	\$ 0.1	\$ 4.2
Contract assets	Inventories			
		\$ 10.9	\$ 7.0	\$ 3.9
Contract liabilities ⁽¹⁾	Deferred revenue			
		\$ 69.9	\$ 43.3	\$ 26.6

⁽¹⁾ Contract liabilities balance includes deferred revenue within the scope of *Revenue from Contracts with Customers* (Topic 606).

For the three and nine months ended May 31, 2024, the Company recognized \$

4.2
million and \$

17.6
million of revenue that was included in Contract liabilities as of August 31, 2023.

Performance obligations

As of May 31, 2024, the Company has entered into contracts with customers for which revenue has not yet been recognized. The following table outlines estimated revenue related to performance obligations wholly or partially unsatisfied, that the Company anticipates will be recognized in future periods.

(in millions)	May 31, 2024
Revenue type:	
Manufacturing – Railcar sales	\$ 2,889.4
Manufacturing – Sustainable conversions	\$ 50.4
Management services	\$ 132.6
Other	\$ 13.2

Based on current production and delivery schedules and existing contracts, approximately \$

2.2
billion of Railcar sales are expected to be recognized through 2025 while the remaining amount is expected to be recognized through 2027.

Sustainable conversions represent orders to modernize existing railcars and are expected to be recognized in 2024.

Management services includes management and maintenance service contracts of which approximately

54
% are expected to be performed through 2028 and the remaining amount through 2037.

Note 3 – Inventories

The following table summarizes the Company's Inventories balance:

(in millions)

May 31,
2024

August 31,
2023

Manufacturing supplies and raw materials		
	\$ 604.5	\$ 638.2
Work-in-process		
	143.9	138.2
Finished goods		
	70.0	64.4
Excess and obsolete adjustment	(6.0)	(17.2)
	<u>\$ 812.4</u>	<u>\$ 823.6</u>

Note 4 – Intangibles and Other Assets, net

The following table summarizes the Company's identifiable Intangibles and other assets, net balance:

(in millions)	May 31, 2024	August 31, 2023
Intangible assets subject to amortization:		
Customer relationships	\$ 87.5	\$ 87.5
Accumulated amortization	(71.4)	(69.1)
Other intangibles	41.8	43.0
Accumulated amortization	(25.0)	(22.3)
	32.9	39.1
Intangible assets not subject to amortization		
	2.3	2.3
Prepaid and other assets	56.9	56.4
Operating lease right-of-use assets	67.7	70.6
Nonqualified savings plan investments	53.7	47.7
Debt issuance costs, net	5.6	6.3
Assets held for sale	0.3	0.3
Deferred tax assets	34.9	33.1
	\$ 254.3	\$ 255.8

Note 5 – Goodwill

The Company performed its annual goodwill impairment test during the third quarter. The Company utilized the qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its respective carrying value. This qualitative assessment may include, but is not limited to, reviewing factors such as macroeconomic considerations and industry indicators, financial performance, and cost estimates associated with a particular reporting unit. If, based on a review of qualitative factors, it is more likely than not that the fair value of a reporting unit is less than its carrying value, a quantitative impairment test is performed by comparing the fair value of a reporting unit with its carrying amount. Based on the qualitative assessment, the Company determined that it was more likely than not that the fair value of each reporting unit with goodwill exceeded its respective carrying value and a quantitative impairment test was not necessary; therefore, the Company concluded that goodwill was not impaired.

As of May 31, 2024, the goodwill balance was \$

128.0
million of which \$

85.4
million related to the Manufacturing segment and \$

42.6

million related to the Maintenance Services segment. The Manufacturing segment includes the North America Manufacturing reporting unit with a goodwill balance of \$

56.3 million and the Europe Manufacturing reporting unit with a goodwill balance of \$

29.1 million.

Note 6 – Revolving Notes

Senior secured credit facilities aggregated to \$

1.4 billion as of May 31, 2024. The Company had an aggregate of \$

333.7 million available to draw down under credit facilities as of May 31, 2024. This amount consists of \$

223.7 million available on the North American credit facility, \$

39.0 million on the European credit facilities and \$

71.0 million on the Mexican credit facilities.

Nonrecourse credit facilities

GBX Leasing – As of May 31, 2024, a \$

550.0 million nonrecourse warehouse credit facility existed to support the operations of *GBX Leasing*. Advances under this facility bear interest at the Secured Overnight Financing Rate (SOFR) plus

1.85 % plus

0.11 % as a SOFR adjustment. Interest rate swap agreements cover approximately

99 % of the outstanding balance to swap the floating interest rate to a fixed rate. The warehouse credit facility converts to a term loan in August 2025 and matures in August 2027 .

Other credit facilities

North America – As of May 31, 2024, a \$

600.0 million revolving line of credit, maturing August 2026 , secured by substantially all the Company's U.S. assets not otherwise pledged as security for term loans or the warehouse credit facility, existed to provide working capital and interim financing of equipment, principally for the Company's U.S.

and Mexican operations. Advances under this North American credit facility bear interest at SOFR plus

1.50
% plus

0.10
% as a SOFR adjustment or Prime plus

0.50
% depending on the type of borrowing. Available borrowings under the credit facility are generally based on defined levels of eligible inventory, receivables, property, plant and equipment and leased equipment, as well as total debt to consolidated capitalization and fixed charges coverage ratios.

Europe – As of May 31, 2024, lines of credit totaling \$

76.4
million secured by certain of the Company's European assets, with variable rates that range from Warsaw Interbank Offered Rate (WIBOR) plus

1.10
% to WIBOR plus

1.45
% and Euro Interbank Offered Rate (EURIBOR) plus

1.90
%, were available for working capital needs of the Company's European manufacturing operations. The European lines of credit include \$

32.5
million which is guaranteed by the Company. European credit facilities are regularly renewed. Currently, these European credit facilities have maturities that range from July 2024 through November 2025 .

Mexico – As of May 31, 2024, the Company's Mexican railcar manufacturing operations had lines of credit totaling \$

196.0
million for working capital needs, \$

96.0
million of which the Company and its joint venture partner have each guaranteed

50
. Advances under these facilities bear interest at variable rates that range from SOFR plus

2.22
% to SOFR plus

4.25
. The Mexican credit facilities have maturities that range from February 2025 through January 2027 .

Revolving notes consisted of the following balances:

	May 31, 2024	August 31, 2023
(in millions)		
Nonrecourse credit facility balances		
GBX Leasing	\$ 146.0	\$ 139.9
Other credit facility balances		
North America	40.0	—
Europe	37.4	47.2
Mexico	125.0	110.0
Total Revolving notes	\$ 348.4	\$ 297.1

Outstanding commitments under the North American credit facility included letters of credit which totaled \$

5.9
million and \$

4.9
million as of May 31, 2024 and August 31, 2023, respectively.

Note 7 – Accounts Payable and Accrued Liabilities

(in millions)	May 31, 2024	August 31, 2023
Trade payables	\$ 314.1	\$ 396.8
Accrued payroll and related liabilities	152.9	158.6
Accrued liabilities and other	91.2	87.3
Operating lease liabilities	68.9	72.2
Accrued warranty	21.5	25.6
Income taxes payable	4.3	3.0
	<u>\$ 652.9</u>	<u>\$ 743.5</u>

Note 8 – Warranty Accruals

Warranty accruals are included in Accounts payable and accrued liabilities on the Condensed Consolidated Balance Sheets. Warranty accrual activity consisted of the following:

(in millions)	Three months ended May 31,		Nine months ended May 31,	
	2024	2023	2024	2023
Balance at beginning of period	\$ 23.0	\$ 24.5	\$ 25.6	\$ 24.0
Charged to cost of revenue, net	2.7	2.8	7.4	5.7
Payments	(4.2)	(2.0)	(11.9)	(4.6)
Currency translation effect	—	0.1	0.4	0.3
Balance at end of period	<u>\$ 21.5</u>	<u>\$ 25.4</u>	<u>\$ 21.5</u>	<u>\$ 25.4</u>

Note 9 – Notes Payable, net

<i>(In millions)</i>	May 31, 2024	August 31, 2023
Leasing nonrecourse term loans	\$ 798.9	\$ 640.2
Senior term debt	255.4	266.4
 2.875		
% Convertible senior notes, due 2028	373.8	373.8
 2.875		
% Convertible senior notes, due 2024	—	47.7
Other notes payable	3.4	1.8
 Debt discount and issuance costs	\$ 1,431.5	\$ 1,329.9
	(17.6)	(18.2)
 \$ 1,413.9		\$ 1,311.7

Leasing nonrecourse term loans include:

• \$

343.0 million of nonrecourse senior term debt, which is secured by a pool of leased railcars. The principal balance as of May 31, 2024 was \$

323.5 million.

• \$

501.8 million of Asset-backed term notes, as discussed below. The principal balance as of May 31, 2024 was \$

475.4 million.

The Company's

2.875

% Convertible senior notes, due 2024 (2024 Convertible Notes), matured on February 1, 2024. The outstanding principal balance of \$

47.7

million plus accrued interest was settled in cash on the maturity date to retire the 2024 Convertible Notes.

Terms and conditions, including recourse and nonrecourse provisions and scheduled maturities, and other long-term debt are described in Note 13 of our 2023 Annual Report on Form 10-K.

Asset-backed term notes

GBX Leasing 2022-1 LLC (GBXL I) was formed as a wholly owned special purpose entity of GBX Leasing to securitize the leasing assets of GBX Leasing. On November 20, 2023, GBXL I (Issuer) issued \$

178.5

million of term notes secured by a portfolio of railcars and associated operating leases and other assets, acquired and owned by GBXL I (the 2023 GBXL Notes). Issued debt of GBXL I as of May 31, 2024 includes the \$

323.3 million GBXL I Series 2022-1 Notes, as described in Note 3 of our 2023 Annual Report on Form 10-K, and the 2023 GBXL Notes, collectively the GBXL Notes. GBX Leasing used the net proceeds received from the issuance of the term notes to pay down the GBX Leasing warehouse credit facility.

The 2023 GBXL Notes include \$

158.9

million of GBXL I Series 2023-1 Class A Secured Railcar Equipment Notes (2023 Class A Notes) and \$

19.6

million of GBXL I Series 2023-1 Class B Secured Railcar Equipment Notes (2023 Class B Notes). The 2023 GBXL Notes bear interest at fixed rates of

6.42

% and

7.28

% for the 2023 Class A Notes and 2023 Class B Notes, respectively. The Company incurred \$

2.2

million in debt issuance costs, which will be amortized to interest expense through the expected repayment period. The 2023 GBXL Notes are payable monthly, with a legal maturity date of November 20, 2053 and an anticipated repayment date of November 20, 2030. While the legal maturity date is in 2053, the cash flows generated from the railcar assets will pay down the 2023 GBXL Notes in line with the agreement, which based on expected cash flow payments, would result in repayment in advance of the legal maturity date. If the principal amount of the 2023 GBXL Notes has not been repaid in full by the anticipated repayment date, then the Issuer will also be required to pay additional interest to the holders at a rate equal to

4.00

% per annum.

The GBXL Notes are obligations of the Issuer only and are nonrecourse to Greenbrier. The GBXL Notes are subject to a Master Indenture between the Issuer and U.S. Bank Trust Company, National Association, as trustee, as supplemented by the Series 2022-1 Supplement dated February 9, 2022 and the Series 2023-1 Supplement dated November 20, 2023. The GBXL Notes may be subject to acceleration upon the occurrence of certain events of default.

The following table summarizes the Issuer's net carrying amount of the debt and related assets.

		May 31, 2024	August 31, 2023
Assets			
Restricted cash		\$ 5.6	\$ 6.7
Equipment on operating leases, net		\$ 640.5	\$ 388.9
Liabilities			
Notes payable, net		\$ 468.1	\$ 302.1

Note 10 – Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss, net of tax effect as appropriate, consisted of the following:

	Unrealized Gain (Loss) on Derivative Financial Instruments	Foreign Currency Translation Adjustment	Other	Accumulated Other Comprehensive Loss
(in millions)				
Balance, August 31, 2023	\$ 27.0	\$ 32.1	\$ 2.2	\$ 7.3
Other comprehensive gain (loss) before reclassifications	(13.5)	(3.1)	(0.6)	(11.0)
Amounts reclassified from Accumulated other comprehensive loss	(11.7)	—	—	(11.7)
Balance, May 31, 2024	<u>\$ 28.8</u>	<u>\$ 35.2</u>	<u>\$ 1.6</u>	<u>\$ 8.0</u>

The amounts reclassified out of Accumulated other comprehensive loss into the Condensed Consolidated Statements of Income, with financial statement caption, were as follows:

	Three months ended May 31,	2024	2023	Financial Statement Caption
(in millions)				
(Gain) loss on derivative financial instruments:	(((
Foreign exchange contracts	\$ 1.1	\$ 0.5	\$ 0.5	Revenue and Cost of revenue
Interest rate swap contracts	(4.3)	(3.4)	(3.4)	Interest and foreign exchange
	(5.4)	(3.9)	(3.9)	
	1.2	1.2	1.2	Income tax expense
	(((
	4.2	2.7	2.7	
	<u>\$ 4.2</u>	<u>\$ 2.7</u>	<u>\$ 2.7</u>	
(in millions)				
Nine months ended May 31,				
(Gain) loss on derivative financial instruments:	2024	2023	Financial Statement Caption	

	((
Foreign exchange contracts	\$ 2.0)	\$ 0.2)	Revenue and Cost of revenue
	((
Interest rate swap contracts	12.8)	6.8)	Interest and foreign exchange
	((
	14.8)	7.0)	
	3.1	2.2	Income tax expense
	((
	11.7)	4.8)	
	<u>\$ 11.7)</u>	<u>\$ 4.8)</u>	

Note 11 – Earnings Per Share

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

(In thousands)	Three months ended May 31, 2024	2023	Nine months ended May 31, 2024	2023
Weighted average basic common shares outstanding	31,131	31,757	31,091	32,346
Dilutive effect of				
2.875		822	461	—
% convertible notes due 2024 ⁽¹⁾		—		—
Dilutive effect of				
2.875		—	—	—
% convertible notes due 2028 ⁽²⁾		—	—	—
Dilutive effect of restricted stock units ⁽³⁾	890	992	904	998
Weighted average diluted common shares outstanding	32,021	33,571	32,456	33,344

(1) The dilutive effect of the

2.875

% Convertible notes due 2024 was excluded for the nine months ended May 31, 2023 as they were considered anti-dilutive under the "if converted" method as further discussed below. These notes were retired on February 1, 2024.

(2) The dilutive effect of the

2.875

% Convertible notes due 2028 was excluded for the three and nine months ended May 31, 2024 and May 31, 2023 as the average stock price was less than the applicable conversion price and therefore was considered anti-dilutive. As these notes require cash settlement for the principal, only a premium is potentially dilutive under the "if converted" method as further discussed below.

(3) Restricted stock units 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 common shares outstanding when the Company is in a net earnings position.

Basic earnings per common share (EPS) is computed by dividing Net earnings attributable to Greenbrier by weighted average basic common shares outstanding.

For the three and nine months ended May 31, 2024 and May 31, 2023, diluted EPS was calculated using the more dilutive of two methods. The first method includes the dilutive effect, using the treasury stock method, associated with restricted stock units and performance based restricted stock units subject to performance criteria, for which actual levels of performance above target have been achieved. The second method supplements the first by also including the "if converted" effect of the

2.875

% Convertible notes due 2024 during the periods in which they were outstanding and shares underlying the

2.875

% Convertible notes due 2028, when there is a conversion premium. Under the "if converted" method, debt issuance and interest costs, both net of tax, associated with the convertible notes due 2024 are added back to net earnings and the share count is increased by the shares underlying the convertible notes.

(in millions, except number of shares which are reflected in thousands, and per share amounts)	Three months ended May 31, 2024	2023	Nine months ended May 31, 2024	2023
Net earnings attributable to Greenbrier	\$ 33.9	\$ 21.3	\$ 98.5	\$ 37.7
Weighted average basic common shares outstanding	31,131	31,757	31,091	32,346

Basic earnings per share		\$ 1.09		\$ 0.67		\$ 3.17		\$ 1.17
Net earnings attributable to Greenbrier		\$ 33.9		\$ 21.3		\$ 98.5		\$ 37.7
Add back:								
Interest and debt issuance costs on the								
2.875								
% convertible notes due 2024, net of tax	n/a			0.3		0.5		n/a
Earnings before interest and debt issuance costs on the								
2.875								
% convertible notes due 2024	n/a			\$ 21.6		\$ 99.0		n/a
Weighted average diluted common shares outstanding	32,021			33,571		32,456		33,344

Diluted earnings per share

	\$ 1.06		\$ 0.64		\$ 3.05		\$ 1.13
	⁽¹⁾		⁽¹⁾		⁽¹⁾		⁽¹⁾

⁽¹⁾ Diluted earnings per share was calculated as follows:

Earnings before interest and debt issuance costs on the
2.875
% convertible notes due 2024

Weighted average diluted common shares outstanding

Note 12 – Derivative Instruments

Foreign operations give rise to market risks from changes in foreign currency exchange rates. Foreign currency forward exchange contracts with established financial institutions are utilized to hedge a portion of that risk. Interest rate swap agreements are used to reduce the impact of changes in interest rates on certain current and probable future debt. The Company's foreign currency forward exchange contracts and interest rate swap agreements are designated as cash flow hedges, and therefore the effective portion of unrealized gains and losses is recorded in Accumulated other comprehensive income.

At May 31, 2024 exchange rates, notional amounts of forward exchange contracts for the purchase of Polish Zlotys and the sale of Euros; and the purchase of Mexican Pesos and the sale of U.S. Dollars aggregated to \$

126.9

million. The fair value of the contracts is included on the Condensed Consolidated Balance Sheets as Accounts payable and accrued liabilities when in a loss position, or as Accounts receivable, net when in a gain position. As the contracts mature at various dates through March 2027, any such gain or loss remaining will be recognized in manufacturing revenue or cost of revenue along with the related transactions. In the event that the underlying transaction does not occur or does not occur in the period designated at the inception of the hedge, the amount classified in accumulated other comprehensive loss would be reclassified to the results of operations in Interest and foreign exchange at the time of occurrence. At May 31, 2024 exchange rates, approximately \$

2.8

million would be reclassified to revenue or cost of revenue in the next year.

At May 31, 2024, interest rate swap agreements maturing from June 2024 through January 2032 had notional amounts that aggregated to \$

659.7

million. The fair value of the contracts is included on the Condensed Consolidated Balance Sheets in Accounts payable and accrued liabilities when in a loss position, or in Accounts receivable, net when in a gain position. As interest expense on the underlying debt is recognized, amounts corresponding to the interest rate swap are reclassified from Accumulated other comprehensive loss and charged or credited to interest expense. At May 31, 2024 interest rates, approximately \$

13.9

million of gain would be reclassified to reduce interest expense in the next year.

Fair Values of Derivative Instruments

(in millions)

Derivatives designated as hedging instruments	Asset Derivatives		Liability Derivatives		August 31, 2023	
	Balance sheet location	May 31, 2024	August 31, 2023	Balance sheet location	May 31, 2024	
Foreign forward exchange contracts	Accounts receivable, net	\$ 5.4	\$ 2.5	Accounts payable and accrued liabilities	\$ 0.1	\$ 0.1
Interest rate swap contracts	Accounts receivable, net	34.8	34.9	Accounts payable and accrued liabilities	0.1	0.1
		40.2	37.4		0.2	0.2
Derivatives not designated as hedging instruments		\$ 0.2	\$ 0.5	Accounts payable and accrued liabilities	\$ —	\$ —
Foreign forward exchange contracts	Accounts receivable, net	\$ 0.2	\$ 0.5	Accounts payable and accrued liabilities	\$ —	\$ —

The Effect of Derivative Instruments on the Statements of Income

(in millions)

Three months ended May 31, 2024 and May 31, 2023

Derivatives in cash flow hedging relationships	Location of gain (loss) recognized in income on derivatives		May 31, 2024	May 31, 2023
		Gain (loss) recognized in income on derivatives three months ended		
Foreign forward exchange contract	Interest and foreign exchange	\$ —	\$ —	0.1

Derivatives in cash flow hedging relationships	Gain (loss) recognized in OCI on derivatives three months ended May 31,		Location of gain (loss) reclassified from accumulated OCI into income	Gain (loss) reclassified from accumulated OCI into income three months ended May 31,		Location of gain (loss) on derivatives (amount excluded from effectiveness testing)	Gain (loss) recognized on derivatives (amount excluded from effectiveness testing) three months ended May 31,	
	2024	2023		2024	2023		2024	2023
Foreign forward exchange contracts	0.9	2.7	Revenue	0.9	—	Revenue	0.6	0.6
Foreign forward exchange contracts	\$ 0.3	\$ 0.6	Cost of revenue	0.2	0.5	Cost of revenue	0.2	0.1
Interest rate swap contracts	6.9	7.2	Interest and foreign exchange	4.3	3.4	Interest and foreign exchange	—	—
	\$ 8.1	\$ 3.9		\$ 5.4	\$ 3.9		\$ 0.8	\$ 0.7
	<u>\$ 8.1</u>	<u>\$ 3.9</u>		<u>\$ 5.4</u>	<u>\$ 3.9</u>		<u>\$ 0.8</u>	<u>\$ 0.7</u>

The following table presents the amounts in the Condensed Consolidated Statements of Income in which the effects of the cash flow hedges are recorded and the effects of the cash flow hedge activity on these line items for the three months ended May 31, 2024 and May 31, 2023:

	Three months ended May 31,			2023	
	2024		Amount of gain (loss) on cash flow hedge activity		
	Total	Total			
Revenue		\$ 820.2	\$ 0.9	\$ 1,038.1	
Cost of revenue		\$ 696.4	\$ 0.2	\$ 910.0	
Interest and foreign exchange		\$ 24.7	\$ 4.3	\$ 22.8	
				3.4	

The Effect of Derivative Instruments on the Statements of Income
(in millions)

Nine months ended May 31, 2024 and May 31, 2023

Derivatives in cash flow hedging relationships	Location of gain (loss) recognized in income on derivatives			Gain (loss) recognized in income on derivatives nine months ended May 31,		
	2024	2023	2024	2023	2024	2023
Foreign forward exchange contract			Interest and foreign exchange	\$	0.2	\$ 0.2
Derivatives in cash flow hedging relationships	Gain (loss) recognized in OCI on derivatives nine months ended May 31, 2024	2023	Location of gain (loss) reclassified from accumulated OCI into income	Gain (loss) reclassified from accumulated OCI into income nine months ended May 31, 2024	2023	Location of gain (loss) on derivatives (amount excluded from effectiveness testing)
Foreign forward exchange contracts	3.8	4.7	Revenue	\$ 1.9	\$ 0.9	Revenue
Foreign forward exchange contracts	0.3	1.7	Cost of revenue	0.1	1.1	Cost of revenue
Interest rate swap contracts	12.9	11.8	Interest and foreign exchange	12.8	6.8	Interest and foreign exchange

17.0 18.2 14.8 7.0 2.6 1.9
\$ _____ \$ _____ \$ _____ \$ _____ \$ _____ \$ _____

The following table presents the amounts in the Condensed Consolidated Statements of Income in which the effects of the cash flow hedges are recorded and the effects of the cash flow hedge activity on these line items for the nine months ended May 31, 2024 and May 31, 2023:

	Nine months ended May 31,			2023 Amount of gain (loss) on cash flow hedge activity	
	2024		Total		
	Total	Amount of gain (loss) on cash flow hedge activity			
Revenue				(
	\$ 2,491.7	\$ 1.9	\$ 2,926.6	\$ 0.9	
Cost of revenue)	
	\$ 2,124.4	\$ 0.1	\$ 2,612.2	\$ 1.1	
Interest and foreign exchange					
	\$ 72.5	\$ 12.8	\$ 64.0	\$ 6.8	

Note 13 – Segment Information

The Company operates in

three reportable segments: Manufacturing; Maintenance Services; and Leasing & Management Services.

Performance is evaluated based on Earnings (loss) from operations. Corporate includes selling and administrative costs not directly related to goods and services and certain costs that are intertwined among segments due to our integrated business model. The Company does not allocate Interest and foreign exchange or Income tax expense for either external or internal reporting purposes. Intersegment sales and transfers are valued as if the sales or transfers were to third parties. Related revenue and margin are eliminated in consolidation and therefore are not included in consolidated results in the Company's Condensed Consolidated Financial Statements.

The information in the following table is derived directly from the segments' internal financial reports used for corporate management purposes.

For the three months ended May 31, 2024:

(in millions)	External	Revenue Intersegment	Total	Earnings (loss) from operations			Total
				External	Intersegment	Total	
Manufacturing							
	\$ 685.1	\$ 70.8	\$ 755.9	\$ 54.2	\$ 11.9	\$ 66.1	
Maintenance Services							
	69.9	16.9	86.8	5.9	—	5.9	
Leasing & Management Services							
	65.2	0.2	65.4	40.5	—	40.5	
Eliminations							
	(—)	(—)	(—)	(—)	(—)	(—)	
Corporate							
	—	87.9	87.9	—	11.9	11.9	
	—	—	—	28.3	—	28.3	
	\$ 820.2	\$ —	\$ 820.2	\$ 72.3	\$ —	\$ 72.3	

For the nine months ended May 31, 2024:

(in millions)	External	Revenue Intersegment	Total	Earnings (loss) from operations			Total
				External	Intersegment	Total	
Manufacturing							
	\$ 2,096.8	\$ 190.8	\$ 2,287.6	\$ 167.3	\$ 20.3	\$ 187.6	

Maintenance Services

	228.9	35.2	264.1	21.1		21.1
Leasing & Management Services						
	166.0	0.7	166.7	100.0	0.1	100.1
Eliminations		((((
	—	226.7	226.7	—	20.4	20.4
Corporate	—))	()	(
	—	—	—	87.7	—	87.7
	<u>\$ 2,491.7</u>	<u>\$ —</u>	<u>\$ 2,491.7</u>	<u>\$ 200.7</u>	<u>\$ —</u>	<u>\$ 200.7</u>

For the three months ended May 31, 2023:

(in millions)	External	Revenue Intersegment	Total	Earnings (loss) from operations		
				External	Intersegment	Total
Manufacturing						
	\$ 870.2	\$ 73.3	\$ 943.5	\$ 44.1	\$ 7.9	\$ 52.0
Maintenance Services						
	122.9	11.0	133.9	11.0	—	11.0
Leasing & Management Services						
	45.0	0.3	45.3	25.9	—	25.9
Eliminations			((((
	—	84.6	84.6	—	7.9	7.9
Corporate						
	—	—	—	30.3	—	30.3
	<u>\$ 1,038.1</u>	<u>\$ —</u>	<u>\$ 1,038.1</u>	<u>\$ 50.7</u>	<u>\$ —</u>	<u>\$ 50.7</u>

For the nine months ended May 31, 2023:

(in millions)	External	Revenue Intersegment	Total	Earnings (loss) from operations		
				External	Intersegment	Total
Manufacturing						
	\$ 2,485.3	\$ 214.6	\$ 2,699.9	\$ 87.3	\$ 20.7	\$ 108.0
Maintenance Services						
	306.4	25.7	332.1	23.3	—	23.3
Leasing & Management Services						
	134.9	1.0	135.9	82.2	0.1	82.3
Eliminations			((((
	—	241.3	241.3	—	20.8	20.8
Corporate						
	—	—	—	79.5	—	79.5
	<u>\$ 2,926.6</u>	<u>\$ —</u>	<u>\$ 2,926.6</u>	<u>\$ 113.3</u>	<u>\$ —</u>	<u>\$ 113.3</u>

(in millions)	External	Revenue Intersegment	Total	Total assets	
				May 31, 2024	August 31, 2023
Manufacturing				\$ 1,812.5	\$ 1,847.0

Maintenance Services

	286.7	294.4
Leasing & Management Services		
	1,669.1	1,458.1
Unallocated, including cash		
	347.5	378.9
	<u>4,115.8</u>	<u>3,978.4</u>

Reconciliation of Earnings from operations to Earnings before income tax and earnings from unconsolidated affiliates:

(in millions)	Three months ended May 31,		Nine months ended May 31,	
	2024	2023	2024	2023
Earnings from operations				
	\$ 72.3	\$ 50.7	\$ 200.7	\$ 113.3
Interest and foreign exchange	24.7	22.8	72.5	64.0
Earnings before income tax and earnings from unconsolidated affiliates				
	<u>\$ 47.6</u>	<u>\$ 27.9</u>	<u>\$ 128.2</u>	<u>\$ 49.3</u>

Note 14 – Leases

Lessor

Equipment on operating leases is reported net of accumulated depreciation of \$

83.6
million and \$

68.0
million as of May 31, 2024 and August 31, 2023, respectively. Depreciation expense was \$

8.6
million and \$

24.8
million for the three and nine months ended May 31, 2024, respectively and \$

6.9
million and \$

19.7
million for the three and nine months ended May 31, 2023, respectively. In addition, certain railcar equipment leased-in by the Company on operating leases is subleased to customers under non-cancelable operating leases with lease terms ranging from one to approximately twelve years. Operating lease rental revenues included in the Company's Condensed Consolidated Statements of Income for the three and nine months ended May 31, 2024 was \$

30.4
million and \$

88.5
million, respectively, which included \$

4.5
million and \$

15.0
million, respectively, of revenue as a result of daily, monthly or car hire utilization arrangements. Operating lease rental revenues included in the Company's Condensed Consolidated Statements of Income for the three and nine months ended May 31, 2023 was \$

23.1
million and \$

66.5
million, respectively, which included \$

4.0
million and \$

13.7 million, respectively, of revenue as a result of daily, monthly or car hire utilization arrangements.

Aggregate minimum future amounts receivable under all non-cancelable operating leases and subleases at May 31, 2024, will mature as follows:

(in millions)

Remaining three months of 2024

Lessee

The Company leases railcars, real estate, and certain equipment under operating and, to a lesser extent, finance lease arrangements. As of and for the three and nine months ended May 31, 2024 and May 31, 2023, finance leases were not a material component of the Company's lease portfolio. The Company's real estate and equipment leases have remaining lease terms ranging from less than one year to 74 years, with some including options to extend up to 7 years. The Company recognizes a lease liability and corresponding right-of-use (ROU) asset based on the present value of lease payments. To determine the present value of lease payments, as most of its leases do not provide a readily determinable implicit rate, the Company's incremental borrowing rate is used to discount the lease payments based on information available at each lease commencement date. The Company gives consideration to its recent debt issuances as well as publicly available data for instruments with similar characteristics when estimating its incremental borrowing rate.

The components of operating lease costs were as follows:

(in millions)	Three months ended May 31,		Nine months ended May 31,	
	2024	2023	2024	2023
Operating lease expense				
	\$ 4.1	\$ 2.9	\$ 12.9	\$ 9.3
Short-term lease expense				
	2.0	2.9	4.7	7.3
Total				
	\$ 6.1	\$ 5.8	\$ 17.6	\$ 16.6

Aggregate minimum future amounts payable under operating leases having initial or remaining non-cancelable terms at May 31, 2024, will mature as follows:

(in millions)

(in millions) Remaining three months of 2024

2027

10.7

2028

9.8

Thereafter

23.9

Total lease payments

76.1

Less: Imputed interest

(

7.2

)

Total lease obligations

68.9

\$

The table below presents additional information related to the Company's leases:

Weighted average remaining lease term (years):

Operating leases

10.6

Weighted average discount rate:

Operating leases

2.8

%

Supplemental cash flow information related to leases were as follows:

<i>(in millions)</i>	Nine Months Ended May 31, 2024
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 12.8
ROU assets obtained in exchange for new operating lease liabilities	\$ 8.2

Note 15 – Commitments and Contingencies

Portland Harbor Superfund Site

The Company's former Portland, Oregon manufacturing facility (the Portland Property) is located adjacent to the Willamette River. In December 2000, the U.S. Environmental Protection Agency (EPA) classified portions of the Willamette River bed known as the Portland Harbor, including the portion fronting the Company's manufacturing facility, as a federal "National Priority List" or "Superfund" site due to sediment contamination (the Portland Harbor Site). The Company and more than 140 other parties have received a "General Notice" of potential liability from the EPA relating to the Portland Harbor Site. The letter advised the Company that it may be liable for the costs of investigation and remediation (which liability may be joint and several with other potentially responsible parties) as well as for natural resource damages resulting from releases of hazardous substances to the site. Ten private and public entities, including the Company (the Lower Willamette Group or LWG), signed an Administrative Order on Consent (AOC) to perform a remedial investigation/feasibility study (RI/FS) of the Portland Harbor Site under EPA oversight, and several additional entities did not sign such consent, but nevertheless contributed financially to the effort. The EPA-mandated RI/FS was produced by the LWG and cost over \$

110 million during a 17-year period. The Company bore a percentage of the total costs incurred by the LWG in connection with the investigation. The Company's aggregate expenditure during the 17-year period was not material. Some or all of any such outlay may be recoverable from other responsible parties. The EPA issued its Record of Decision (ROD) for the Portland Harbor Site on January 6, 2017 and accordingly on October 26, 2017, the AOC was terminated.

Separate from the process described above, which focused on the type of remediation to be performed at the Portland Harbor Site and the schedule for such remediation, 96 parties, including the State of Oregon and the federal government, are participating in a non-judicial, mediated allocation process to try to allocate costs associated with remediation of the Portland Harbor Site. The Company will continue to participate in the allocation process. Approximately 110 additional parties signed tolling agreements related to such allocations. On April 23, 2009, the Company and the other AOC signatories filed suit against 69 other parties due to a possible limitations period for some such claims; *Arkema Inc. et al v. A & C Foundry Products, Inc. et al*, U.S. District Court, District of Oregon, Case #3:09-cv-453-PK. All but 12 of these parties elected to sign tolling agreements and be dismissed without prejudice, and the case has been stayed by the court until January 14, 2025.

The EPA's January 6, 2017 ROD identifies a clean-up remedy that the EPA estimates will take 13 years of active remediation, followed by 30 years of monitoring with an estimated undiscounted cost of \$

1.7 billion. The EPA typically expects its cost estimates to be accurate within a range of -

30 % to +

50 %, but this ROD states that changes in costs are likely to occur. The EPA has identified several Sediment Decision Units within the ROD cleanup area. One of the units, RM9W, includes the nearshore area of the river sediments offshore of the Portland Property as well as downstream of the facility. It also includes a portion of the Portland Property's riverbank. The ROD does not break down total remediation costs by Sediment Decision Unit. The EPA requested that potentially responsible parties enter AOCs during 2019 agreeing to conduct remedial design studies. Some parties have signed AOCs, including one party with respect to RM9W which includes the area offshore of the Portland Property. The Company has not signed an AOC in connection with remedial design, but is assisting in funding a portion of the RM9W remedial design.

The ROD does not address responsibility for the costs of clean-up, nor does it allocate such costs among the potentially responsible parties. Responsibility for funding and implementing the EPA's selected cleanup remedy will be determined at an unspecified later date. Based on the investigation to date, the Company believes that it did not contribute in any material way to contaminants of concern in the river sediments or the damage of natural resources in the Portland Harbor Site and that the damage in the area of the Portland Harbor Site adjacent to the Portland Property precedes the Company's ownership of the Portland Property. Because these environmental investigations are still underway, sufficient information is currently not available to determine the Company's liability, if any, for the cost

of any required remediation or restoration of the Portland Harbor Site or to estimate a range of potential loss. Based on the results of the pending investigations and future assessments of natural resource damages, the Company may be required to incur costs associated with additional phases of investigation or remedial action, and may be liable for damages to natural resources.

On January 30, 2017 the Confederated Tribes and Bands of Yakama Nation sued 33 parties including the Company as well as the federal government and the State of Oregon for costs it incurred in assessing alleged natural resource damages to the Columbia River from contaminants deposited in Portland Harbor. *Confederated Tribes and Bands of the Yakama Nation v. Air Liquide America Corp., et al.*, U.S. Court for the District of Oregon Case No. 3i17-CV-00164-SB. The complaint does not specify the amount of damages the plaintiff will seek. The case has been stayed until January 14, 2025.

Oregon Department of Environmental Quality (DEQ) Regulation of Portland Property

The Company entered into a Voluntary Cleanup Agreement with the Oregon Department of Environmental Quality (DEQ) in which the Company agreed to conduct an investigation of whether, and to what extent, past or present operations at the Portland Property may have released hazardous substances into the environment. The Company has also signed an Order on Consent with the DEQ to finalize the investigation of potential onsite sources of contamination that may have a release pathway to the Willamette River. The Company's aggregate expenditure has not been material, however it could incur significant expenses for remediation. Some or all of any such outlay may be recoverable from other responsible parties.

Sale of Portland Property

The Company sold the Portland Property in May 2023, but remains potentially liable with respect to the above matters. Any of these matters could adversely affect the Company's business and Consolidated Financial Statements. However, any contamination or exacerbation of contamination that occurs after the sale of the property will be the liability of the current and future owners and operators of the Portland Property.

Other Litigation, Commitments and Contingencies

From time to time, the Company is involved as a defendant in litigation in the ordinary course of business, the outcomes of which cannot be predicted with certainty. While the ultimate outcome of such legal proceedings cannot be determined at this time, the Company believes that the resolution of pending litigation will not have a material adverse effect on the Company's Consolidated Financial Statements.

As of May 31, 2024, the Company had outstanding letters of credit aggregating to \$

5.9 million associated with performance guarantees, facility leases and workers compensation insurance.

Note 16 – Fair Value Measures

Certain assets and liabilities are reported at fair value on either a recurring or nonrecurring basis. Fair value, for this disclosure, is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, under a three-tier fair value hierarchy that prioritizes the inputs used in measuring fair value as follows:

Level 1 - observable inputs such as unadjusted quoted prices in active markets for identical instruments;

Level 2 - inputs, other than the quoted market prices in active markets for similar instruments, which are observable, either directly or indirectly; and

Level 3 - unobservable inputs for which there is little or no market data available, which require the reporting entity to develop its own assumptions.

Assets and liabilities measured at fair value on a recurring basis as of May 31, 2024 were:

(in millions)	Total	Level 1	Level 2 ⁽¹⁾	Level 3
Assets:				
Derivative financial instruments				
Nonqualified savings plan investments	\$ 40.4	\$ —	\$ 40.4	\$ —
	53.7	53.7	—	—
Cash equivalents				
	52.4	52.4	—	—
	<u>\$ 146.5</u>	<u>\$ 106.1</u>	<u>\$ 40.4</u>	<u>\$ —</u>
Liabilities:				
Derivative financial instruments				
	\$ 0.2	\$ —	\$ 0.2	\$ —

Assets and liabilities measured at fair value on a recurring basis as of August 31, 2023 were:

(in millions)	Total	Level 1	Level 2 ⁽¹⁾	Level 3
Assets:				
Derivative financial instruments				
Nonqualified savings plan investments	\$ 37.9	\$ —	\$ 37.9	\$ —
	47.7	47.7	—	—
Cash equivalents				
	51.2	51.2	—	—
	<u>\$ 136.8</u>	<u>\$ 98.9</u>	<u>\$ 37.9</u>	<u>\$ —</u>
Liabilities:				
Derivative financial instruments				
	\$ 0.2	\$ —	\$ 0.2	\$ —

(1) Level 2 assets and liabilities include derivative financial instruments that are valued based on observable inputs. See Note 12 - Derivative Instruments for further discussion.

Note 17 – Related Party Transactions

The Company has a

41.9% interest in Axis, LLC (Axis), a joint venture. The Company purchased \$

2.1 million and \$

6.9 million of railcar components from Axis for the three and nine months ended May 31, 2024, respectively and \$

2.2 million and \$

6.7 million for the three and nine months ended May 31, 2023, respectively.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Executive Summary

We operate in three reportable segments: Manufacturing; Maintenance Services; and Leasing & Management Services. Our segments are operationally integrated. The Manufacturing segment, which currently operates from facilities in the U.S., Mexico, Poland, and Romania, produces freight railcars, tank cars, intermodal railcars and automotive railcar products. The Maintenance Services segment performs wheel and axle servicing, railcar maintenance and produces a variety of parts for the rail industry in North America. The Leasing & Management Services segment owns approximately 15,200 railcars as of May 31, 2024. We also provide management services for railroads, shippers, carriers, institutional investors and other leasing and transportation companies in North America.

Management identifies the following trends which continue to impact our business and our results for the nine months ended May 31, 2024. Overall, demand in the marketplace is steady for our products and services. Supply chain challenges, rail service congestion, inflation, high interest rates, and labor shortages continue to impact our business. Despite this operating environment, we accomplished the following during the nine months ended May 31, 2024:

- Margin has improved \$52.9 million and 16.8% compared to the same period last year driven by operating efficiencies and favorable product mix at our Manufacturing segment and higher rents associated with a larger fleet and improved lease rates in our Leasing and & Management Services segment.
- Net earnings attributable to Greenbrier of \$98.5 million reflects an increase of \$60.8 million compared to the same period last year driven in part by operating efficiencies in connection with the ongoing optimization of our industrial footprint to support our strategic plan discussed below.
- Obtained new railcar orders of 17,300 units valued at approximately \$2.2 billion during the nine months ended May 31, 2024.

We believe our results highlight our continued focus on our strategic plan and we remain focused on increasing recurring revenue, expanding our aggregate gross margin, and raising our return on invested capital. Recurring revenue is defined as Leasing & Management Services revenue excluding the impact of syndication transactions.

Our backlog remains strong with railcar deliveries into 2027. Our railcar backlog was 29,400 units with an estimated value of \$3.7 billion as of May 31, 2024. Our backlog includes nearly \$740 million of railcars intended for syndication which are supported by lease agreements with external customers and may be syndicated to third parties or held in our lease fleet depending on a variety of factors. Approximately 2% of backlog units and estimated backlog value as of May 31, 2024 was associated with our Brazilian manufacturing operations which is accounted for under the equity method.

Our backlog of railcar units is not necessarily indicative of future results of operations. Certain orders in backlog are subject to customary documentation and completion of terms. Customers may attempt to cancel or modify orders in backlog. Historically, little variation has been experienced between the quantity ordered and the quantity actually delivered, though the timing of deliveries may be modified from time to time.

As described in Part I Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended August 31, 2023 the items described above may have a material negative impact on our business, liquidity, results of operations and stock price. Beyond these general observations, we are unable to predict when, how, or with what magnitude these items will impact our business.

Three Months Ended May 31, 2024 Compared to the Three Months Ended May 31, 2023

Overview

Revenue, Cost of revenue, Margin and Earnings from operations (operating profit or loss) presented below, include amounts from external parties and exclude intersegment activity that is eliminated in consolidation.

	Three months ended May 31,	
	2024	2023
<i>(in millions, except per share amounts)</i>		
Revenue:		
Manufacturing	\$ 685.1	\$ 870.2
Maintenance Services	69.9	122.9
Leasing & Management Services	65.2	45.0
	<u>820.2</u>	<u>1,038.1</u>
Cost of revenue:		
Manufacturing	610.5	786.5
Maintenance Services	61.7	109.8
Leasing & Management Services	24.2	13.7
	<u>696.4</u>	<u>910.0</u>
Margin:		
Manufacturing	74.6	83.7
Maintenance Services	8.2	13.1
Leasing & Management Services	41.0	31.3
	<u>123.8</u>	<u>128.1</u>
Selling and administrative	59.3	63.3
Net gain on disposition of equipment	(7.8)	(2.3)
Asset impairment, disposal, and exit costs	—	16.4
Earnings from operations	72.3	50.7
Interest and foreign exchange	24.7	22.8
Earnings before income tax and earnings from unconsolidated affiliates	47.6	27.9
Income tax expense	(10.7)	(3.6)
Earnings before earnings from unconsolidated affiliates	36.9	24.3
Earnings from unconsolidated affiliates	3.7	2.4
Net earnings	40.6	26.7
Net earnings attributable to noncontrolling interest	(6.7)	(5.4)
Net earnings attributable to Greenbrier	<u>\$ 33.9</u>	<u>\$ 21.3</u>
Diluted earnings per common share	<u>\$ 1.06</u>	<u>\$ 0.64</u>

Performance for our segments is evaluated based on operating profit or loss. Corporate includes selling and administrative costs not directly related to goods and services and certain costs that are intertwined among segments due to our integrated business model. Management does not allocate Interest and foreign exchange or Income tax expense for either external or internal reporting purposes.

	Three months ended May 31,	
	2024	2023
<i>(in millions)</i>		
Operating profit (loss):		
Manufacturing	\$ 54.2	\$ 44.1
Maintenance Services	5.9	11.0
Leasing & Management Services	40.5	25.9
Corporate	(28.3)	(30.3)
	<u>\$ 72.3</u>	<u>\$ 50.7</u>

Consolidated Results

(in millions)	Three months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Revenue	\$ 820.2	\$ 1,038.1	\$ (217.9)	(21.0 %)
Cost of revenue	\$ 696.4	\$ 910.0	\$ (213.6)	(23.5 %)
Margin (%)	15.1 %	12.3 %	2.8 %	*
Net earnings attributable to Greenbrier	\$ 33.9	\$ 21.3	\$ 12.6	59.2 %

* Not meaningful

Through our integrated business model, we provide a broad range of custom products and services in each of our segments, which have various selling prices and margins. The demand for and mix of products and services delivered changes from period to period, which causes fluctuations in our results of operations.

The 21.0% decrease in Revenue for the three months ended May 31, 2024 as compared to the three months ended May 31, 2023 was primarily due to a 21.3% decrease in Manufacturing revenue and 43.1% decrease in Maintenance Services revenue. The decrease in Manufacturing revenue was primarily attributed to a 21.9% decrease in railcar deliveries during the three months ended May 31, 2024. The decrease in Maintenance Services revenue was primarily due to 27.6% lower volumes in our wheels business and a change in product mix during the three months ended May 31, 2024.

The 23.5% decrease in Cost of revenue for the three months ended May 31, 2024 as compared to the three months ended May 31, 2023 was primarily due to a 22.4% decrease in Manufacturing cost of revenue and a 43.8% decrease in Maintenance Services cost of revenue. The decrease in Manufacturing cost of revenue was primarily attributed to a 21.9% decrease in railcar deliveries during the three months ended May 31, 2024. The decrease in Maintenance Services cost of revenue was primarily due to operating at lower volumes and a change in product mix during the three months ended May 31, 2024.

Margin as a percentage of revenue was 15.1% and 12.3% for the three months ended May 31, 2024 and May 31, 2023, respectively. Margin as a percentage of revenue was positively impacted by favorable product mix within our Manufacturing segment during the three months ended May 31, 2024. This was partially offset by a 6.7% decrease in Leasing & Management Services margin as a percentage of revenue for the three months ended May 31, 2024 from higher sales of railcars that we purchased from third parties which have lower margin percentages.

The \$12.6 million increase in Net earnings attributable to Greenbrier for the three months ended May 31, 2024 as compared to the three months ended May 31, 2023 was primarily due to:

- Prior year included \$16.4 million in Asset impairment, disposal, and exit costs during the three months ended May 31, 2023.
- \$5.5 million increase in Net gain on disposition of equipment from higher sales of assets from our lease fleet during the three months ended May 31, 2024.
- \$4.0 million decrease in Selling and administrative expense for the three months ended May 31, 2024.

These were partially offset by the following:

- \$7.1 million increase in Income tax expense associated with higher pre-tax earnings during the three months ended May 31, 2024.
- \$4.3 million decrease in Margin for the three months ended May 31, 2024 primarily due to fewer railcar deliveries.

Manufacturing Segment

(In millions, except railcar deliveries)	Three months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Revenue	\$ 685.1	\$ 870.2	\$ (185.1)	(21.3 %)
Cost of revenue	\$ 610.5	\$ 786.5	\$ (176.0)	(22.4 %)
Margin (%)	10.9 %	9.6 %	1.3 %	*
Operating profit (\$)	\$ 54.2	\$ 44.1	\$ 10.1	22.9 %
Operating profit (%)	7.9 %	5.1 %	2.8 %	*
Deliveries	5,000	6,400	(1,400)	(21.9 %)

* Not meaningful

Our Manufacturing segment primarily generates revenue from manufacturing a wide range of freight railcars and from the conversion of existing railcars through our facilities in North America and Europe.

Manufacturing Revenue decreased \$185.1 million or 21.3% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The decrease in Revenue was primarily attributed to a 21.9% decrease in railcar deliveries during the three months ended May 31, 2024.

Manufacturing Cost of revenue decreased \$176.0 million or 22.4% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The decrease in Cost of revenue was primarily attributed to a 21.9% decrease in railcar deliveries during the three months ended May 31, 2024.

Manufacturing Margin as a percentage of revenue increased 1.3% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The increase in margin percentage for the three months ended May 31, 2024 was primarily attributed to favorable product mix during the three months ended May 31, 2024.

Manufacturing Operating profit increased \$10.1 million for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The increase in operating profit was primarily attributed to the prior year including a \$14.3 million loss on the sale of Gunderson Marine during the three months ended May 31, 2023. This was partially offset by \$9.1 million decrease in Margin attributed to a 21.9% decrease in railcar deliveries during the three months ended May 31, 2024.

Maintenance Services Segment

(in millions)	Three months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Revenue	\$ 69.9	\$ 122.9	\$ (53.0)	(43.1 %)
Cost of revenue	\$ 61.7	\$ 109.8	\$ (48.1)	(43.8 %)
Margin (%)	11.7 %	10.7 %	1.1 %	*
Operating profit (\$)	\$ 5.9	\$ 11.0	\$ (5.1)	(46.4 %)
Operating profit (%)	8.4 %	9.0 %	(0.5 %)	*

* Not meaningful

Our Maintenance Services segment primarily generates revenue from railcar component manufacturing and servicing and from providing railcar maintenance services.

Maintenance Services Revenue decreased \$53.0 million or 43.1% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The decrease was primarily attributed to 27.6% lower volumes in our wheels business and a change in product mix during the three months ended May 31, 2024.

Maintenance Services Cost of revenue decreased \$48.1 million or 43.8% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The decrease was primarily due to operating at lower volumes and a change in product mix during the three months ended May 31, 2024.

Maintenance Services Margin as a percentage of revenue increased 1.1% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The increase in margin percentage was primarily attributed to the a change in product mix during the three months ended May 31, 2024.

Maintenance Services Operating profit decreased \$5.1 million for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The decrease in Operating profit was primarily attributed to operating at lower volumes during the three months ended May 31, 2024.

Leasing & Management Services Segment

(in millions)	Three months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Revenue	\$ 65.2	\$ 45.0	\$ 20.2	44.9%
Cost of revenue	\$ 24.2	\$ 13.7	\$ 10.5	76.6%
Margin (%)	62.9%	69.6%	(6.7%)	*
Operating profit (\$)	\$ 40.5	\$ 25.9	\$ 14.6	56.4%
Operating profit (%)	62.1%	57.6%	4.5%	*

* Not meaningful

Our Leasing & Management Services segment generates revenue from leasing railcars from our lease fleet, providing various management services, syndication revenue associated with leases attached to new railcar sales, interim rent on leased railcars for syndication and the sale of railcars purchased from third parties with the intent to resell.

Leasing & Management Services Revenue increased \$20.2 million or 44.9% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The increase was primarily attributed to a \$8.9 million increase in the sale of railcars which we had purchased from third parties with the intent to resell and an increase of \$5.3 million in rents associated with a larger fleet and improved lease rates during the three months ended May 31, 2024.

Leasing & Management Services Cost of revenue increased \$10.5 million or 76.6% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The increase was primarily due to higher costs from an increase in the volume of railcars sold that we purchased from third parties and a larger fleet during the three months ended May 31, 2024.

Leasing & Management Services Margin as a percentage of revenue decreased 6.7% for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. Margin as a percentage of revenue for the three months ended May 31, 2024 was negatively impacted by higher sales of railcars that we purchased from third parties which have lower margin percentages.

Leasing & Management Services Operating profit increased \$14.6 million for the three months ended May 31, 2024 compared to the three months ended May 31, 2023. The increase was primarily attributed to higher rents associated with a larger fleet and improved lease rates and \$5.0 million higher Net gain on disposition of equipment during the three months ended May 31, 2024.

Selling and Administrative Expense

(in millions)	Three months ended May 31,			Increase (Decrease)	% Change
	2024	2023			
Selling and administrative expense	\$ 59.3	\$ 63.3		\$ (4.0)	(6.3%)

Selling and administrative expense was \$59.3 million or 7.2% of Revenue for the three months ended May 31, 2024 compared to \$63.3 million or 6.1% of Revenue for the prior comparable period. The \$4.0 million decrease was primarily attributed to lower short-term incentive compensation for the three months ended May 31, 2024 as a result of timing of financial performance when compared to the prior year.

Net Gain on Disposition of Equipment

Net gain on disposition of equipment typically includes the sale of assets from our lease fleet (Equipment on operating leases, net) and disposition of property, plant and equipment. Assets are periodically sold in the normal course of business in order to optimize our fleet and to manage risk and liquidity.

Net gain on disposition of equipment was \$7.8 million for the three months ended May 31, 2024 compared to \$2.3 million for the prior comparable period. The increase in Net gain on disposition of equipment was primarily attributed to higher sales of assets from our lease fleet during the three months ended May 31, 2024.

Asset Impairment, Disposal and Exit Costs

The three months ended May 31, 2023 included a loss on the sale of Gunderson Marine of \$14.3 million and \$2.1 million of severance costs related to ceasing rail production at the Gunderson Facility.

Interest and Foreign Exchange

Interest and foreign exchange expense was composed of the following:

(in millions)	Three months ended May 31,			Increase (Decrease)	% Change
	2024	2023			
Interest and foreign exchange:					
Interest and other expense	\$ 23.4	\$ 20.0		\$ 3.4	
Foreign exchange loss	1.3	2.8		(1.5)	
	<u>\$ 24.7</u>	<u>\$ 22.8</u>		<u>\$ 1.9</u>	

The \$1.9 million increase in Interest and foreign exchange expense for the three months ended May 31, 2024 compared to the three months ended May 31, 2023 was primarily attributed to an increase in interest expense from higher borrowings.

Income Tax

For the three months ended May 31, 2024, we had Income tax expense of \$10.7 million on pre-tax income of \$47.6 million for an effective tax rate of 22.5%. The effective tax rate primarily benefited from net favorable adjustments related to our foreign subsidiaries and U.S. tax credits.

For the three months ended May 31, 2023, we had Income tax expense of \$3.6 million on a pre-tax income of \$27.9 million for an effective tax rate of 12.9%. Tax expense included net favorable discrete items primarily related to changes in foreign currency exchange rates for our U.S. Dollar denominated foreign operations.

The provision for income taxes during interim quarterly reporting periods is based on our estimates of the effective tax rates for the full fiscal year and may be positively or negatively impacted by adjustments that are required to be reported in the quarter. The effective tax rate can fluctuate year-to-year due to changes in the mix of foreign and domestic pre-tax earnings. It can also fluctuate with changes in the proportion of pre-tax earnings attributable to our Mexican railcar manufacturing joint venture. The joint venture is treated as a partnership for tax purposes and, as a result, the partnership's entire pre-tax earnings are included in earnings before income taxes and earnings from unconsolidated affiliates, whereas only our 50% share of the tax is included in Income tax expense.

Earnings From Unconsolidated Affiliates

Through unconsolidated affiliates we produce rail and industrial components and have an ownership stake in a railcar manufacturer in Brazil. We record the results from these unconsolidated affiliates on an after-tax basis.

Earnings from unconsolidated affiliates were \$3.7 million and \$2.4 million for the three months ended May 31, 2024 and May 31, 2023, respectively. The increase was primarily related to \$2.4 million in higher earnings at our Brazil operations for the three months ended May 31, 2024.

Noncontrolling Interest

Net earnings attributable to noncontrolling interest was \$6.7 million for the three months ended May 31, 2024 compared to \$5.4 million for the three months ended May 31, 2023. Net earnings attributable to noncontrolling interest primarily represents our joint venture partner's share in the results of operations of our Mexican railcar manufacturing joint ventures, adjusted for intercompany sales, and our European partner's share of the results of our European operations.

Nine Months Ended May 31, 2024 Compared to the Nine Months Ended May 31, 2023

Overview

Revenue, Cost of revenue, Margin and Earnings from operations (operating profit or loss) presented below, include amounts from external parties and exclude intersegment activity that is eliminated in consolidation.

	Nine months ended May 31,	
	2024	2023
(in millions, except per share amounts)		
Revenue:		
Manufacturing	\$ 2,096.8	\$ 2,485.3
Maintenance Services	228.9	306.4
Leasing & Management Services	166.0	134.9
	2,491.7	2,926.6
Cost of revenue:		
Manufacturing	1,867.6	2,292.2
Maintenance Services	202.5	279.0
Leasing & Management Services	54.3	41.0
	2,124.4	2,612.2
Margin:		
Manufacturing	229.2	193.1
Maintenance Services	26.4	27.4
Leasing & Management Services	111.7	93.9
	367.3	314.4
Selling and administrative	179.2	175.7
Net gain on disposition of equipment	(12.6)	(15.2)
Asset impairment, disposal, and exit costs	—	40.6
Earnings from operations	200.7	113.3
Interest and foreign exchange	72.5	64.0
Earnings before income taxes and earnings from unconsolidated affiliates	128.2	49.3
Income tax expense	(30.0)	(11.7)
Earnings before earnings from unconsolidated affiliates	98.2	37.6
Earnings from unconsolidated affiliates	9.2	8.6
Net earnings	107.4	46.2
Net earnings attributable to noncontrolling interest	(8.9)	(8.5)
Net earnings attributable to Greenbrier	\$ 98.5	\$ 37.7
Diluted earnings per common share	\$ 3.05	\$ 1.13

Performance for our segments is evaluated based on operating profit or loss. Corporate includes selling and administrative costs not directly related to goods and services and certain costs that are intertwined among segments due to our integrated business model. Management does not allocate Interest and foreign exchange or Income tax expense for either external or internal reporting purposes.

	Nine months ended May 31,	
	2024	2023
(in millions)		
Operating profit (loss):		
Manufacturing	\$ 167.3	\$ 87.3
Maintenance Services	21.1	23.3
Leasing & Management Services	100.0	82.2
Corporate	(87.7)	(79.5)
	\$ 200.7	\$ 113.3

Consolidated Results

(in millions)	Nine months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Revenue	\$ 2,491.7	\$ 2,926.6	\$ (434.9)	(14.9 %)
Cost of revenue	\$ 2,124.4	\$ 2,612.2	\$ (487.8)	(18.7 %)
Margin (%)	14.7 %	10.7 %	4.0 %	*
Net earnings attributable to Greenbrier	\$ 98.5	\$ 37.7	\$ 60.8	161.3 %

* Not meaningful

Through our integrated business model, we provide a broad range of custom products and services in each of our segments, which have various selling prices and margins. The demand for and mix of products and services delivered changes from period to period, which causes fluctuations in our results of operations.

The 14.9% decrease in Revenue for the nine months ended May 31, 2024 as compared to the nine months ended May 31, 2023 was primarily due to a 15.6% decrease in Manufacturing revenue. The decrease in Manufacturing revenue was primarily attributed to a 14.4% decrease in railcar deliveries during the nine months ended May 31, 2024.

The 18.7% decrease in Cost of revenue for the nine months ended May 31, 2024 as compared to the nine months ended May 31, 2023 was primarily due to a 18.5% decrease in Manufacturing cost of revenue. The decrease in Manufacturing cost of revenue was primarily attributed to a 14.4% decrease in railcar deliveries during the nine months ended May 31, 2024.

Margin as a percentage of revenue was 14.7% and 10.7% for the nine months ended May 31, 2024 and May 31, 2023, respectively. Margin as a percentage of revenue was positively impacted by an increase in Manufacturing margin from 7.8% to 10.9% primarily attributed to operating efficiencies and favorable product mix during the nine months ended May 31, 2024.

The \$60.8 million increase in Net earnings attributable to Greenbrier for the nine months ended May 31, 2024 as compared to the nine months ended May 31, 2023 was primarily due to the following:

- \$52.9 million increase in Margin for the nine months ended May 31, 2024 primarily due to operating efficiencies and a favorable product mix within our Manufacturing segment and an increase in rents associated with a larger fleet and improved lease rates in our Leasing & Management Services segment.
- Prior year included \$40.6 million in Asset impairment, disposal and exit costs for the nine months ended May 31, 2023 related to the sale and closure of our Gunderson Facility.

These were partially offset by the following:

- \$18.3 million increase in Income tax expense associated with higher pre-tax earnings during the nine months ended May 31, 2024.
- \$8.5 million increase in Interest and foreign exchange primarily attributed to an increase in interest expense from higher borrowings for the nine months ended May 31, 2024.

Manufacturing Segment

(In millions, except railcar deliveries)	Nine months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Revenue	\$ 2,096.8	\$ 2,485.3	\$ (388.5)	(15.6 %)
Cost of revenue	\$ 1,867.6	\$ 2,292.2	\$ (424.6)	(18.5 %)
Margin (%)	10.9 %	7.8 %	3.1 %	*
Operating profit (\$)	\$ 167.3	\$ 87.3	\$ 80.0	91.6 %
Operating profit (%)	8.0 %	3.5 %	4.5 %	*
Deliveries	15,500	18,100	(2,600)	(14.4 %)

* Not meaningful

Our Manufacturing segment primarily generates revenue from manufacturing a wide range of freight railcars and from the conversion of existing or in-service railcars through our facilities in North America and Europe.

Manufacturing Revenue decreased \$388.5 million or 15.6% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The decrease in Revenue was primarily attributed to a 14.4% decrease in railcar deliveries during the nine months ended May 31, 2024.

Manufacturing Cost of revenue decreased \$424.6 million or 18.5% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The decrease in Cost of revenue was primarily attributed to a 14.4% decrease in the volume of railcar deliveries and favorable product mix during the nine months ended May 31, 2024.

Manufacturing Margin as a percentage of revenue increased 3.1% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The increase in margin percentage for the nine months ended May 31, 2024 was primarily attributed to operating efficiencies and favorable product mix during the nine months ended May 31, 2024.

Manufacturing Operating profit increased \$80.0 million for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The increase in Operating profit was attributed to an increase in Margin during the nine months ended May 31, 2024 as well as the prior year including \$40.6 million of charges related to the sale and closure of our Gunderson Facility during the nine months ended May 31, 2023.

Maintenance Services Segment

(in millions)	Nine months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Revenue	\$ 228.9	\$ 306.4	\$ (77.5)	(25.3 %)
Cost of revenue	\$ 202.5	\$ 279.0	\$ (76.5)	(27.4 %)
Margin (%)	11.5 %	8.9 %	2.6 %	*
Operating profit (\$)	\$ 21.1	\$ 23.3	\$ (2.2)	(9.4 %)
Operating profit (%)	9.2 %	7.6 %	1.6 %	*

* Not meaningful

Our Maintenance Services segment primarily generates revenue from railcar component manufacturing and servicing and from providing railcar maintenance services.

Maintenance Services Revenue decreased \$77.5 million or 25.3% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The decrease was primarily attributed to 22.7% lower volumes in our wheels business due to lower demand and a change in product mix despite a higher average selling price during the nine months ended May 31, 2024.

Maintenance Services Cost of revenue decreased \$76.5 million or 27.4% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The decrease was primarily due to operating at lower volumes and a change in product mix during the nine months ended May 31, 2024.

Maintenance Services Margin as a percentage of revenue increased 2.6% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The increase in margin percentage was primarily attributed to change in product mix and favorable pricing during the nine months ended May 31, 2024.

Maintenance Services Operating profit decreased \$2.2 million for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The decrease in Operating profit was primarily attributed to operating at lower volumes during the nine months ended May 31, 2024.

Leasing & Management Services Segment

(in millions)	Nine months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Revenue	\$ 166.0	\$ 134.9	\$ 31.1	23.1%
Cost of revenue	\$ 54.3	\$ 41.0	\$ 13.3	32.4%
Margin (%)	67.3%	69.6%	(2.3%)	*
Operating profit (\$)	\$ 100.0	\$ 82.2	\$ 17.8	21.7%
Operating profit (%)	60.2%	60.9%	(0.7%)	*

* Not meaningful

Our Leasing & Management Services segment generates revenue from leasing railcars from our lease fleet, providing various management services, syndication revenue associated with leases attached to new railcar sales, interim rent on leased railcars for syndication and the sale of railcars purchased from third parties with the intent to resell.

Leasing & Management Services Revenue increased \$31.1 million or 23.1% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The increase was primarily attributed to an increase of \$14.9 million in rents associated with a larger fleet and improved lease rates, an \$8.9 million increase in the sale of railcars which we had purchased from third parties with the intent to resell and \$7.0 million higher interim rent on leased railcars for syndication during the nine months ended May 31, 2024.

Leasing & Management Services Cost of revenue increased \$13.3 million or 32.4% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The increase was primarily due to higher costs from an increase in the volume of railcars sold that we purchased from third parties and a larger fleet and during the nine months ended May 31, 2024.

Leasing & Management Services Margin as a percentage of revenue decreased 2.3% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. Margin as a percentage of revenue for the nine months ended May 31, 2024 was negatively impacted by higher sales of railcars that we purchased from third parties which have lower margin percentages.

Leasing & Management Services Operating profit increased \$17.8 million or 21.7% for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023. The increase was primarily attributed to higher rents from a larger fleet and improved lease rates during the nine months ended May 31, 2024.

Selling and Administrative Expense

(in millions)	Nine months ended May 31,		Increase (Decrease)	% Change
	2024	2023		
Selling and administrative expense	\$ 179.2	\$ 175.7	\$ 3.5	2.0%

Selling and administrative expense was \$179.2 million or 7.2% of Revenue for the nine months ended May 31, 2024 compared to \$175.7 million or 6.0% of Revenue for the prior comparable period. The \$3.5 million increase was primarily attributed to an increase in employee related costs including higher long-term incentive compensation during the nine months ended May 31, 2024.

Net Gain on Disposition of Equipment

Net gain on disposition of equipment typically includes the sale of assets from our lease fleet (Equipment on operating leases, net) and disposition of property, plant and equipment. Assets are periodically sold in the normal course of business in order to optimize our fleet and to manage risk and liquidity.

Net gain on disposition of equipment was \$12.6 million for the nine months ended May 31, 2024 compared to a gain of \$15.2 million for the prior comparable period. The decrease in Net gain on disposition of equipment was primarily attributed to fewer sales of assets from our lease fleet during the nine months ended May 31, 2024.

Asset Impairment, Disposal and Exit Costs

The nine months ended May 31, 2023 included an impairment of long-lived assets of \$24.2 million related to our change in the future use of our Gunderson Facility, loss on the sale of Gunderson Marine of \$14.3 million and \$2.1 million of severance associated with ceasing rail production at the Gunderson Facility.

Interest and Foreign Exchange

Interest and foreign exchange expense was composed of the following:

(in millions)	Nine months ended May 31,		Increase (Decrease)
	2024	2023	
Interest and foreign exchange:			
Interest and other expense	\$ 69.2	\$ 58.7	\$ 10.5
Foreign exchange loss	3.3	5.3	(2.0)
	<u>\$ 72.5</u>	<u>\$ 64.0</u>	<u>\$ 8.5</u>

The \$8.5 million increase in Interest and foreign exchange expense for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023 was primarily attributed to an increase in interest expense from higher borrowings and interest rates.

Income Tax

For the nine months ended May 31, 2024, we had Income tax expense of \$30.0 million on pre-tax income of \$128.2 million for an effective tax rate of 23.4%. The effective tax rate benefited from net favorable discrete items related to U.S. tax credits and changes in foreign currency exchange rates for our U.S. Dollar denominated foreign operations.

For the nine months ended May 31, 2023, we had Income tax expense of \$11.7 million on pre-tax income of \$49.3 million for an effective tax rate of 23.7%. Tax expense included net favorable discrete items primarily related to changes in foreign currency exchange rates for our U.S. Dollar denominated foreign operations.

The provision for income taxes during interim quarterly reporting periods is based on our estimates of the effective tax rates for the full fiscal year and may be positively or negatively impacted by adjustments that are required to be reported in the quarter. The effective tax rate can fluctuate year-to-year due to changes in the mix of foreign and

domestic pre-tax earnings. It can also fluctuate with changes in the proportion of pre-tax earnings attributable to our Mexican railcar manufacturing joint venture. The joint venture is treated as a partnership for tax purposes and, as a result, the partnership's entire pre-tax earnings are included in earnings before income taxes and earnings from unconsolidated affiliates, whereas only our 50% share of the tax is included in Income tax expense.

Earnings From Unconsolidated Affiliates

Through unconsolidated affiliates we produce rail and industrial components and have an ownership stake in a railcar manufacturer in Brazil. We record the results from these unconsolidated affiliates on an after-tax basis.

Earnings from unconsolidated affiliates were \$9.2 million and \$8.6 million for the nine months ended May 31, 2024 and May 31, 2023, respectively. The increase was primarily related to \$4.4 million higher earnings at our Brazil operations during the nine months ended May 31, 2024. This was partially offset by a \$3.7 million lower earnings related to a temporarily idle facility during the nine months ended May 31, 2024.

Noncontrolling Interest

Net earnings attributable to noncontrolling interest was \$8.9 million for the nine months ended May 31, 2024 compared to \$8.5 million for the nine months ended May 31, 2023. Net earnings attributable to noncontrolling interest primarily represents our joint venture partner's share in the results of operations of our Mexican railcar manufacturing joint ventures, adjusted for intercompany sales, and our European partner's share of the results of our European operations.

Liquidity and Capital Resources

	Nine months ended May 31,	
	2024	2023
(in millions)		
Net cash provided by operating activities	\$ 138.4	\$ 1.2
Net cash used in investing activities	(254.3)	(174.8)
Net cash provided by (used in) financing activities	106.1	(59.2)
Effect of exchange rate changes	(1.1)	15.2
Decrease in Cash and cash equivalents and Restricted cash	\$ (10.9)	\$ (217.6)

We have been financed through cash generated from operations and borrowings. At May 31, 2024 Cash and cash equivalents and Restricted cash were \$291.8 million, a decrease of \$10.9 million from \$302.7 million at August 31, 2023.

Cash Flows From Operating Activities

The \$137.2 million increase in cash from operating activities for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023 was primarily due to a \$61.2 million increase in Net earnings and \$56.2 million net change in working capital.

Cash Flows From Investing Activities

Cash used in investing activities primarily related to capital expenditures net of proceeds from the sale of assets and investment activity with our unconsolidated affiliates. Proceeds from the sale of assets primarily relate to fleet sales in our Leasing & Management Services segment. The \$79.5 million increase in cash used in investing activities for the nine months ended May 31, 2024 was primarily attributable to a \$70.8 million increase in capital expenditures compared to the nine months ended May 31, 2023.

	Nine months ended May 31,	
	2024	2023
(in millions)		
Capital expenditures:		
Leasing & Management Services	\$ 241.1	\$ 205.4
Manufacturing	70.8	41.0
Maintenance Services	12.8	7.5
Total capital expenditures (gross)	\$ 324.7	\$ 253.9
Proceeds from sales of assets	(67.9)	(76.3)
Total capital expenditures (net of proceeds)	\$ 256.8	\$ 177.6

Capital expenditures primarily relate to additions to our lease fleet and on-going investments into the safety and productivity of our facilities. Proceeds from the sale of assets primarily relate to sales of railcars from our lease fleet within Leasing & Management Services. Assets from our lease fleet are periodically sold in the normal course of business to accommodate customer demand and to manage risk and liquidity. Proceeds from sales of assets are expected to be approximately \$75 million for 2024.

Gross capital expenditures for 2024 are expected to be approximately \$280 million for Leasing & Management Services, approximately \$150 million for Manufacturing and approximately \$15 million for Maintenance Services. Capital expenditures for 2024 primarily relate to additions to our lease fleet reflecting our leasing strategy and continued investments into the safety and productivity of our facilities.

Cash Flows From Financing Activities

The \$165.3 million increase in cash flow from financing activities for the nine months ended May 31, 2024 compared to the nine months ended May 31, 2023 was primarily attributed to a \$71.6 million increase in net proceeds from revolving notes and \$53.7 million higher proceeds from the issuance of notes payable, net of repayments. During the nine months ended May 31, 2024 we issued \$178.5 million of asset backed securities and used proceeds to pay down \$139.9 million of our GBX Leasing warehouse facility. We also drew \$146.9 million on the GBX Leasing warehouse facility to grow the fleet. In February 2024, we paid \$47.7 million to retire our 2024 Convertible Notes.

Dividend & Share Repurchase Program

A quarterly dividend of \$0.30 per share was declared on July 2, 2024.

The Board of Directors has authorized our company to repurchase shares of our common stock. The share repurchase program has an expiration date of January 31, 2025. Under the share repurchase program, shares of common stock may be purchased from time to time on the open market or through privately negotiated transactions. The timing and amount of purchases is based upon market conditions, securities law limitations and other factors. The program may be modified, suspended or discontinued at any time without prior notice. The share repurchase program does not obligate us to acquire any specific number of shares in any period.

During the nine months ended May 31, 2024, we purchased a total of 38 thousand shares for \$1.3 million. As of May 31, 2024, the amount remaining for repurchase under the share repurchase program was \$45.1 million. During the nine months ended May 31, 2023, we purchased a total of 1.7 million shares for \$49.4 million.

Cash, Borrowing Availability and Credit Facilities

As of May 31, 2024, we had \$271.6 million in Cash and cash equivalents and \$333.7 million in available borrowings. The available balance to draw under committed credit facilities includes \$223.7 million on the North American credit facility, \$39.0 million on the European credit facilities and \$71.0 million on the Mexican credit facilities.

Senior secured credit facilities aggregated to \$1.4 billion as of May 31, 2024 which consisted of the following components:

Nonrecourse credit facilities

GBX Leasing – As of May 31, 2024, a \$550.0 million non-recourse warehouse credit facility existed to support the operations of GBX Leasing. Advances under this facility bear interest at SOFR plus 1.85% plus 0.11% as a SOFR adjustment. Interest rate swap agreements cover approximately 99% of the outstanding balance to swap the floating interest rate to a fixed rate. The warehouse credit facility converts to a term loan in August 2025 and matures in August 2027.

Other credit facilities

North America – As of May 31, 2024, a \$600.0 million revolving line of credit, maturing August 2026, secured by substantially all our U.S. assets not otherwise pledged as security for term loans or the warehouse credit facility, existed to provide working capital and interim financing of equipment, principally for our U.S. and Mexican operations. Advances under this North American credit facility bear interest at SOFR plus 1.50% plus 0.10% as a SOFR adjustment or Prime plus 0.50% depending on the type of borrowing. Available borrowings under the credit facility are generally based on defined levels of eligible inventory, receivables, property, plant and equipment and leased equipment, as well as total debt to consolidated capitalization and fixed charges coverage ratios.

Europe – As of May 31, 2024, lines of credit totaling \$76.4 million secured by certain of our European assets, with variable rates that range from WIBOR plus 1.10% to WIBOR plus 1.45% and EURIBOR plus 1.90%, were available for working capital needs of our European manufacturing operations. The European lines of credit include \$32.5 million which is guaranteed by us. European credit facilities are regularly renewed. Currently, these European credit facilities have maturities that range from July 2024 through November 2025.

Mexico – As of May 31, 2024, our Mexican railcar manufacturing operations had lines of credit totaling \$196.0 million for working capital needs, \$96.0 of which we and our joint venture partner have each guaranteed 50%. Advances under these facilities bear interest at variable rates that range from SOFR plus 2.22% to SOFR plus 4.25%. The Mexican credit facilities have maturities that range from February 2025 through January 2027.

Credit facility balances:

(in millions)		May 31, 2024	August 31, 2023
Nonrecourse credit facility balances			
GBX Leasing	\$	146.0	\$ 139.9
Other credit facility balances			
North America		40.0	—
Europe		37.4	47.2
Mexico		125.0	110.0
Total Revolving notes	\$	<u>348.4</u>	\$ <u>297.1</u>

Outstanding commitments under the North American credit facility included letters of credit which totaled \$5.9 million and \$4.9 million as of May 31, 2024 and August 31, 2023, respectively.

Other Information

The revolving and operating lines of credit, along with notes payable, contain covenants with respect to us and our various subsidiaries, the most restrictive of which, among other things, limit our ability to: incur additional indebtedness or guarantees; pay dividends or repurchase stock; enter into financing leases; create liens; sell assets; engage in transactions with affiliates, including joint ventures and non U.S. subsidiaries, including but not limited to loans, advances, equity investments and guarantees; enter into mergers, consolidations or sales of substantially all our assets; and enter into new lines of business. The covenants also require certain maximum ratios of debt to total capitalization and minimum levels of fixed charges (interest plus rent) coverage. As of May 31, 2024, we were in compliance with all such restrictive covenants.

From time to time, we may seek to repurchase or otherwise retire or exchange securities, including outstanding convertible notes, borrowings and equity securities, and take other steps to reduce our debt, extend the maturities of our debt or otherwise improve our balance sheet. These actions may include open market repurchases, unsolicited or solicited privately negotiated transactions or other retirements, repurchases or exchanges. Such retirements, repurchases or exchanges of one note or security for another note or security (now or hereafter existing), if any, will depend on a number of factors, including, but not limited to, prevailing market conditions, trading levels of our debt, our liquidity requirements and contractual restrictions, if applicable. The amounts involved in any such transactions may, individually or in the aggregate, be material and may involve all or a portion of a particular series of notes or other indebtedness which may reduce the float and impact the trading market of notes or other indebtedness which remain outstanding.

We have global operations that conduct business in their local currencies as well as other currencies. To mitigate the exposure to transactions denominated in currencies other than the functional currency, we enter into foreign currency forward exchange contracts with established financial institutions to protect the margin on a portion of foreign currency sales in firm backlog.

To mitigate the exposure to changes in interest rates, we have managed a portion of our variable rate debt with interest rate swap agreements, effectively converting \$659.7 million of variable rate debt to fixed rate debt as of May 31, 2024.

Given the strong credit standing of the counterparties, no provision has been made for credit loss due to counterparty non-performance.

We expect existing funds and cash generated from operations, together with proceeds from financing activities including borrowings under existing credit facilities and long-term financings, to be sufficient to fund expected debt repayments, working capital needs, planned capital expenditures, additional investments in our unconsolidated affiliates and dividends during the next twelve months.

Off-Balance Sheet Arrangements

We do not currently have off balance sheet arrangements that have or are reasonably likely to have a material current or future effect on our Consolidated Financial Statements.

Critical Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires judgment on the part of management to arrive at estimates and assumptions on matters that are inherently uncertain. These estimates may affect the amount of assets, liabilities, revenue and expenses reported in the financial statements and accompanying notes and disclosure of contingent assets and liabilities within the financial statements. Estimates and assumptions are periodically evaluated and may be adjusted in future periods. Actual results could differ from those estimates.

Impairment of long-lived assets - We review our long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. When such events or changes in circumstances occur, a recoverability test is performed based upon estimated undiscounted cash flows expected to be realized over the remaining useful life of the asset group. If the carrying amount of an asset group exceeds the estimated undiscounted future cash flows, an impairment would be measured as the difference between the fair value of the asset group and the carrying amount of the asset group.

An asset group is generally established by identifying the lowest level of cash flows generated by a group of assets that are largely independent of the cash flows of other assets. Determining whether a long-lived asset is impaired requires various estimates and assumptions, including whether a triggering event has occurred, the identification of asset groups, and the determination of the fair value of real and personal property. Estimates of future cash flows are by nature highly uncertain and contemplate factors that may change over time.

Goodwill - We evaluate goodwill for possible impairment annually or more frequently if events or changes in circumstances indicate that the carrying amounts of our reporting units exceed their fair value. When we perform a quantitative assessment, we exercise judgment to develop estimates of the fair values of our reporting units based on a weighting of income and market approaches. Under the income approach, we calculate the fair value of a reporting unit based on the present value of estimated future cash flows which incorporates forecasted revenues, long-term growth rate, gross margin percentages, operating expenses, and the use of discount rates. Under the market approach, we estimate the fair value based on observed market multiples for comparable businesses. If the fair value of a reporting unit is lower than its carrying value, an impairment to goodwill is recorded, not to exceed the carrying amount of goodwill in the reporting unit.

We make certain estimates and assumptions to determine our reporting units and whether the fair value of each reporting unit is greater than its respective carrying value. The above highlighted judgments contemplated estimates and effects of macroeconomic trends that are inherently uncertain. Changes in these estimates, which may include the effects of inflation and policy reactions thereto, increases in pricing of materials and components, changes in demand, or potential macroeconomic events may cause future assessment conclusions to differ.

In 2023, we performed a quantitative goodwill impairment test and determined that the estimated fair values of all reporting units with goodwill exceeded their carrying values. We performed a qualitative assessment for our annual goodwill impairment test during the third quarter of 2024 and determined that it was more likely than not that the fair values of all reporting units with goodwill exceeded their carrying values; therefore, we concluded that goodwill was not impaired. For further information, see Note 5 to the Condensed Consolidated Financial Statements.

Income taxes - The asset and liability method is used to account for income taxes. We are required to estimate the timing of the recognition of deferred tax assets and liabilities, make assumptions about the future deductibility of deferred tax assets and assess deferred tax liabilities based on enacted law and tax rates for each tax jurisdiction to determine the amount of deferred tax assets and liabilities. Deferred income taxes are provided for the temporary effects of differences between assets and liabilities recognized for financial statement and income tax reporting purposes. Valuation allowances reduce deferred tax assets to an amount that will more likely than not be realized. We recognize a tax benefit from uncertain tax positions in the financial statements only when it is more likely than not the position will be sustained upon examination by relevant tax authorities.

Our annual tax rate is based on our income, statutory tax rates, and tax planning opportunities available to us in the various jurisdictions in which we operate. Judgment is required in determining our tax expense and in evaluating our tax positions, as tax laws are complex and subject to different interpretations by taxpayers and government taxing authorities. Our income tax rate is affected by the tax rates that apply to our foreign earnings and could be adversely

impacted by higher or lower earnings than anticipated in a particular jurisdiction. In addition to local country tax laws and regulations, our income tax rate depends on the extent that our foreign earnings are taxed by the U.S. through provisions such as the global intangible low-taxed income (GILTI) tax and base erosion and anti-abuse tax (BEAT). We review our deferred tax assets and tax positions quarterly and adjust the balances as new information becomes available.

Environmental costs - At times we may be involved in various proceedings related to environmental matters. We estimate future costs for known environmental remediation requirements and accrue for them when it is probable that we have incurred a liability and the related costs can be reasonably estimated based on currently available information. Adjustments to these liabilities are made when additional information becomes available that affects the estimated costs to study or remediate any environmental issues or when expenditures for which reserves are established are made.

Judgments used in determining if a liability is estimable are subjective and based on known facts and our historic experience. If further developments in or resolution of an environmental matter result in facts and circumstances that differ from those assumptions used to develop these reserves, the accrual for environmental remediation could be materially understated or overstated. Due to the uncertain nature of environmental matters, there can be no assurance that we will not become involved in future litigation or other proceedings or, if we were found to be responsible or liable in any litigation or proceeding, that such costs would not be material to us. For further information regarding our environmental costs, see Note 15 to the Condensed Consolidated Financial Statements.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Currency Exchange Risk

We have global operations that conduct business in their local currencies as well as other currencies. To mitigate the exposure to transactions denominated in currencies other than the functional currency of each entity, we enter into foreign currency forward exchange contracts to protect revenue or margin on a portion of forecasted foreign currency sales and expenses. At May 31, 2024 exchange rates, notional amounts of forward exchange contracts for the purchase of Polish Zlotys and the sale of Euros; and the purchase of Mexican Pesos and the sale of U.S. Dollars aggregated to \$126.9 million. Because of the variety of currencies in which purchases and sales are transacted and the interaction between currency rates, it is not possible to predict the impact that a movement in a single foreign currency exchange rate would have on future operating results.

In addition to exposure to transaction gains or losses, we are also exposed to foreign currency exchange risk related to the net asset position of our foreign subsidiaries. At May 31, 2024, net assets of foreign subsidiaries aggregated to \$155.3 million and a 10% strengthening of the U.S. Dollar relative to the foreign currencies would result in a decrease in equity of \$15.5 million, or 1.2% of Total equity - Greenbrier. This calculation assumes that each exchange rate would change in the same direction relative to the U.S. Dollar.

Interest Rate Risk

We have managed a portion of our variable rate debt with interest rate swap agreements, effectively converting \$659.7 million of variable rate debt to fixed rate debt. Notwithstanding these interest rate swap agreements, we are still exposed to interest rate risk relating to our revolving debt and a portion of term debt, which are at variable rates. At May 31, 2024, 85% of our outstanding debt had fixed rates and 15% had variable rates. At May 31, 2024, a uniform increase by 10% in variable interest rates would result in approximately \$1.4 million of additional annual interest expense.

Item 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management has evaluated, under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Act of 1934, as amended (the Exchange Act) as of the end of the period covered by this report. Based on that evaluation, our Principal Executive Officer and Principal Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were not effective as of such date due to the material weakness in internal control over financial reporting that was disclosed in our Annual Report on Form 10-K for the fiscal year ended August 31, 2023.

Ongoing Remediation of Previously Identified Material Weakness

The Company's management, under the oversight of the Audit Committee, has designed and implemented corrective actions to remediate the control deficiencies that contributed to the material weakness. These remediation actions included:

- Enhancing risk assessment and control design to address potential financial reporting risk related to system implementations;
- Improving policy and procedure documentation related to IT general controls to better define roles and responsibilities, improve control owner understanding, and provide a basis for knowledge transfer upon personnel changes; and
- Enhancing our education concerning the principles and requirements of each control, with a focus on those related to user access, change management, and segregation of duties over IT systems impacting financial reporting.

As we continue to evaluate and enhance our internal control over financial reporting, we may determine that additional measures to address the material weaknesses or adjustments to the remediation plan may be required. The material weakness will not be considered remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Changes in Internal Control over Financial Reporting

Except for the changes noted above, there have been no changes in our internal control over financial reporting during the quarter ended May 31, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

There is hereby incorporated by reference the information disclosed in Note 15 to the Condensed Consolidated Financial Statements, Part I of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

This Form 10-Q should be read in conjunction with Part I Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended August 31, 2023. There have been no material changes in the risk factors described in our Annual Report on Form 10-K for the year ended August 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The Board of Directors has authorized the Company to repurchase shares of the Company's common stock. The share repurchase program has an expiration date of January 31, 2025. The amount remaining for purchase was \$45.1 million as of May 31, 2024. There were no share repurchases under this program during the three months ended May 31, 2024.

Item 5. Other Information

On July 2, 2024, the compensation committee of the Board of Directors of the Company adopted The Greenbrier Companies, Inc. Executive Officer Severance Policy.

The policy provides severance benefits to executive officers upon a "qualifying termination" unrelated to a change in control (subject to participant's execution and, to the extent applicable, non-revocation of a release). The severance benefits are equal to (1) a cash amount equal to a number of months of the executive officer's base salary; (2) a prorated annual bonus for the year of termination (based on actual achievement of performance goals); (3) a cash amount equal to a number of months of health benefit premiums; and (4) outplacement services not to exceed \$12,000. With respect to clauses (1), (3) and (4), the number of applicable months is 24 for the Company's Chief Executive Officer, 18 for the Company's Chief Financial Officer, Chief Operations Officer and Business Unit Presidents, and 12 for all other executive officers. For purposes of the policy, a "qualifying termination" means the termination of a participant's employment by (1) the Company or any successor thereto without "cause" or (2) the participant for "good reason", each as defined in the policy. The foregoing description of the policy does not purport to be complete and is qualified in its entirety by reference to the full text of the policy, a copy of which will be filed with the Form 10-K for the period ended August 31, 2024.

Trading Plan Arrangements

During the three months ended May 31, 2024 the following officer, as defined in Rule 16a-1(f) of the Exchange Act, adopted a " Rule 10b5-1 trading arrangement," as defined in Item 408 of Regulation S-K, as follows:

On May 15, 2024 , Rick Galvan , Senior Vice President Operations, Maintenance Services, adopted a Rule 10b5-1 trading arrangement providing for the sale of an aggregate of up to

3,364

shares of our common stock acquired by Mr. Galvan pursuant to our Stock Incentive Plan. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The first date that sales of any shares are permitted to be sold under the trading arrangement will be August 15, 2024, and subsequent sales under the trading arrangement may occur on a regular basis for the duration of the trading arrangement until July 31, 2025 , or earlier if all transactions under the trading arrangement are completed.

No other officers or directors, as defined in Rule 16a-1(f), adopted and/or terminated a " Rule 10b5-1 trading arrangement" or a " non-Rule 10b5-1 trading arrangement," as defined in Item 408 of Regulation S-K, during the three months ended May 31, 2024.

Item 6. Exhibits

(a) List of Exhibits:

3.1	<u>Amended and Restated Bylaws of the Registrant dated April 2, 2024 are incorporated herein by reference to Exhibit 3.1 to the Registrant's Form 10-Q filed April 5, 2024.</u>
10.1*	<u>Transition and Consulting Agreement between The Greenbrier Companies, Inc. and Adrian J. Downes dated April 2, 2024.</u>
10.2*	<u>Employment Agreement between Greenbrier Leasing Company LLC and Michael J. Donfris dated May 8, 2024.</u>
31.1	<u>Certification pursuant to Rule 13a – 14 (a).</u>
32.1	<u>Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents.
104	Cover Page Interactive Data File (Formatted as inline XBRL and contained in Exhibit 101).

* Management contract or compensatory plan or arrangement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE GREENBRIER COMPANIES, INC.

Date: July 8, 2024

By: /s/ Lorie L. Tekorius
Lorie L. Tekorius
Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)

TRANSITION AND CONSULTING AGREEMENT

This Transition and Consulting Agreement ("Agreement") is entered into as of April 2, 2024 ("Execution Date"), by and between The Greenbrier Companies, Inc. (the "Company") and Adrian J. Downes ("Downes").

RECITAL

The Company has determined to terminate, without cause, the employment of Downes as Senior Vice President, Chief Financial Officer (Principal Financial Officer) with the Company, and the Company and Downes desire to enter into this Agreement setting forth the terms and conditions relating to Downes' transition from such role to a consultant to the Company.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the Company and Downes agree as follows:

ARTICLE 1 Employment and Transition

1.1 Employment Status. Downes will continue to serve as Senior Vice President, Chief Financial Officer (Principal Financial Officer) until a transition date to be communicated in writing to Downes by the Company's Chief Executive Officer ("Transition Date"). On the Transition Date, Downes' position as Senior Vice President, Chief Financial Officer (Principal Financial Officer) of the Company, as well as Downes' other roles as an officer, manager, director and any other role or position of the Company or any of its subsidiaries (including joint ventures), will terminate, except as set forth in Article 2 of this Agreement. The period beginning on the Execution Date and ending at 5 p.m. Pacific Time on the Transition Date, will be referred to in this Agreement as the "Employment Term."

1.2 Position; Duties. During the Employment Term, Downes shall continue to have the title of Senior Vice President, Chief Financial Officer (Principal Financial Officer) and shall serve as the Company's Principal Financial Officer with the duties, responsibilities and authority consistent with those Downes had immediately prior to the Execution Date (except as may be revised by the Chief Executive Officer).

ARTICLE 2 Consulting Engagement

2.1 Consulting Status. Upon cessation of the Employment Term, Downes' status shall be a Consultant and Downes will be treated as an employee to the extent provided in this Agreement.

2.2 Consulting Term. Downes' consulting term under this Agreement will commence immediately following the expiration of the Employment Term and will continue until March 31, 2025 or such earlier or later time provided in the following sentence (the "Consulting Term"). Notwithstanding any provision of this Agreement to the contrary, the Consulting Term may be

terminated at any time by mutual agreement of Downes and the Company, by the Company for Cause or by Downes' death or may be extended at any time by mutual agreement of Downes and the Company. "Cause" means dishonesty, fraud, serious or willful misconduct, unauthorized use or disclosure of confidential information or trade secrets, or conduct prohibited by law (except minor violations), in each case as determined by the Company's Chief Human Resources Officer or other person performing that function.

2.3 Consulting Duties. During the Consulting Term, Downes will be available at reasonable times and in a reasonable manner for up to 80 hours per calendar month to assist with the orderly transfer of his responsibilities as the Company may direct, including without limitation, assisting in the transition of duties to a new Chief Financial Officer and providing information. Downes will act in the best interest of the Company at all times and will abide by all policies and decisions made by the Company, as well as all applicable foreign, federal, state and local laws, regulations and ordinances.

ARTICLE 3 Payments by the Company

3.1In consideration for (i) Downes' execution, without revocation, and compliance with this Agreement, including the release of claims below, (ii) Downes' execution of the release of claims against the Company and its affiliates as of such date presented by the Company in substantially the form attached as Exhibit A to this Agreement ("Release") no earlier than the day following the Transition Date, and (iii) Downes' not revoking the Release prior to the eighth day following such execution:

- (a) Base salary at a rate in effect on the Execution Date for the period from the Execution Date through March 31, 2025;
- (b) Continued participation in the Company's annual performance-based cash bonus plan for fiscal year 2024 on the same terms as immediately prior to the Transition Date; and
- (c) One executive physical at Mayo clinic, per Company policy, provided such physical is scheduled and completed prior to March 31, 2025.

3.2In consideration for Downes' providing the services set forth in this Agreement, so long as the Agreement has not been terminated in accordance with its terms, Downes will be provided continued vesting during the Employment Term and Consulting Term of time and performance-based Restricted Stock Units ("RSUs") in accordance with the terms and conditions of the applicable RSU Agreements. Except as explicitly set forth in the preceding sentence, all outstanding RSUs awarded to Downes that have not vested as of the end of the Consulting Term shall be forfeited and terminated upon the end of the Consulting Term. Downes shall not be granted any RSUs or other equity awards from the Company during the Consulting Term.

ARTICLE 4 Other Terms

4.1 Office/Equipment Support. During the Employment Term, the Company shall provide reasonable access to the Company's offices and administrative support to Downes as

reasonably necessary for Downes to perform services for the Company. During the Employment Term, this support includes providing Downes with a mobile telephone, laptop, and email access. On the Transition Date, Company credit card access shall end. During the Consulting Term, the Company shall provide access to information technology, communication and hardware as the Company deems reasonably necessary for Downes to perform services for the Company.

4.2 Paid Time Off. During the Employment Term, Downes shall be entitled to PTO in accordance with the Company's guidelines currently applicable to him.

4.3 401(k). During the Employment Term, Downes is entitled to participate in the Company's 401(k) program in the same manner as all other employees.

4.4 Health and Other Benefits. During the Employment Term and Consulting Term, Downes will be eligible to participate in, subject to continued payroll deduction of Downes' portion of such premiums and applicable Internal Revenue Code requirements, health, dental and vision insurance benefits. The Company reserves the right to change or eliminate its medical benefits applicable to employees and to Downes on a prospective basis. During the Consulting Term, Downes shall not participate in any benefit programs other than as set forth in this Agreement but shall be able to elect to transfer the executive life insurance policy pursuant to its terms.

4.5 Non-Qualified Deferred Compensation Plan. Downes' Separation from Service under the Company's Nonqualified Deferred Compensation Plan is intended to be determined in accordance with the terms of the Company's Nonqualified Deferred Compensation Plan and Section 409A of the Internal Revenue Code of 1986, as amended ("IRC §409A"). The Company will not provide any Supplemental Retirement Program Contribution under the Company's Nonqualified Deferred Compensation Plan on or after the Transition Date or with respect to any compensation after December 31, 2023. The Company and Downes anticipate that the level of services Downes will perform during the Consulting Term will at all times be more than 20% of his services prior to the termination of the Employment Term (for this purpose, "service" refers to the average level of bona fide services performed by Downes over the 36-month period immediately preceding the termination of the Employment Term).

4.6 IRS Section 409A. The parties intend that all compensation and benefits provided for under this Agreement shall either be exempt from IRC §409A, or shall be paid or provided in accordance with the requirements of IRC §409A, including, without limitation, the imposition of a delay in the payment of cash or transfer of other benefits to Downes until a date that is six months after the date of Downes' separation from service, as that term is defined in Treas. Reg. §1.409A-1(h), if Downes is determined to be a "specified employee" as defined under IRC §409A. Notwithstanding the foregoing or Section 4.5, in no event shall the Company be liable for all or any portion of any penalties, interest or other expenses that may be incurred by Downes on account of non-compliance with IRC §409A.

4.7 Indemnification and D&O Insurance. The Indemnification Agreement dated March 11, 2013 between Downes and the Company remains in full force and effect in accordance with its terms and will apply to Downes' activities as an executive officer and as a consultant. During the Employment Term and Consulting Term, Downes shall remain as an insured individual

under any applicable Company directors' and officers' insurance policy as the Company may have in place from time to time.

4.8 SEC Compliance. During the Employment Term and Consulting Term, Downes shall comply, to the extent applicable, with all requirements of Section 16 of the Securities Exchange Act of 1934 and the Company's insider trading policies and procedures.

4.9Return of Company Property. Upon the termination of the Consulting Term, Downes will promptly (1) return to the Company all Company property (e.g. laptops, tablets, mobile devices, equipment, security badge, phone, software, corporate credit card, keys); and (2) return or permanently delete all confidential Company information, including personally deleting or removing any and all Company information from all personal devices and databases and permanently disabling access to any Company repositories, databases or directories.

4.10Update Social Media. Upon the termination of the Consulting Term, Downes will promptly update all of his social media accounts to accurately reflect his Company dates of service.

4.11 Reimbursements. Prior to the termination of the Employment Term and the Consulting Term, Downes will promptly submit all reimbursement requests to the Company.

ARTICLE 5 **Restrictive Covenants**

5.1Confidentiality; Non-Solicitation. The Parties agree that the confidentiality, non- solicitation and other obligations contained in the Employee Confidentiality and Innovation Assignment Agreement, dated May 31, 2017, between Downes and the Company (the "Employee Confidentiality Agreement") remain in full force and effect. The Employee Confidentiality Agreement is incorporated herein by reference. This Agreement, including Downes' confidentiality obligations and the nondisparagement obligations of Section 5.5, shall not be interpreted to, and shall not have the purpose or effect of, preventing Downes from disclosing or discussing conduct that constitutes discrimination or harassment prohibited by Oregon statutes ORS 659A.030, ORS 659A.082, or ORS 659A.112, including conduct that constitutes sexual assault, that is related to or arising in any way out of the workplace or Downes' employment with the Company. Further, nothing in this Agreement shall be interpreted to prevent Downes from disclosing the existence of this Agreement or the amount paid to Downes pursuant to this Agreement.

5.2Noncompete. Downes hereby agrees that during the Consulting Term, he shall not own, control, operate or be an employee of, and shall not perform services whether as an employee, officer, director, advisor, or consultant and whether paid or unpaid, for any person that engages in the Business in North America, the Middle East, Europe or Brazil unless expressly agreed to in writing by the Company. Nothing herein shall prohibit Downes from owning an interest of less than 5% of a corporation traded on a public exchange that is engaged in railcar manufacturing or leasing. "Business" means designing, manufacturing and marketing railcars and railroad freight equipment in North America, the Middle East, Europe or Brazil, the provision of freight car wheel services and the manufacturing of railcar component parts, railcar repair, railcar refurbishment,

railcar maintenance and retrofitting, the leasing of railcars and the provision of railcar management services.

5.3 No Diversion of or Interference with Business Opportunities. As a condition of Downes' consulting arrangement under Article 2 of this Agreement and other benefits and payments described in this Agreement, from the Execution Date through one (1) year after the Consulting Term, Downes agrees not to divert to his own use or benefit or the use or benefit of others, or otherwise interfere with in any manner whatsoever, any business opportunities involving any customer of the Company of which he is aware or should be aware after reasonable inquiry.

5.4 Publicity. Except as otherwise required by law, the parties agree to work together regarding any public announcement related to this Agreement and the covenants herein. The parties will cooperate and coordinate messaging and issuance of any press release, including internal communication regarding Downes' ongoing role and transition within the Company.

5.5 Non-Disparagement. Downes agrees not to disparage the Company or its officers, directors, employees, shareholders or agents, in any manner likely to be harmful to them or their business, business relationships or personal reputations. This Section does not prohibit, and it is not intended to discourage, any communications or disclosures required by law, or disclosures about unlawful acts in the workplace as described in Section 5.1. Downes acknowledges and agrees that Downes qualifies as a supervisor under the National Labor Relations Act. Downes acknowledges and agrees that Downes' position included the authority, in the interest of the Company, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or to have responsibility for them, or to adjust their grievances, or effectively to recommend such action. Downes further acknowledges and agrees that Downes' exercise of such authority is not of a merely routine or clerical nature but requires the use of Downes' independent judgment.

5.6 Cooperation. Downes agrees that during and after his Employment Term and Consulting Term, Downes will cooperate with the Company in responding to the reasonable requests of the Board, the Company or its General Counsel, in connection with outstanding projects that commenced while he was employed including, without limitation, during the Employment Term and Consulting Term and any and all existing or future litigation, arbitrations, mediations or investigations brought by or against the Company, or its affiliates, agents, officers, directors or employees, whether administrative, civil or criminal in nature, in which the Company reasonably deems Downes' cooperation necessary or desirable. In such matters, Downes agrees to provide the Company with reasonable advice, assistance, and information, including offering and explaining evidence, providing sworn statements, and participating in discovery and trial preparation and testimony. Downes also agrees to promptly send the Company copies of all correspondence (for example, but not limited to, subpoenas) received by Downes in connection with any such legal proceedings, unless Downes is expressly prohibited by law from so doing. The Company will reimburse Downes for reasonable out-of-pocket expenses incurred by Downes as a result of his cooperation with the obligations described in this Section, within 30 days of the presentation of appropriate documentation thereof, in accordance with the Company's standard reimbursement policies and procedures.

5.7 Survival of Undertakings and Injunctive Relief.

5.7.1 Survival. The provisions of Sections 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7 and 5.8 shall survive the expiration of Downes' employment and/or consulting engagement, or the earlier termination of this Agreement (irrespective of the reasons therefore) and, in the case of Sections 5.2 and 5.3 the obligations set forth therein shall expire in accordance with their respective terms, provided, that, in the event of any proven violation of Sections 5.2 or 5.3, Downes agrees that, if applicable, the time periods set forth in such sections shall be extended by the period of such violation.

5.7.2 Injunctive Relief. Downes acknowledges and agrees that the restrictions imposed upon him by this Article 5 and the purpose of such restrictions are reasonable and are designed to protect the continued success of the Company without unduly restricting Downes' future employment by himself or others. Furthermore, Downes acknowledges that, in view of the necessity of the restrictions contained in this Article 5 any violation of any provision of this Article 5 hereof would cause irreparable injury to the Company with respect to the resulting disruption in its operations. By reason of the foregoing, Downes consents and agrees that if he violates any of the provisions of this Article 5, the Company shall be entitled, in addition to any other remedies that it may have, including money damages, to an injunction to be issued by a court of competent jurisdiction, restraining Downes from committing or continuing any violation of such sections of this Agreement.

5.8 References to the Company. All references to the Company in this Article 5 shall be deemed to include any subsidiary, parent, successor in interest, or other affiliate of the Company.

ARTICLE 6 **Release of Claims**

6.1 Release. In exchange for and in consideration of the payments, benefits, and other commitments described herein, including but not limited to Downes' consulting engagement with the Company, as provided by Article 2, and payments as provided in Article 3, Downes, for himself and for each of his heirs, family members, executors, administrators, agents and assigns, hereby fully releases, acquits and forever discharges the Company and its subsidiaries, affiliates, officers, directors, shareholders, employees, agents and attorneys, both past and present, from any and all, both past and present, claims, liabilities, causes of action, demands to any rights, damages, costs, attorneys' fees, expenses and compensation whatsoever, of whatever kind or nature, in law, equity or otherwise, whether known or unknown, vested or contingent, suspected or unsuspected, that Downes may now have, has ever had, or hereafter may have, relating directly or indirectly to his employment with the Company or its subsidiaries and/or his termination of or change in employment that arose prior to the date Downes executes this Agreement. Downes also releases any and all other claims Downes may have that arose prior to the date of this Agreement and hereby specifically waives and releases all claims, including, but not limited to, those arising under Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Equal Pay Act; the Americans With Disabilities Act of 1990; the Rehabilitation Act of 1973; the Age Discrimination in Employment Act; Sections 1981 through 1988 of Title 42 of the United States Code; the Immigration Reform and Control Act; the Workers Adjustment and Retraining Notification Act;

the Occupational Safety and Health Act; the Sarbanes-Oxley Act of 2002; the Consolidated Omnibus Budget Reconciliation Act (COBRA); the Family and Medical Leave Act; the Employee Retirement Income Security Act; the National Labor Relations Act; the Fair Labor Standards Act; the Genetic Information Nondiscrimination Act (GINA); all as amended, and any and all similar state or local statutes, ordinances, or regulations, as well as all claims arising under federal, state, or local law involving any tort, an express or implied employment contract, covenant of good faith and fair dealing or other statute, contract, breach of fiduciary duty, fraud, misrepresentation, defamation or other theory. Notwithstanding the foregoing, Downes is not waiving any right that cannot be waived under law, including the right to file an administrative charge or participate in an administrative investigation or proceeding, and nothing in this Agreement prohibits or restricts Downes (or Downes' attorney) from initiating communications directly with, responding to an inquiry from, or providing testimony before the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization or any other federal or state regulatory authority regarding this Agreement or its underlying facts or circumstances; however, Downes hereby disclaims and waives any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation or proceeding, provided that nothing in this Agreement limits Downes' right to receive an award for information provided to the SEC staff or any other securities regulatory agency in accordance with Exchange Act Rule 21F-3. Nothing in this Section 5.1 shall release any rights Downes may have to benefits vested prior to the date hereof in the Company's Nonqualified Deferred Compensation Plan or 401(k) plan. This release includes a release of all claims under the Age Discrimination in Employment Act ("ADEA"), and, therefore, pursuant to the requirement of the ADEA, Downes acknowledges that he has been advised in writing that: (a) this release includes, but is not limited to, all rights or claims arising under the ADEA up to and including the date of execution of this release; (b) Downes should consult with an attorney before executing this release; (c) Downes has up to twenty-one (21) days within which to consider this release; (d) Downes has seven (7) days following execution of this release to revoke this release and this Agreement; and (e) this release of claims under the ADEA shall become effective and enforceable on the eighth day after Downes signs and delivers this Agreement to the Company's General Counsel. Nothing in this release prevents or precludes Downes from challenging, or seeking a determination in good faith of, the validity of this waiver under the ADEA or the Older Workers' Benefit Protection Act (nor does it impose any condition precedent, penalties or cost for doing so, unless specifically authorized by federal law), or from participating in any investigation or proceeding conducted by the Equal Employment Opportunity Commission.

6.2 Release at Completion of Employment Term. In consideration of this Agreement, the consulting agreement and payments set forth herein, Downes agrees, at the completion of the Employment Term, to provide a signed comprehensive release of claims against the Company and its affiliates as of such date in substantially the form attached as Exhibit A to this Agreement, as may be amended by the Company in its reasonable discretion to reflect changes in applicable laws.

ARTICLE 7

Miscellaneous

7.1 Assignment and Transfer. Downes' rights and obligations under this Agreement shall not be transferable by assignment or otherwise, and any purported assignment, transfer or delegation thereof shall be void. This Agreement shall inure to the benefit of, and be binding upon

and enforceable by, any purchaser of substantially all of the Company's assets, any corporate successor to the Company or any assignee thereof.

7.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Oregon, which is the state in which Downes resides as of the Execution Date, without regard to conflict of law principles.

7.3 Entire Agreement. Except as specifically set forth below, this Agreement, together with the Indemnification Agreement and the Employee Confidentiality Agreement contains the entire agreement and understanding between the parties hereto and supersedes any prior or contemporaneous written or oral agreements, representations and warranties between them respecting the subject matter hereof. Effective as of the Transition Date, Downes' existing Change of Control Agreement with the Company shall terminate.

7.4 Amendment. This Agreement may be amended only in writing signed by Downes and by a duly authorized executive officer of the Company, provided that the Company may amend the Agreement in its sole discretion to the extent such amendment would not be adverse to Downes and will timely provide Downes a copy of such amendment.

7.5 Severability. If any term, provision, covenant or condition of this Agreement, or the application thereof to any person, place or circumstance, shall be held to be invalid, unenforceable or void, the remainder of this Agreement and such term, provision, covenant or condition as applied to other persons, places and circumstances shall remain in full force and effect.

7.6 Notices. Any notice, request, consent or approval required or permitted to be given under this Agreement or pursuant to law shall be sufficient if in writing, and if and when delivered in person, or sent by certified or registered mail, with postage prepaid, to Downes' residence (as noted in the Company's records), or to the Company's principal office, as the case may be.

7.7 Disputes. Any controversy, claim or dispute arising out of or relating to this Agreement or the employment and/or consulting relationship, either during the existence of the employment and/or consulting relationship or afterwards, between the parties hereto, their assignees, their affiliates, their attorneys, or agents, shall be litigated solely in state or federal court in Multnomah County, Oregon. Each party (a) submits to the jurisdiction of such court, (b) waives the defense of an inconvenient forum, (c) agrees that valid consent to service may be made, in the case of the Company, by mailing or delivery of such service to the Company's registered agent as set forth on the Oregon Secretary of State's website or, in the case of Downes, to Downes' last known address.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date set forth below.

THE GREENBRIER COMPANIES, INC.

By: /s/ Adrian J. Downes

Title:

Dated: April 2, 2024

/s/ Christian M. Lucky

Senior Vice President, Chief Legal and Compliance Officer

Dated: April 2, 2024

EXHIBIT A
RELEASE OF CLAIMS

Adrian J. Downes, for himself and each of his heirs, family members, executors, administrators, agents and assigns ("Downes") hereby fully releases, acquits and forever discharges The Greenbrier Companies, Inc., ("Greenbrier") its subsidiaries, affiliates, officers, directors, shareholders, employees, agents and attorneys, both past and present (collectively, the "Released Parties" and individually, a "Released Party") from any and all, both past and present, claims, liabilities, causes of action, demands to any rights, damages costs, attorneys' fees, expenses and compensation whatsoever, of whatever kind or nature, in law, equity or otherwise, whether known or unknown, vested or contingent, suspected or unsuspected, that Downes may now have, has ever had, or hereafter may have, relating directly or indirectly to his employment with Greenbrier or its subsidiaries and/or his termination of or change in employment that arose prior to the date Downes signs this release.

Downes also releases any and all other claims Downes may have that arose prior to the date of this Release and hereby specifically waives and releases all claims against any Released Party, including without limitation those arising under Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Equal Pay Act; the Americans With Disabilities Act of 1990; the Rehabilitation Act of 1973; the Age Discrimination in Employment Act; Sections 1981 through 1988 of Title 42 of the United States Code; the Immigration Reform and Control Act; the Workers Adjustment and Retraining Notification Act; the Occupational Safety and Health Act; the Sarbanes-Oxley Act of 2002; the Consolidated Omnibus Budget Reconciliation Act (COBRA); the Family and Medical Leave Act; the Employee Retirement Income Security Act; the National Labor Relations Act; the Fair Labor Standards Act; the Genetic Information Nondiscrimination Act (GINA); all as amended, and any and all similar state or local statutes, ordinances, or regulations, as well as all claims arising under federal, state, or local law involving any tort, an express or implied employment contract, covenant of good faith and fair dealing or other statute, contract, breach of fiduciary duty, fraud, misrepresentation, defamation or other theory. Notwithstanding the foregoing, Downes is not waiving any right that cannot be waived under law, including the right to file an administrative charge or participate in an administrative investigation or proceeding, and nothing in this Agreement prohibits or restricts Downes (or Downes' attorney) from initiating communications directly with, responding to an inquiry from, or providing testimony before the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization or any other federal or state regulatory authority regarding this Agreement or its underlying facts or circumstances; however, Downes hereby disclaims and waives any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation or proceeding, provided that nothing in this Agreement limits Downes' right to receive an award for information provided to the SEC staff or any other securities regulatory agency in accordance with Exchange Act Rule 21F-3. Nothing in this Release shall release any rights Downes may have to benefits vested prior to the date hereof in the Company's Nonqualified Deferred Compensation Plan or 401(k) plan. Without limitation, this release includes a release of all claims with respect to the forfeiture of RSUs.

This release includes a release of all claims under the Age Discrimination in Employment Act ("ADEA"), and, therefore, pursuant to the requirement of the ADEA, Downes acknowledges that he has been advised in writing that: (a) this release includes, but is not limited to, all rights or

claims arising under the ADEA up to and including the date of execution of this release; (b) Downes should consult with an attorney before executing this release; (c) Downes has up to twenty-one (21) days within which to consider this release; (d) Downes has seven (7) days following execution of this release to revoke this release; and (e) this release of claims under the ADEA shall become effective and enforceable on the eighth day after Downes signs and delivers this Agreement to the Company's General Counsel. Nothing in this release prevents or precludes Downes from challenging, or seeking a determination in good faith of, the validity of this waiver under the ADEA or the Older Workers' Benefit Protection Act (nor does it impose any condition precedent, penalties or cost for doing so, unless specifically authorized by federal law), or from participating in any investigation or proceeding conducted by the Equal Employment Opportunity Commission.

Adrian J. Downes

Dated:

THE **GREENBRIER** COMPANIES

May 8, 2024

Michael Donfris

Dear Michael,

On behalf of Greenbrier Leasing Company LLC (the "Company"), I am pleased to confirm our offer of employment to you for the position of Senior Vice President, Chief Financial Officer of The Greenbrier Companies, Inc. ("Parent").

Place of Work and Reporting Relationship

You will be working from the Colleyville, TX location reporting directly to Lorie Tekorius, Chief Executive Officer & President.

Start Date

Your start date will be determined following your acceptance of this employment offer and satisfactory completion of pre-employment requirements but is expected to be no later than July 10, 2024.

In order that you are not asked to provide certification of financial statements for a period during which you were not the principal financial officer of Parent, initially, from your start date, you will serve as Senior Vice President, Finance of Parent. On the day immediately following the filing of the Company's Quarterly Report on the Form 10-Q for the third quarter of fiscal 2024 (currently scheduled to be filed on July 9, 2024), you will accede without any further action on behalf of Parent or the Company to the office of Senior Vice President, Chief Financial Officer, and will be the principal financial officer of the Company.

General

You agree to perform your duties and responsibilities to the best of your ability and to work the hours necessary to meet the Company's business needs. Throughout the duration of your employment, you agree to work exclusively for the Company unless otherwise discussed and approved in advance.

You declare that you have no obligation towards any person or entity, including your former employers, that would be incompatible with your fulfillment of your duties with the Company, such as a non-competition and/or a non-solicitation agreement.

This position may require you to travel and by accepting this position, you agree to perform duties at such place or places as the Company requires.

It is anticipated that Parent's Board of Directors will determine that, from your first date of employment with the Company, you will be an "officer" of Parent for purposes of Section 16 of the Securities Exchange Act of 1934, and an "executive officer" for all other purposes under that Act, and the Securities Act of 1933, in each case as amended, and the rules and regulations thereunder, and that you will be subject to applicable reporting and compliance obligations thereunder.

Compensation

Base Compensation – You will receive base compensation of \$26,250.00, payable semi- monthly, and equivalent to \$630,000.00 per year, prorated for 2024. Your base compensation will be reviewed for adjustment in a manner consistent with the Company's compensation review practices.

Bonus Program – You will be eligible to participate in the Company's bonus program applicable to similarly-situated employees. Eligibility and participation are subject to the terms of the program which may be amended or discontinued at any time.

Your individual bonus target will be 95% of eligible base salary, prorated for fiscal 2024.

Long-term Incentive Plan (LTIP) – You will be eligible to participate in the Company's Long- Term Incentive Compensation Program and will receive consideration for future awards.

We will recommend to the Compensation Committee an initial RSU Award covering common stock of Parent, with a target value of approximately \$900,000, converted to units consistent with the Company's and Parent's existing practice.

The award vesting will be as follows: Approximately \$150,000 of the target value will be time-based and will vest in two installments, 50% on the first anniversary of your first day of employment and 50% on the second anniversary of your first day of employment, subject to your continued employment through the relevant vesting date.

Approximately \$750,000 of the target value will be tied to the FY2024 equity award program for officers, with 40% time-based and 60% performance-based (at target), with time-based units vesting 1/9 in October 2024, 4/9 in October 2025 and 4/9 in October 2026, subject to your continued employment through the relevant vesting date.

The award, including performance vesting details, will be documented in a formal RSU Award Agreement once formal approval by the Compensation Committee is obtained.

Subsequent LTIP awards will be subject to the respective annual award program as approved by the Compensation Committee.

Cash Retention Award and Relocation Bonus – You will receive a cash retention bonus in the amount of \$125,000 to compensate you, subject to your continued employment, for compensation you forfeited with your prior employer as a result of transitioning to the Company.

Additionally, you will receive a relocation bonus in the amount of \$50,000 to assist you with relocation costs. Both payments will be made within 30 days of the first day of your employment.

Should your employment end prior to one year from your first day of your employment as a result of your resignation other than for "Good Reason", or as a result of the termination of your employment by the Company for "Cause", each as defined in the change of control benefits program for Company officers, you will be required to re-pay the Company the cash retention award and the relocation bonus amounts.

Compensation is subject to tax and other required withholdings.

Benefits

The Company offers benefits that are designed to meet the needs of our diverse workforce. U.S. based employees working a minimum of 20 hours per week are eligible to participate in the Company's health and welfare and retirement benefits once all applicable eligibility and waiting periods have been successfully satisfied. Please refer to the Benefits Overview for a summary of the benefits available. Our benefit programs are subject to annual review, adjustments, and changes. In addition, employee benefits are subject to the terms and conditions of the Company's standard benefit plans and arrangements, which may be modified by the Company from time to time.

You will be eligible to participate in the Company's executive benefit programs which currently include Supplemental Retirement Program, Executive Life Insurance and Executive Health Program. Participation will be subject to the terms of the Programs which may change from time to time.

Additionally, you will be offered the Company's standard form of Change of Control Agreement and Indemnification Agreement. You will be eligible for severance upon an involuntary termination of your employment consistent with the Company's then existing practice for officers.

Time Off/Holidays

You will earn 24 days of paid time off (PTO) per year accumulated every pay period at 8.0 hours, in accordance with the Company's PTO policy for similarly situated employees. In addition, you will be paid for Company-observed holidays based on the schedule established for your work location.

Reimbursed Business Expenses

The Company will reimburse you for reasonable expenses related to entertainment, travel and certain other expenses

you incur on behalf of the Company, in accordance with the Company's travel and expense reimbursement policies which may be amended from time to time.

Employment Terms

All employees of the Company are required to review and comply with the Company's policies which will be made available to you at the time of your employment and will include, among others:

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Code of Business Conduct and Ethics

0

Travel and Expense Guidelines

0

Conflicts of Interest

0

Travel and Expense Reporting Policy

0

Contracts and Transaction Administration Policy

0

Acceptable Computer, Mobile Device and Digital Use Policy

0

Policy Against Harassment, Sexual Harassment and
Retaliation

0

FCPA/Anti-Corruption Policy

0

Policy regarding Complaint Procedures involving
Accounting

0

Policy regarding the Employment of Family Members and
other Close Personal Relationships

0

Policy regarding Trading in Company Securities

0

Employee Social Media Use Guidelines

0

Corporate Social Responsibility Policy

0

Vehicle Use and Safety Policy

0

Incentive-Based Compensation Recovery Policy

You agree to comply with all Company policies, procedures, rules, and regulations, both written and oral, as they are announced by the Company from time to time.

You are aware that within the scope of your employment, confidential information concerning the Company's operations and business may be communicated to you. You will be required, as a condition of employment, to sign an Employee Confidentiality and Innovation Agreement, a copy of which will be provided to you.

Employment at the Company is "at will" and may be discontinued by you or by the Company at any time with or without cause.

This offer of employment is conditioned upon the satisfactory completion of a reference and background check, including a credit check as well as verification of the information you provided in the questionnaire completed and signed by you on April 30, 2024, and delivered to the Company.

This offer and your employment are conditioned on the approval of Parent's Board of Directors and Compensation Committee.

In addition, this offer is contingent upon your presentation of adequate documentation confirming your identity and eligibility for employment in the United States. On your first day of work, please bring appropriate identity and work eligibility documents to satisfy the U.S. Citizenship and Immigration Services Form I-9 requirements.

Please indicate your acceptance of this offer by clicking the "Accept" button at the top of this page, which is equivalent to a handwritten signature. This offer will remain open through May 10, 2024.

We look forward to you joining our team, as well as the contributions you will make to the Company's future success. If I can answer any questions, please don't hesitate to contact me.

Sincerely,

/s/ Lorie Tekorius
Lorie L. Tekorius
Chief Executive Officer & President

CERTIFICATIONS

I, Lorie L. Tekorius, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Greenbrier Companies, Inc. for the quarterly period ended May 31, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 8, 2024

/s/ Lorie L. Tekorius
Lorie L. Tekorius
Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of The Greenbrier Companies, Inc. (the "Company") on Form 10-Q for the quarterly period ended May 31, 2024, as filed with the Securities and Exchange Commission on the date therein specified (the "Report"), I, Lorie L. Tekorius, Chief Executive Officer, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 8, 2024

/s/ Lorie L. Tekorius
Lorie L. Tekorius
Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)
