

News Release



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Greenbrier to provide management services to Watco Companies

Lake Oswego, Oregon, February 8, 2006 – Greenbrier Management Services, LLC (GMS), an industry leading full service provider of railcar management services to railcar owners and a wholly owned subsidiary of The Greenbrier Companies [NYSE: GBX], announced today it is providing car hire payables and receivables processing services to Watco Companies.

GMS will process car hire payables on all rail equipment, trailers and containers that are interchanged onto Watco's network of 17 shortline rail properties. GMS will also process the car hire receivables generated by Watco's fleet of railcars.

The addition of Watco to the GMS roster of clients follows the successful commencement of payables processing for the Florida East Coast Railway, which went live on October 1, 2005.

The GMS car hire processing system is a robust, web-enabled, state-of-the-art proprietary product that integrates the processing of car hire payables and receivables data. The payables system allows customers to proactively manage their car hire payables expense by obtaining daily updates of car hire liability and by automating many facets of the process including special reclaims.

Jim Sharp, president of Greenbrier Leasing and Management Services, said, "We are excited that Watco has chosen our team and our product. This represents a significant step in the continued development of our services footprint. We are grateful for the confidence Watco has placed in GMS and we look forward to providing them with industry leading technology and service to support their current operations and future growth."

Rick Baden, executive vice president & chief financial officer, Watco Companies said, "Through extensive testing, GMS has demonstrated that their system processes accurately. Our people really like the web-accessible user interfaces. Furthermore, we have been impressed with the responsiveness of Greenbrier's customer services, the speed at which they are able to get solid resolution to issues, and their ability to customize their core system in order to fit to our specific operational needs at a reasonable cost. The speed with which the GMS system can be modified to incorporate special agreements specific to our railroads is a very attractive feature."

For over 15 years, GMS has provided scalable, custom solutions to shippers, leasing companies and railroads of all sizes. These include maintenance management, equipment management and accounting services. Maintenance management services include: auditing repair invoices, managing Association of American Railroads repair billing, performing ongoing maintenance of railcars, compiling maintenance data and servicing damaged equipment. Equipment management services assure effective utilization of equipment through: consulting on depreservation administration activities, auditing car hire and equipment register files, equipment tracing and lease administration. Equipment accounting services allow customers to optimize cash flow through processing and auditing car hire payables and receivables, working car hire claims and performing other back office functions, and implementing cash management settlement systems.

Watco Companies, Inc. (Watco), a Pittsburg, Kansas, based company, operates 17 short line railroads in 15 states. Watco operates the Alabama Southern, Appalachian and Ohio, Arkansas Southern, Eastern Idaho, Great Northwest, Kansas and Oklahoma, Kaw River, Louisiana Southern, Mission Mountain, Mississippi Southern, Palouse River and Coulee City, Pennsylvania Southwestern, South Kansas and Oklahoma, Stillwater Central, Timber Rock, Vicksburg Southern and Yellowstone Valley Railroads. Watco also operates industrial switching locations and mechanical and locomotive shops across the United States. More information about Watco can be found on their website at www.watcocompanies.com.

The Greenbrier Companies (www.gbrx.com), headquartered in Lake Oswego, Oregon, is a leading supplier of transportation equipment and services to the railroad industry in North America. Greenbrier builds new railroad freight cars in the U.S., Canada and Mexico, and repairs and refurbishes freight cars and wheels at sixteen locations across North America. The Company also builds new railroad freight cars and refurbishes freight cars for the European market through its manufacturing operations in Poland and various sub-contractor facilities throughout Europe. At Greenbrier's Portland, Oregon manufacturing facility, it builds ocean-going barges for the maritime industry. Greenbrier owns a lease fleet of approximately 11,000 railcars and performs management services for approximately 132,000 railcars.

"SAFE HARBOR" STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This release may contain forward-looking statements. Greenbrier uses words such as "anticipate," "believe," "plan," "expect," "future," "intend" and similar expressions to identify forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, actual future costs and the availability of materials and a trained workforce; steel price increases and scrap surcharges; changes in product mix and the mix between manufacturing and leasing & services segment; labor disputes, energy shortages or operating difficulties that might disrupt manufacturing operations or the flow of cargo; production difficulties and product delivery delays as a result of, among other matters, changing technologies or non-performance of subcontractors or suppliers; ability to obtain suitable contracts for the sale of leased equipment; all as may be discussed in more detail under the heading "Forward Looking Statements" on pages 3 through 4 of Part I of our Annual Report on Form 10-K for the fiscal year ended August 31, 2005. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date hereof. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements.