

GREENBRIER COMPANIES INC

Form 424B5

May 07, 2010

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**PROSPECTUS SUPPLEMENT**

(To prospectus dated April 14, 2010)

**Filed pursuant to Rule 424(b)(5)  
Registration No. 333-165924**

**4,000,000 Shares**

**Common Stock**

We are offering 4,000,000 shares of our common stock, without par value.

Our shares trade on the New York Stock Exchange under the symbol GBX. On May 6, 2010, the last sale price of our shares on the New York Stock Exchange was \$13.63 per share.

**Investing in our common stock involves risks that are described in the Risk Factors section beginning on page S-13 of this prospectus supplement and page 2 of the accompanying prospectus.**

|                                  | <b>Per Share</b> | <b>Total</b> |
|----------------------------------|------------------|--------------|
| Public offering price            | \$12.50          | \$50,000,000 |
| Underwriting discount            | \$.625           | \$2,500,000  |
| Proceeds, before expenses, to us | \$11.875         | \$47,500,000 |

The underwriters may also purchase up to an additional 600,000 shares from us, at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover overallotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about May 12, 2010.

*Joint Book-Running Managers*

**BofA Merrill Lynch**

**Jefferies & Company**

The date of this prospectus supplement is May 6, 2010.

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In making your investment decision, you should rely only on the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with additional or different information. If anyone provides you with different or inconsistent information, you should not rely on it.

We are not, and the underwriters are not, soliciting an offer from any person to buy our common stock in any jurisdiction where the offer or sale to that person is not permitted.

You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any time subsequent to the date of such information.

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This prospectus supplement supplements the accompanying prospectus. The accompanying prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or the SEC, using a shelf registration process. Under this shelf registration process, we may offer from time to time common stock, preferred stock, senior or subordinated debt securities, guarantees, warrants, rights or units. The accompanying prospectus provides you with a general description of these securities, and this prospectus supplement contains specific information about the terms of this offering of shares of our common stock. Both this prospectus supplement and the accompanying prospectus include important information about us, our securities and other information you should know before investing in our common stock.

This prospectus supplement, or the information incorporated by reference, may add, update or change information in the accompanying prospectus. If information in this prospectus supplement, or the information incorporated by reference, is inconsistent with the accompanying prospectus, this prospectus supplement, or the information incorporated by reference, will apply and will supersede that information in the accompanying prospectus.

It is important that you read and consider all of the information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents we have referred you to under **Where You Can Find Additional Information** in this prospectus supplement.

This prospectus supplement and the accompanying prospectus are not an offer to sell any security other than the shares of common stock and are not soliciting an offer to buy any security other than the common stock we are offering.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to we, us, our, the Company, Greenbrier and similar references refer to The Greenbrier Companies, Inc., an Oregon corporation, and our consolidated subsidiaries.

**MARKET AND INDUSTRY DATA**

Unless otherwise indicated, we have based the information concerning our industry contained or incorporated by reference herein and in the accompanying prospectus and the documents incorporated by reference in this prospectus supplement or the accompanying prospectus on our general knowledge of and expectations concerning the industry. Our market position, market share and industry market size are based on our estimates using our internal data and estimates, based on data from various industry analyses, our internal research and adjustments and assumptions that we believe to be reasonable. Further, our estimates and assumptions involve risks and uncertainties and are subject to change based on various factors, including those discussed in the **Risk Factors** section beginning on page S-13 of this prospectus supplement, page 2 of the accompanying prospectus and the other information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. These and other factors could cause results to differ materially from those expressed in the estimates and assumptions.

**FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein contain forward-looking statements by us within the meaning of Section 27A of the Securities Act of 1933, as amended, the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended,



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the Exchange Act. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. These forward-looking statements rely on a number of assumptions concerning future events and include statements relating to:

availability of financing sources and borrowing base for working capital, other business development activities, capital spending and railcar warehousing activities;

ability to renew, maintain or obtain sufficient lines of credit and performance guarantees on acceptable terms;

ability to utilize beneficial tax strategies;

ability to grow our refurbishment & parts and lease fleet and management services businesses;

ability to obtain sales contracts which provide adequate protection against increased costs of materials and components;

ability to obtain adequate insurance coverage at acceptable rates;

ability to obtain adequate certification and licensing of products; and

short- and long-term revenue and earnings effects of the above items.

The following factors, among others, could cause actual results or outcomes to differ materially from the forward-looking statements:

fluctuations in demand for newly manufactured railcars or marine barges;

delays in receipt of orders, risks that contracts may be canceled during their term or not renewed and that customers may not purchase the amount of products or services under the contracts as anticipated;

ability to maintain sufficient availability of credit facilities and to maintain compliance with or to obtain appropriate amendments to covenants under various credit agreements;

domestic and global political or economic conditions including such matters as terrorism, war, embargoes or quotas;

growth or reduction in the surface transportation industry;

ability to maintain good relationships with third party labor providers or collective bargaining units;

steel and specialty component price fluctuations, scrap surcharges, steel scrap prices and other commodity price fluctuations and their impact on product demand and margin;

a delay or failure of acquired businesses, start-up operations, or new products or services to compete successfully;

changes in product mix and the mix of revenue levels among reporting segments;



labor disputes, energy shortages or operating difficulties that might disrupt operations or the flow of cargo;

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production difficulties and product delivery delays as a result of, among other matters, changing technologies or non-performance of alliance partners, subcontractors or suppliers;

ability to renew or replace expiring customer contracts on satisfactory terms;

ability to obtain and execute suitable contracts for railcars held for sale;

lower than anticipated lease renewal rates, earnings on utilization based leases or residual values for leased equipment;

discovery of defects in railcars resulting in increased warranty costs or litigation;

resolution or outcome of pending or future litigation and investigations;

financial condition of principal customers;

competitive factors, including introduction of competitive products, new entrants into certain of our markets, price pressures, limited customer base, and competitiveness of our manufacturing facilities and products;

industry overcapacity and our manufacturing capacity utilization;

decreases in carrying value of inventory, goodwill or other assets due to impairment;

severance or other costs or charges associated with lay-offs, shutdowns, or reducing the size and scope of operations;

changes in future maintenance or warranty requirements;

ability to adjust to the cyclical nature of the railcar industry;

changes in interest rates and financial impacts from interest rates;

ability and cost to maintain and renew operating permits;

actions by various regulatory agencies;

changes in fuel and/or energy prices;

risks associated with our intellectual property rights or those of third parties, including infringement, maintenance, protection, validity, enforcement and continued use of such rights;

expansion of warranty and product support terms beyond those which have traditionally prevailed in the rail supply industry;

availability of a trained work force and availability and/or price of essential raw materials, specialties or components, including steel castings, to permit manufacture of units on order;

failure to successfully integrate acquired businesses;

discovery of unknown liabilities associated with acquired businesses;

failure of or delay in implementing and using new software or other technologies;

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ability to replace maturing lease revenue and earnings with revenue and earnings from additions to the lease fleet and management services;

credit limitations upon our ability to maintain effective hedging programs; and

financial impacts from currency fluctuations and currency hedging activities in our worldwide operations.

Any forward-looking statements should be considered in light of these factors. Words such as anticipates, believes, forecast, potential, contemplates, expects, intends, plans, seeks, estimates, could, would, will, expressions identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements. Many of the important factors that will determine these results and values are beyond our ability to control or predict. You are cautioned not to put undue reliance on any forward-looking statements. Except as otherwise required by law, we do not assume any obligation to update any forward-looking statements. In evaluating an investment in our common stock, you should carefully consider the discussion of risks and uncertainties described under the heading Risk Factors contained in this prospectus supplement and the accompanying prospectus and any related free writing prospectus, and under similar headings in other documents, including our most recent annual report on Form 10-K and our most recent quarterly reports on Form 10-Q, as well as any amendments thereto, and in other filings with the SEC, that are incorporated by reference in this prospectus supplement. You should carefully read both this prospectus supplement, the accompanying prospectus and any related free writing prospectus, together with the information incorporated by reference in this prospectus supplement and the accompanying prospectus as described under the heading Incorporation by Reference, completely and with the understanding that our actual future results may be materially different from what we expect.

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**SUMMARY**

*This summary highlights selected information about us, this offering and information appearing elsewhere in this prospectus supplement, in the accompanying prospectus and in the documents we incorporate by reference. This summary is not complete and does not contain all the information that you should consider before deciding whether to invest in our common stock. You should read this entire prospectus supplement and the accompanying prospectus, together with the information incorporated by reference, including the financial data and related notes, before making an investment decision. You should read *Risk Factors* beginning on page S-13 of this prospectus supplement and on page 2 of the accompanying prospectus for more information about important risks that you should consider before buying the common stock to be issued in this offering.*

**Our Company**

***Business***

We are one of the leading designers, manufacturers and marketers of railroad freight car equipment in North America and Europe, a manufacturer and marketer of ocean-going marine barges in North America and a leading provider of railcar refurbishment and parts, leasing and other services to the railroad and related transportation industries in North America.

We operate an integrated business model in North America that combines repair, refurbishment and component parts, freight car manufacturing, leasing and fleet management services. Our model is designed to provide customers with a comprehensive set of freight car solutions utilizing our substantial engineering, mechanical and technical capabilities as well as our experienced commercial personnel. This model allows us to develop cross-selling opportunities and synergies among our various business segments and to enhance our margins. We believe our integrated model is difficult to duplicate and provides greater value for our customers.

We believe that the primary drivers of demand for our industry are general macro-economic conditions as well as industry-specific trends affecting rail transportation. General macro-economic drivers include growth in GDP, rate of industrial production and consumer spending. These trends influence the quantity of goods transported by rail and, ultimately, demand for our products and services. Industry fundamentals for freight transportation, such as cost-effectiveness and a smaller environmental footprint, favor rail transportation as compared to highway. Long-term replacement demand as well as repair and refurbishment demand is supported by an aging North American railcar fleet. Recent improvements in GDP, increases in railcar loadings and decreases in the number of railcars in storage are expected to lead to greater demand for our products and service offerings.

***Segment Overview***

We operate in three primary business segments: Refurbishment & Parts, Manufacturing and Leasing & Services. Revenue for the last twelve-month, LTM, period ended February 28, 2010 for each of the segments was \$410 million, \$362 million and \$75 million, respectively.

*Refurbishment & Parts (\$410 million in LTM revenues, 48% of total LTM revenues)*

We operate one of the largest independent repair, refurbishment, wheel services and component parts networks in North America, with 37 locations. Through our network of railcar repair and refurbishment shops,



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operating in 21 locations, we are actively engaged in heavy railcar repair and refurbishment and routine railcar maintenance for third parties, as well as for our own leased and managed fleets. Our wheel shops, operating in 12 locations, provide complete wheel services, including reconditioning of wheels, axles and roller bearings in addition to new axle machining and finishing and axle downsizing. Our component parts facilities, operating in 4 locations, recondition railcar cushioning units, couplers, yokes, side frames, bolsters and various other parts. We also produce roofs, doors and associated parts for boxcars. We believe we create value for our customers by providing a seamless shop network with broad geographic coverage, close proximity to their operations and consistent high quality of service.

### *Manufacturing (\$362 million in LTM revenues, 43% of total LTM revenues)*

We manufacture a broad array of railcar types in North America and Europe. Our North American backlog of 4,200 units represented 32% of the entire North American industry backlog as of March 31, 2010. We are the leading North American manufacturer of intermodal railcars with an average market share of approximately 60% over the last five years. In addition to our strength in intermodal railcars, we have commanded an average market share of approximately 60% in boxcars, 35% in flat cars and 10% in covered hoppers over the last five years and we have recently entered the tank car market through a multi-year contract with General Electric Railcar Services Corporation. Also, our fuel-efficient AutoMax<sup>tm</sup> railcar is a fully-integrated multi-level railcar for transporting finished automobiles, capable of switching from tri-level to bi-level configuration for different mixes of passenger and sport utility vehicles. Although no formal statistics are available for the European market, we believe we are one of the largest new freight car manufacturers with an estimated market share of 10% - 15%. We also manufacture a broad range of ocean-going barges including conventional deck barges, double-hull tank barges, railcar/deck barges, barges for aggregates and other heavy industrial products and dump barges at our Portland, Oregon manufacturing facility, located on a deep-water port on the Willamette River.

### *Leasing & Services (\$75 million in LTM revenues, 9% of total LTM revenues)*

Our relationships with financial institutions, combined with our ownership of a lease fleet of approximately 9,000 railcars, enable us to offer flexible financing programs including traditional direct finance leases, operating leases and by the mile leases to our customers. As an equipment owner, we participate principally in the operating lease segment of the market. The majority of our leases are full service leases whereby we are responsible for maintenance and administration. Maintenance of the fleet is provided, in part, through our own facilities and engineering and technical staff. Assets from our owned lease fleet are periodically sold to take advantage of market conditions, manage risk and maintain liquidity. Our management services business offers a broad range of services that include railcar maintenance management, railcar accounting services such as billing and revenue collection, car hire receivable and payable administration, total fleet management including railcar tracking using proprietary software, administration and railcar remarketing. Frequently, we originate leases of railcars, which are either newly built or refurbished by us, sell the railcars and attached leases to financial institutions and subsequently provide management services under multi-year agreements. We currently provide management services for a fleet of approximately 223,000 railcars for railroads, shippers, carriers, institutional investors and other leasing and transportation companies in North America.

## ***Industry***

*North American Market.* The North American freight railroad supply market is a mature industry driven by overall demand for railroad freight transportation. We believe rail transport has a number of advantages over other forms of transportation, including cost-effectiveness and a smaller environmental footprint. Railcars are purchased and maintained primarily by railroads, leasing companies, industrial shippers and utilities. Railcars are





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long-lived assets that require regular maintenance and substantial refurbishment during their economic life. Moreover, railcars can be substantially modified for different types of commodity service.

We believe that the primary drivers of demand for our railcar products and services in North America are general macro-economic conditions as well as industry-specific trends, including:

*Improving economic conditions:*

GDP growth was positive for the last three quarters ended March 31, 2010, following four quarters of decline beginning in the second half of 2008;

The ISM Index, a monthly index published by the Institute of Supply Management that tracks domestic manufacturing activity, has consistently stayed at levels above 50 beginning in September 2009, up from a recent low of approximately 33 in December 2008; and

Consumer spending rose 3.6% in the first quarter of 2010, its strongest showing since early 2007, according to the Bureau of Economic Analysis.

*Increases in revenue ton miles indicate long-term growth for rail.* According to the Surface Transportation Board, between 1991 and 2008, U.S. railroad revenue ton-miles, a metric for measuring rail traffic cost-efficiency, increased by 69.1%, representing a compounded annual growth rate of 3.0%. We believe this indicates a need for new railcars beyond that required for replacement demand, as well as a growing need for railcar maintenance and replacement parts.

*Rail transportation is cost-efficient and more environmentally friendly than highway transportation.* According to the American Association of Railroads (the AAR), from 1980 to 2008, freight railroads invested more than \$440 billion in maintaining and improving tracks, bridges, tunnels, locomotives, railcars and other rail infrastructure and equipment. Over the same time period, rail productivity increased by approximately 144% while the average inflation-adjusted cost of shipping decreased by 49%, resulting in a highly cost-effective mode of transportation. A train moves one ton of freight 480 miles on one gallon of fuel, making rail a more cost-effective and environmentally-friendly mode of transportation than highway. The AAR estimates that every ton-mile of freight that moves by rail produces two-thirds less greenhouse gas emissions than if moved by highway.

*An aging fleet drives replacement, repair and refurbishment demand.* As of January 2010, almost 38% of the North American railcar fleet had been in service for over 25 years and the average age of the fleet was 19.7 years, according to IHS Global Insight, a widely recognized economic and industry consulting firm in the transportation equipment sector. As a result, FTR Associates, a leading research and publishing firm in the freight transportation industry, expects 113,000 railcars to be scrapped over the next two years. Because the AAR mandates repair and refurbishment as railcars age, we believe that as railcars approach an age of 25-30 years, they generally require heavy repair and refurbishment or are scrapped and replaced with new railcars.

*Freight traffic shows signs of a rebound.* According to the AAR, for the week ended April 24, 2010, North American weekly railcar loadings were at their highest level since the first week of December 2008 and weekly intermodal volume reached its highest level this year. Railcar loadings were up 7.6% through the 16 weeks ended April 24, 2010 as compared to the first 16 weeks in 2009 and intermodal volume was up 9.9% through the 16 weeks ended April 24, 2010 as compared to the first 16 weeks in 2009. During the same time period, many commodity and product group loadings



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were up 20% 40%. In addition, IHS Global Insight expects railcar loadings and intermodal traffic to continue to increase.

**Railcar Traffic Outlook (1)**

*Reduction of railcars in storage indicates increased demand.* According to the AAR, the percentage of the North American railcar fleet in storage declined to 25.0% in April 2010, from the peak in July 2009 of 31.9% and over the past four months the rate of railcars coming out of storage has accelerated. As railcars come out of storage, we believe many will require repair or refurbishment before being returned to active service. In addition, we believe that as railcars come out of storage, both lease fleet utilization and lease rates will increase.

*Forecasts indicate recovery in North American new railcar market.* IHS Global Insight expects new railcar deliveries in North America to rise from 12,600 units in 2010 to 27,000 units in 2011, 49,800 units in 2012, 64,900 units in 2013, 67,300 units in 2014 and 61,700 units in 2015, which is roughly equivalent to the 2007 railcar delivery level of 63,200 units.

*European Market for Freight Cars.* We believe the European rail freight fleet consists of approximately 950,000 railcars and is an aging fleet. Investment by state-owned railroads falls short of comparable replacement levels in the North American freight car fleet and we believe that many of the railcars in the European fleet are economically inefficient by today's standards, driving replacement demand for new railcars. In addition, we believe that there is considerable potential for long-term demand growth in the European marketplace. While rail freight traffic between European Union member states has been limited by regulatory and technical barriers, the European Union is actively promoting the development of transnational long-haul freight services. For example, the European Union has introduced legislation that will improve rail competitiveness relative to road transport through deregulation of rail freight transport and European governments have introduced restrictions on truck traffic in many large urban areas.

*Marine Vessel Fabrication.* Marine barge fleet demand is primarily driven by macro-economic conditions and regulatory forces, as well as replacement cycles in the existing fleet. The macro-economic forces driving the marine vessel industry are similar to the drivers of demand for rail transportation. Our marine operations also benefit from two pieces of federal legislation: The Jones Act and the Oil Pollution Act of 1990 (OPA 90). The Jones Act is a federal law that favors domestic producers of maritime vessels by restricting maritime transportation between locations in the United States to vessels built and registered in the United States and owned and manned by United States citizens. OPA 90 requires all newly constructed tank barges engaged in oil transportation in the United States to be double hulled and also requires all existing single tank barges to be retrofitted with double hulls or phased out by 2015.

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### ***Competitive Strengths***

*Integrated Business Model Creates Competitive Advantages.* In North America, we operate an integrated business model that combines repair, refurbishment and component parts, freight car manufacturing, leasing and fleet management services. Our model is designed to provide customers with a comprehensive set of freight car solutions utilizing our substantial engineering, mechanical and technical capabilities as well as our experienced commercial personnel. This model allows us to develop cross-selling opportunities and synergies among our various business segments, capture value throughout the life of a railcar and enhance our margins. We frequently provide more than one of these products and services to any given customer, and as a result of the breadth of our capabilities, we are able to provide our products and services throughout a railcar's life, well beyond its initial build. For instance, we originate leases of railcars, which are either newly built or refurbished by us, sell the railcars and attached leases to financial institutions and subsequently provide management and maintenance services under multi-year agreements. Our integrated business model diversifies our business and we believe it stabilizes our financial performance during economic downturns while providing a platform for growth.

*Seamless Independent Shop Network in North America Offers Broad Geographic Coverage.* We operate one of the largest independent networks of repair and refurbishment, wheel services and parts shops in North America. Our 37 repair and refurbishment, wheel services and parts locations are positioned near key rail transportation hubs and customer locations. We believe we create value for our customers by providing a seamless shop network with broad geographic coverage, close proximity to customer operations and consistent high quality of service. We leverage this network to offer our lessor, railroad and shipper customers comprehensive railcar repair and maintenance services. Our ownership of repair shops and parts manufacturing facilities also reduces the cost of maintaining our owned and managed lease fleets and our reliance on third-party suppliers. This enables us to more easily meet delivery expectations in periods of peak demand when key components can be in short supply.

*Broad New Railcar and Marine Product Offerings Reduce Cyclicity.* We believe we provide one of the broadest new railcar product offerings in North America, where we produce every major railcar type except coal cars. In Europe we have similarly broad product offerings. Additionally, in North America, we manufacture a broad range of ocean-going barges, including conventional deck barges, double-hull tank barges, railcar/deck barges, barges for aggregates and other heavy industrial products and dump barges. Different railcar and marine barge types haul different commodities, some of which are in higher demand than others during any given business cycle. We believe our product diversification provides greater stability during economic cycles and allows us to better serve our customers' needs.

*Systems and Institutional Expertise Position Leasing & Services Business for Growth.* The railroad industry is governed by many rules, regulations and laws that are unique to the industry and affect the cost of ownership and maintenance of a railcar. In order to efficiently and effectively manage these requirements we have made investments in scalable systems, proprietary software and people. These investments enable railcar owners and operators to outsource the management (tracking, maintenance, billing, etc) of railcar fleets to us on a cost-effective basis. We have grown our fleets of owned and managed railcars over the last 10 years from 37,000 units in 2000, to 139,000 units in 2005, and to 232,000 units in 2010, and are positioned to continue to grow our owned and managed fleets at a low incremental cost.

### ***Business Strategies***

*Maximize our Integrated Business Model.* We intend to continue to leverage our integrated repair, refurbishment and component parts, freight car manufacturing, leasing and fleet management services businesses to increase the volume of business transacted with our customers and enhance our margins. Through our comprehensive product and service

offerings and engineering capabilities, we believe we are well positioned to capitalize on changing industry trends, reduce our exposure to any single product line or

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customer and better serve the diverse needs of our customers across economic cycles. We believe the rail industry is poised to benefit from an improving economic environment and favorable industry trends. As a supplier to the industry with a unique value proposition, we expect all of our business segments to benefit from these same forces.

*Continue Initiative to Expand After Market Services and Marine Operations.* Over the past five years, we have significantly grown our repair, refurbishment and component parts, marine, leasing and management services businesses. Principally as a result of acquisitions over the last three years, our refurbishment & parts business has grown from revenue of \$100 million in fiscal 2006 to \$410 million for the twelve months ended February 28, 2010. As a result of capital expenditures and lean manufacturing initiatives, we have substantially increased capacity and efficiency at our marine operations. We have grown our marine production capacity two-fold over a similar time period. Additionally, we have grown our owned and managed fleets of railcars from 37,000 units in 2000 to 232,000 units in 2010. We intend to continue the growth of each of these operations, organically, through additional acquisitions and through our strategic relationships.

*Capitalize on Our Strong Relationships with Strategic Industry Players.* We have developed relationships with key strategic industry partners and we intend to utilize these relationships to create new opportunities for us. In June 2009, Victoria McManus, a leader and innovator in the rail freight industry and the former head of Babcock & Brown's North American Rail Group, joined our board of directors. Ms. McManus has more than 20 years experience in the finance industry, with an emphasis on the rail equipment sector, and assists us with strategic matters, particularly as we look to pursue opportunities in the railcar leasing and management services sector. We also believe that our strategic relationship with WL Ross & Co. creates a platform for growth by combining our respective strengths. Under the terms of our agreement with WL Ross & Co., we have established a joint investment committee to pursue potentially attractive investment opportunities in the North American railcar and marine barge manufacturing businesses. On April 29, 2010, WL Ross Greenbrier Rail Holdings LLC ( WLR-GBX ), an entity owned by affiliate funds of WL Ross & Co., acquired a lease portfolio of nearly 4,000 railcars valued at \$230 million. We have entered into a railcar remarketing and management agreement to exclusively manage the railcars owned by WLR-GBX and other agreements related to the acquisition. We will receive management and other fee income and incentive compensation related to the performance of this portfolio. This transaction is consistent with our strategy to work with WL Ross & Co. to pursue growth in less cyclical, higher margin, after-market opportunities. We intend to seek additional opportunities through structured transactions in which we help originate and manage the business opportunity, and in which WL Ross & Co. makes a direct investment.

*Continue Financial Initiatives of Deploying Capital Efficiently while Maintaining Financial Flexibility.* During the recently challenging economic environment, we scaled our operations, controlled costs and expenditures, paid down debt and managed our business to maximize our cash flow and improve our financial flexibility. In this regard, we have taken the following measures:

improved our liquidity and strengthened our balance sheet through the \$75 million loan made by WL Ross & Co. and changes to our revolving credit lines;

reduced our annual selling and administrative costs by almost \$20 million in fiscal 2009;

reduced our net debt outstanding by over \$100 million in fiscal 2009;

purchased \$22.2 million principal amount of our 23/8% convertible senior notes due 2026 (with a first investor put date of May 2013) on the open market for \$20 million in cash in April 2010; and

maintained availability under our lines of credit of \$100 million, to supplement our cash balances.



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We intend to continue our strategy of deploying our capital efficiently and maintaining our financial strength and flexibility.

***Recent Developments***

On April 29, 2010, WLR-GBX, created for the purpose of acquiring railcar assets in North America and owned by an affiliate of WL Ross & Co., acquired a lease portfolio of nearly 4,000 railcars valued at approximately \$230 million. Two of our subsidiaries, Greenbrier Leasing Company LLC and Greenbrier Management Services, LLC, entered into agreements with WLR-GBX in connection with the acquisition. Pursuant to these agreements, Greenbrier Management will act as the exclusive manager and marketer of this lease portfolio and will receive management fees and other income. Greenbrier Management previously provided limited management services for approximately 2,500 of the 4,000 railcars acquired by WLR-GBX. In addition, Greenbrier Leasing will provide WLR-GBX with advice with respect to the railcar industry and will receive incentive compensation related to the performance of the portfolio. Greenbrier Leasing will also act as the exclusive agent for WLR-GBX for purposes of seeking investors to purchase an interest in the indirect equity ownership of WLR-GBX. In return, Greenbrier Leasing will receive a fee customary in the industry for such services as agreed upon by the parties. Greenbrier Leasing also has the right to participate in any funding under the line of credit extended by WLR-GBX's parent corporation in the future. Greenbrier Leasing paid a fee of approximately \$6 million as an inducement to cause WLR-GBX to enter into the above agreements.

In April 2010, we purchased \$22.2 million of our 23/8% convertible senior notes due 2026 (with a first investor put date of May 2013) on the open market for \$20 million in cash.

In March 2010, we received a tax refund of \$14.1 million as a result of recent changes in tax laws that allowed us to carry losses back five years.

Subsequent to February 28, 2010, we received orders for 430 railcars valued at approximately \$40 million. The majority of the railcars, 300 units, are covered hopper railcars for the North American market. The remaining 130 units represent backlog for our European operation.

***Corporate Information***

The Greenbrier Companies, Inc., which was incorporated in Delaware in 1981, consummated a merger on February 28, 2006 with its affiliate, Greenbrier Oregon, Inc., an Oregon corporation, for the sole purpose of changing its state of incorporation from Delaware to Oregon. Greenbrier Oregon survived the merger and assumed the name, The Greenbrier Companies, Inc. Our principal executive offices are located at One Centerpointe Drive, Suite 200, Lake Oswego, Oregon 97035, our telephone number is (503) 684-7000, and our website is located at [www.gbrx.com](http://www.gbrx.com). The information found on, or accessible through, our website is not part of this prospectus supplement or the accompanying prospectus.



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**The Offering**

|   |  |
|---|--|
| <b>Issuer</b>   | The Greenbrier Companies, Inc.   |
| <b>Common stock offered</b>   | 4,000,000 shares (or 4,600,000 shares if the underwriters exercise in full their option to purchase additional shares)   |
| <b>Common stock to be outstanding immediately after completion of this offering</b> | 21,370,020 shares (or 21,970,020 shares if the underwriters exercise in full their option to purchase additional shares)   |
| <b>Overallotment option</b>   | We have granted the underwriters an option to purchase from us within 30 days of the date of this prospectus supplement up to an additional 600,000 shares of common stock solely to cover overallotments, if any.   |
| <b>Use of proceeds</b>  | We anticipate that we will use the net proceeds from this offering for general corporate purposes. Our management will have broad discretion to allocate the net proceeds from this offering for such purposes as working capital, capital expenditures, repayment or repurchase of a portion of our indebtedness or acquisitions of, or investments in, complementary businesses and products. See Use of Proceeds. |
| <b>New York Stock Exchange symbol</b>   | GBX  |
| <b>Risk factors</b>   | See Risk Factors beginning on page S-13 and page 2 of the accompanying prospectus and other information included and incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.  |

The number of shares of our common stock that will be outstanding immediately after this offering is based on 17,370,020 shares of common stock issued and outstanding as of April 30, 2010. The number of shares outstanding, as used throughout this prospectus supplement, unless otherwise indicated, includes 1,169,754 shares of restricted stock issued under our equity incentive plans, but excludes:

7,800 shares of common stock issuable upon the exercise or vesting of stock option awards granted under our equity incentive plans that were outstanding as of April 30, 2010;

an aggregate of 28,427 shares of common stock reserved for future issuance under our equity incentive plans;

1,619,147 shares of common stock issuable upon conversion of our 23/8% convertible senior notes due 2026 (at a current conversion price of \$48.05 per share); and

3,377,903 shares of common stock issuable upon the exercise of the warrants held by certain affiliates of WL Ross & Co. LLC at a current exercise price of \$6.00 per share. For additional information see

Risk Factors Risks Related to Our Common Stock and This Offering Substantial sales of the shares of our common stock issuable upon exercise of the warrants issued to WL Ross & Co. LLC and its affiliates or upon the conversion of our 23/8% convertible senior notes due 2026 could adversely affect

our stock price or our ability to raise additional financing in the public capital markets ; and Risk Factors Risks Related to Our Common Stock and This Offering Antidilution and other provisions in the warrants issued to the WL Ross Group may also adversely affect our stock price or our ability to raise additional financing.

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**Summary Consolidated Historical Financial Data**

The following table sets forth summary consolidated historical financial data. The data as of and for the fiscal years ended August 31, 2007, 2008 and 2009 has been derived from, and should be read together with, our audited consolidated financial statements and the accompanying notes incorporated by reference in this prospectus supplement. The data as of and for the six months ended February 28, 2009 and 2010 has been derived from, and should be read together with, our unaudited financial statements and the accompanying notes incorporated by reference in this prospectus supplement. Historical results should not be taken as necessarily indicative of the results that may be expected for any future period. The unaudited interim period financial information, in our opinion, includes all adjustments, which are normal and recurring in nature, necessary for a fair presentation for the periods shown. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full fiscal year or any future period. You should read this summary consolidated historical financial data in conjunction with our consolidated financial statements and the related notes, Management's Discussion and Analysis of Financial Condition and Results of Operation incorporated by reference in this prospectus supplement from our Quarterly Reports on Form 10-Q for the fiscal quarters ended February 28, 2010 and November 30, 2009, our Current Reports on Form 8-K dated April 6, 2010 concerning a disclosure pursuant to Item 8.01 Other Events, and our Current Report on Form 8-K/A dated May 4, 2010.

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|   | Fiscal Year                              |                              |            | Six Months Ended         |           |
|---|--|------------------------------|------------|--------------------------|-----------|
|   | 2007 (1)                                 | Ended August 31,<br>2008 (1) | 2009 (1)   | February 28,<br>2009 (1) | 2010 (1)  |
|   | (unaudited)                              |                              |            |                          |           |
|   | (In thousands, except per share amounts) |                              |            |                          |           |
| <b>Revenue</b>  |  |                              |            |                          |           |
| Manufacturing   | \$738,424                                | \$665,093                    | \$462,496  | \$248,292                | \$148,143 |
| Refurbishment & Parts   | 381,670                                  | 527,466                      | 476,164    | 253,960                  | 187,310   |
| Leasing & Services  | 103,734                                  | 97,520                       | 79,465     | 41,010                   | 36,189    |
|   | 1,223,828                                | 1,290,079                    | 1,018,125  | 543,262                  | 371,642   |
| <b>Cost of revenue</b>  |  |                              |            |                          |           |
| Manufacturing   | 680,908                                  | 653,879                      | 458,733    | 258,926                  | 137,455   |
| Refurbishment & Parts   | 317,669                                  | 426,183                      | 420,294    | 226,754                  | 166,673   |
| Leasing & Services  | 45,818                                   | 47,774                       | 45,991     | 23,476                   | 21,707    |
|   | 1,044,395                                | 1,127,836                    | 925,018    | 509,156                  | 325,835   |
| <b>Margin</b>   | 179,433                                  | 162,243                      | 93,107     | 34,106                   | 45,807    |
| <b>Other costs</b>  |  |                              |            |                          |           |
| Selling and administrative  | 83,414                                   | 85,133                       | 65,743     | 32,245                   | 33,166    |
| Interest and foreign exchange   | 43,206                                   | 44,320                       | 45,912     | 20,917                   | 23,517    |
| Special charges   | 21,899                                   | 2,302                        | 55,667     |                          |           |
|   | 148,519                                  | 131,755                      | 167,322    | 53,162                   | 56,683    |
| Earnings (loss) before income tax and equity in unconsolidated subsidiary | 30,914                                   | 30,488                       | (74,215)   | (19,056)                 | (10,876)  |
| Income tax benefit (expense)  | (12,369)                                 | (17,159)                     | 16,917     | 6,604                    | 3,444     |
| Earnings (loss) before equity in unconsolidated subsidiary                | 18,545                                   | 13,329                       | (57,298)   | (12,452)                 | (7,432)   |
| Equity in earnings (loss) of unconsolidated subsidiary                    | (42)                                     | 872                          | (565)      | 183                      | (314)     |
| Net earnings (loss)   | 18,503                                   | 14,201                       | (57,863)   | (12,269)                 | (7,746)   |
| Less: Net loss (income) attributable to noncontrolling interest           | 1,504                                    | 3,182                        | 1,472      | 919                      | (250)     |
| <b>Net earnings (loss) attributable to controlling interest</b>           | \$20,007                                 | \$17,383                     | \$(56,391) | \$(11,350)               | \$(7,996) |
|   | \$1.25                                   | \$1.06                       | \$(3.35)   | \$(0.68)                 | \$(0.47)  |

**Basic earnings (loss) per common share:****Diluted earnings (loss) per common share:**

|  |        |        |          |          |          |
|--|--------|--------|----------|----------|----------|
|  | \$1.24 | \$1.06 | \$(3.35) | \$(0.68) | \$(0.47) |
|--|--------|--------|----------|----------|----------|

**Weighted average basic common shares outstanding**

|  |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
|  | 16,056 | 16,395 | 16,815 | 16,661 | 17,100 |
|--|--------|--------|--------|--------|--------|

Dilutive effect of employee stock options (2)

|  |    |    |  |  |  |
|--|----|----|--|--|--|
|  | 38 | 22 |  |  |  |
|--|----|----|--|--|--|

Dilutive effect of warrants (2)

**Weighted average diluted common shares outstanding**

|  |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
|  | 16,094 | 16,417 | 16,815 | 16,661 | 17,100 |
|--|--------|--------|--------|--------|--------|

(1) As adjusted for the effects of Accounting Standards Codification (ASC) 470-20, *Debt Debt with Conversion and Other Options* and ASC 810-10-65, *Consolidation Transition related to SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements an amendment of ARB No. 51*.

(2) Dilutive effect of common stock equivalents excluded from per share calculation for the year ended August 31, 2009 and the six month periods ending February 28, 2009 and February 28, 2010 due to net losses during those periods.

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|  | <b>Fiscal Year Ended August 31,</b> |                 |                 | <b>Six Months<br/>Ended February 28,</b> |                 |
|--|-------------------------------------|-----------------|-----------------|--|-----------------|
|  | <b>2007 (1)</b>                     | <b>2008 (1)</b> | <b>2009 (1)</b> | <b>2009 (1)</b>                          | <b>2010 (1)</b> |
|  | <b>(unaudited)</b>                  |                 |                 |  |                 |
|  | <b>(In thousands)</b>               |                 |                 |  |                 |
| <b>Consolidated Balance Sheet Data</b>                       |                                     |                 |                 |  |                 |
| Cash and Cash Equivalents                                    | \$20,808                            | \$5,957         | \$76,187        | \$41,066                                 | \$67,907        |
| Leasing Equipment  | \$303,336                           | \$327,789       | \$321,173       | \$324,105                                | \$323,546       |
| Total Assets   | \$1,072,749                         | \$1,256,960     | \$1,048,291     | \$1,167,698                              | \$1,041,098     |
| Revolving Notes & Notes Payable (1)                          | \$476,071                           | \$580,954       | \$541,190       | \$570,564                                | \$544,457       |
| Total Equity   | \$263,588                           | \$281,838       | \$232,450       | \$248,283                                | \$227,146       |
| <b>Other Operating Data</b>                                  |                                     |                 |                 |  |                 |
| New railcar units delivered                                  | 8,600                               | 7,300           | 3,700           | 2,100                                    | 1,100           |
| New railcar units backlog                                    | 12,100                              | 16,200          | 13,400          | 15,100                                   | 4,400           |
| Lease fleet:   |                                     |                 |                 |  |                 |
| Units managed  | 136,558                             | 137,697         | 217,403         | 216,973                                  | 222,257         |
| Units owned  | 8,663                               | 8,631           | 8,713           | 8,725                                    | 8,567           |
| <b>Cash Flow Data</b>  |                                     |                 |                 |  |                 |
| Capital expenditures:  |                                     |                 |                 |  |                 |
| Manufacturing  | \$20,361                            | \$24,113        | \$9,109         | \$6,819                                  | \$1,635         |
| Refurbishment & Parts  | 5,009                               | 7,651           | 6,599           | 1,685                                    | 5,097           |
| Leasing & Services   | 111,924                             | 45,880          | 23,139          | 6,644                                    | 12,884          |
|  | \$137,294                           | \$77,644        | \$38,847        | \$15,148                                 | \$19,616        |
| Proceeds from sale of equipment                              | \$119,695                           | \$14,598        | \$15,555        | \$1,400                                  | \$3,069         |
| <b>Depreciation and amortization</b>                         |                                     |                 |                 |  |                 |
| Manufacturing  | \$10,762                            | \$11,267        | \$11,471        | \$6,025                                  | \$5,576         |
| Refurbishment & Parts  | 9,042                               | 10,338          | 11,885          | 5,957                                    | 5,719           |
| Leasing & Services   | 13,022                              | 13,481          | 14,313          | 7,002                                    | 7,321           |
|  | \$32,826                            | \$35,086        | \$37,669        | \$18,984                                 | \$18,616        |
| Non-cash interest expense                                    | \$4,999                             | \$5,416         | \$8,648         | \$2,925                                  | \$6,743         |
| Non-cash stock based compensation                            | \$3,285                             | \$3,932         | \$5,062         | \$2,392                                  | \$2,737         |
| <b>Reconciliation of net earnings (loss) attributable to</b> |                                     |                 |                 |  |                 |

**controlling interest to****Adjusted EBITDA**

|  |           |           |            |            |           |
|--|-----------|-----------|------------|------------|-----------|
| Net earnings (loss) attributable to controlling interest | \$20,007  | \$17,383  | \$(56,391) | \$(11,350) | \$(7,996) |
| Interest and foreign exchange                            | 43,206    | 44,320    | 45,912     | 20,917     | 23,517    |
| Income tax expense (benefit)                             | 12,369    | 17,159    | (16,917)   | (6,604)    | (3,444)   |
| Depreciation and amortization                            | 32,826    | 35,086    | 37,669     | 18,984     | 18,616    |
| Special charges (non-cash portion)                       | 17,335    |           | 55,667     |            |           |
| Adjusted EBITDA (2)                                      | \$125,743 | \$113,948 | \$65,940   | \$21,947   | \$30,693  |

(1) 2009 includes debt discount of \$29.3 million related to valuation of the WL Ross & Co. warrants and to a convertible debt accounting change. 2008 and 2007 include debt discounts of \$20.9 million and \$24.4 million, respectively, related to a convertible debt accounting change. The six months ended February 28, 2010 includes debt discount of \$25.0 million related to WLR warrant valuation and to a convertible debt accounting change. The six months ended February 28, 2009 includes debt discount of \$19.0 million related to a convertible debt accounting change.

(2) Adjusted EBITDA is not a financial measure under U.S. generally accepted accounting principles, or GAAP. We define Adjusted EBITDA as earnings (loss) attributable to controlling interest before the non-

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cash portion of special charges, interest and foreign exchange, taxes, depreciation and amortization. We consider net earnings (loss) attributable to controlling interests to be the most directly comparable GAAP financial measure. Adjusted EBITDA is a measurement tool commonly used by rail supply companies. You should not consider Adjusted EBITDA in isolation or as a substitute for net earnings (loss) attributable to controlling interest or consolidated statement of operations data determined in accordance with GAAP. In addition, because Adjusted EBITDA is not a measure of financial performance under GAAP and is susceptible to varying calculations, the Adjusted EBITDA measure presented may differ from and may not be comparable to similarly titled measures used by other companies.

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**RISK FACTORS**

*An investment in our common stock involves risks. You should carefully consider the risks described below, together with all other information and risk factors contained in, or incorporated by reference into, this prospectus supplement and the accompanying prospectus, including any risk factors contained in any annual report on Form 10-K or quarterly reports on Form 10-Q incorporated by reference, before deciding whether an investment in our common stock is appropriate for you. There also may be additional risks and uncertainties not presently known to us, or risks that we currently consider immaterial, which could impair our operations or results. If any of these risks materialize, we may not be able to conduct our business as currently planned, and our financial condition and operating results could be seriously adversely affected. In that case, you could lose all or part of your investment.*

**Risks Related to Our Common Stock and This Offering**

*Our stock price may continue to experience large fluctuations.*

Historically, the price of our common stock has at times experienced rapid and severe price fluctuations. Our stock price ranged from a low of \$1.86 per share to a high of \$22.45 per share for the year ended August 31, 2009, and from a low of \$7.42 per share to a high of \$14.05 per share for the six months ended February 28, 2010. The price of our common stock may continue to fluctuate greatly in the future due to a variety of factors, including:

- quarter-to-quarter variations in our operating results;
- the depth and liquidity of the market for our common stock;
- shortfalls in revenue or earnings from levels expected by securities analysts and investors;
- any developments that materially impact investors or customers' perceptions of our business prospects;
- dilution resulting from our sale of additional shares of common stock;
- general financial and other market conditions; and
- domestic and international economic conditions.

In addition, public stock markets have experienced, and may in the future experience, extreme price and trading volume volatility. This volatility has significantly affected the market prices of securities of many companies for reasons frequently unrelated to or disproportionately impacted by the operating performance of these companies. These broad market fluctuations may adversely affect the market price of our common stock in the future.

*Management will have broad discretion as to the use of the proceeds from this offering.*

We have not designated the amount of net proceeds we will receive from this offering for any particular purpose. Accordingly, our management will have broad discretion regarding the use of the net proceeds from this offering and could use them for purposes other than those contemplated at the time of this offering. Our shareholders may not agree with the manner in which our management chooses to allocate and spend the net proceeds.



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*In connection with the secured term loan the WL Ross Group made to us and the warrants which we issued to the WL Ross Group, we also agreed to various contractual provisions which may allow members of the WL Ross Group and the warrant holders to exert significant influence over us.*

In June 2009, we entered into a credit agreement with WL Ross & Co. LLC and certain of its affiliates, which we refer to collectively as the WL Ross Group, which provided us with a three-year \$75.0 million non-amortizing secured term loan which is due and payable on June 10, 2012. Our obligations under the credit agreement are secured by substantially all of the assets of our existing and future subsidiaries engaged in the refurbishment & parts business. We also pledged to the WL Ross Group certain amounts owed to us by certain of our subsidiaries, and subject to certain limited exceptions, all of our existing and future domestic subsidiaries are required to guarantee our obligations under the credit agreement.

In connection with the credit agreement, we issued warrants to the WL Ross Group to acquire 3,377,903 shares of our common stock at an exercise price of \$6.00 per share. The exercise price and the number of shares issuable upon exercise of the warrants are subject to adjustment as provided in the warrant agreement. These warrants, which are exercisable through June 10, 2014, represent the right to acquire approximately 16.5% of our outstanding common stock calculated on a fully-diluted basis assuming the exercise in full of the warrants, before giving effect to this offering. In addition, members of the WL Ross Group may acquire additional shares of our common stock as long as their aggregate beneficial ownership does not exceed 19.9% (assuming exercise of the warrants). At the time we entered into the agreements with the WL Ross Group, we amended our stockholder rights agreement, which generally restricts any person from holding 12% or more of our common stock, to permit the WL Ross Group to be the beneficial owner of up to 19.9% of our common stock.

Additionally, in June 2009 we entered into an investor rights and restrictions agreement with members of the WL Ross Group. The investor rights and restrictions agreement required us to nominate to our board of directors two individuals designated by members of the WL Ross Group and requires us in future elections to nominate to our board one individual designated by members of the WL Ross Group. If at any time no such designee is serving on our board, a member of the WL Ross Group is entitled to board observer rights. In connection with the investor rights and restrictions agreement we have established an investment committee, which includes a representative from the WL Ross Group, to pursue potentially attractive investment opportunities in the North American railcar and marine barge manufacturing businesses and such committee is required to discuss in good faith whether to jointly pursue such opportunities.

The investor rights and restrictions agreement also provides, subject to certain exceptions, that we shall not issue common stock (or securities convertible into common stock) with per share consideration of less than \$6.00 per share until December 10, 2010, subject to earlier termination in certain circumstances, without the prior consent, not to be unreasonably withheld, of the holders beneficially owning a majority of the shares underlying the warrants we issued to the WL Ross Group. If we do issue common stock or securities convertible into common stock with a price (or a conversion price) of less than \$6.00 per share before December 10, 2010, the investor rights and restrictions agreement provides, subject to certain exceptions and limitations, that members of the WL Ross Group shall have the right to participate in the offering in proportion to their ownership of our common stock, calculated as if they had exercised their warrants to acquire our common stock in full. We also granted to certain holders of the warrants piggy-back and demand registration rights as provided for in the agreement. Accordingly, provisions in the investor rights and restrictions agreement grant rights which could allow members of the WL Ross Group and the warrant holders the ability to exert significant influence over us.

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*Substantial sales of the shares of our common stock issuable upon exercise of the warrants issued to WL Ross & Co. LLC and its affiliates or upon the conversion of our 23/8% convertible senior notes due 2026 could adversely affect our stock price or our ability to raise additional financing in the public capital markets.*

In June 2009, in connection with a secured loan that the WL Ross Group made to us, we issued warrants to the WL Ross Group to acquire 3,377,903 shares of our common stock at an exercise price of \$6.00 per share. The exercise price and the number of shares issuable upon exercise of the warrants are subject to adjustment as provided in the warrant agreement. These warrants, which are exercisable through June 10, 2014, represent the right to acquire approximately 16.5% of our outstanding common stock calculated on a fully-diluted basis assuming the exercise in full of the warrants, before giving effect to this offering. The warrants may be transferred or sold in whole or in part at any time. If the WL Ross Group sells the warrants or if the WL Ross Group or a transferee of the warrants exercises the warrants and sells a substantial number of shares of our common stock in the future, or if investors perceive that these sales may occur, the market price of our common stock could decline or market demand for our common stock could be sharply reduced.

As of April 30, 2010, we had \$78 million aggregate principal amount of our 23/8% convertible senior notes due 2026 outstanding. These notes are convertible at any time, at the option of the holder, into a total of 1,619,147 shares of common stock (at a current conversion price of \$48.05 per share). The exercise of the warrants or the conversion of the notes and the subsequent sale of a substantial number of shares of our common stock could adversely affect demand for, and the market price of, our common stock. Each of these transactions could adversely affect our ability to raise additional financing by issuing equity or equity-based securities in the public capital markets.

*We may raise additional capital, which could have a dilutive effect on the existing holders of our common stock and adversely affect the market price of our common stock.*

Except as described in the section entitled "Underwriting," we are not restricted from issuing additional shares of our common stock or securities that are convertible into or exchangeable for, or that represent the right to receive, our common stock. We evaluate opportunities to access the capital markets taking into account our financial condition and other relevant considerations. Subject to market conditions, we may take further actions to raise capital in addition to the issuance of our common stock offered by this prospectus supplement. Such actions could include, among other things, the issuance of additional shares of our common stock.

The issuance of any additional shares of our common stock or securities convertible into or exchangeable for our common stock or that represent the right to receive our common stock, or the exercise of such securities, could be substantially dilutive to our shareholders, including purchasers of our common stock in this offering. Holders of our common stock have no preemptive rights that entitle them to purchase their pro rata share of any offering of shares of any class or series of our capital stock and, therefore, such sales or offerings could result in increased dilution to our shareholders. The market price of our common stock could decline as a result of sales of shares of our common stock made after this offering or the perception that such sales could occur.

*Antidilution and other provisions in the warrants issued to the WL Ross Group may also adversely affect our stock price or our ability to raise additional financing.*

The warrants issued to the WL Ross Group contain antidilution provisions that provide for adjustment of the warrants exercise price, and the number of shares issuable under the warrants, upon the occurrence of

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certain events. The exercise price and the number of shares of our common stock issuable upon the exercise of the warrants are subject to adjustment for:

- common stock dividends, subdivisions or combinations;
- other cash dividends and distributions in excess of a \$0.08 per quarter cash dividend; and
- reorganizations, reclassifications, consolidations, mergers or sale of our business.

The exercise price and the number of shares of our common stock issuable upon exercise of the warrants are also subject to adjustment in the event we issue shares of our common stock or convertible securities, subject to certain exceptions, without consideration or for a consideration per share that is less than 95% of the volume weighted average trading price of our common stock on the last trading day preceding the earlier of the date of agreement on pricing of such shares and the public announcement of the proposed issuance of such shares. The amount of such adjustment if any, is determined pursuant to a formula specified in the warrants and will depend on the number of shares issued, the offering price and the current market price of our common stock at the time of the issuance of such securities. Adjustments to the warrants pursuant to these antidilution provisions may result in significant dilution to the interests of our existing shareholders and may adversely affect the market price of our common stock. The antidilution provisions may also limit our ability to obtain additional financing on terms favorable to us. Moreover, we may not realize any cash proceeds from the exercise of the warrants issued to the WL Ross Group. A holder of the warrants may opt for either a cashless exercise of all or part of the warrant or an exercise in consideration of cancellation of debt. In a cashless exercise, a holder of the warrants would make no cash payment to us, and would receive a number of shares of our common stock having an aggregate value equal to the excess of the then-current market price of the shares of our common stock issuable upon exercise of such warrants over the exercise price of such warrants. Similarly, in an exercise in consideration of cancellation of debt, in lieu of paying the exercise price for the warrants in cash, the WL Ross Group would exercise the warrants by agreeing to forgive a portion of our secured debt to the WL Ross Group having a value equal to the exercise price for such warrants. If a holder of the warrants issued to the WL Ross Group exercises the warrants in one of these manners, the issuance of common stock would be immediately dilutive to the interests of our other shareholders.

*Our governing documents contain some provisions that could prevent or make more difficult an attempt to acquire us.*

Our Articles of Incorporation and Bylaws, as currently in effect, contain some provisions that could be deemed to have anti-takeover effects, including:

- a classified board of directors, with each class containing as nearly as possible one-third of the total number of members of the board of directors and the members of each class serving for staggered three-year terms;
- a vote of at least 55% of our voting securities to amend some provisions of our Articles of Incorporation;
- no less than 120 days advance notice with respect to nominations of directors or other matters to be voted on by stockholders other than by or at the direction of the board of directors;
- removal of directors only with cause; and

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the calling of special meetings of stockholders only by the president, a majority of the board of directors or the holders of not less than 25% of all votes entitled to be cast on the matters to be considered at such meeting.

We also maintain a stockholder rights agreement pursuant to which each stockholder has received a dividend distribution of one preferred stock purchase right per share of common stock owned. The stockholder rights agreement and the other provisions discussed above could have anti-takeover effects because they may delay, defer or prevent an unsolicited acquisition proposal that some, or a majority, of our stockholders might believe to be in their best interests or in which stockholders might receive a premium for their common stock over the then-prevailing market price.

The Oregon Control Share Act and business combination law could limit parties who acquire a significant amount of voting shares from exercising control over us for specific periods of time. These acts could lengthen the period for a proxy contest or for a stockholder to vote their shares to elect the majority of our Board and change management. In addition, the investor rights and restrictions agreement contains certain restrictions on acquisition of additional equity securities by members of the WL Ross Group who have agreed not to engage in certain transactions without our approval. This agreement provides that the members of the WL Ross Group shall vote a portion of their shares of common stock in the same proportion as our other shareholders in connection with any election or removal of directors. These restrictions and provisions could have the effect of dissuading other stockholders from contesting director elections or attempting certain transactions with us, which could cause investors to view our securities as less attractive investments.

*We suspended paying dividends in fiscal 2009 and there is no assurance that we will pay dividends in the future.*

We suspended paying quarterly dividends as of the third quarter of fiscal 2009 and there is no assurance as to the payment of future dividends. In addition, the warrant agreement entered into in June 2009 with the WL Ross Group provides that the exercise price and the number of shares of our common stock issuable upon exercise of the warrants are subject to adjustment for dividends and distributions in excess of a \$0.08 per quarter cash dividend. In addition, our revolving and operating lines of credit and the indenture governing our 83/8% senior notes due 2015 contain, and any future lines of credit, indentures or other indebtedness which may be incurred by us may contain, limitations on our ability to pay dividends. Our board of directors' determination to maintain or modify our dividend policy will depend on numerous factors, including:

the state of our business, the environment in which we operate, and the various risks we face, including competition, changes in demand for our products and services, changes in our industry, and regulatory and other risks summarized in this prospectus supplement, the accompanying prospectus and the materials incorporated herein and therein by reference;

changes in the factors, assumptions, and other considerations made by our board of directors in reviewing and adopting our dividend policy;

our results of operations, financial condition, liquidity needs, and capital resources;

our expected cash needs, including for interest and any future principal payments on indebtedness, capital expenditures, taxes, and pension and other postretirement contributions; and

potential sources of liquidity, including borrowing under our revolving credit facility or possible asset sales.



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We are not required to pay dividends and our stockholders do not have contractual or other rights to receive them. Our board of directors may not decide to pay dividends again in the future. If we continue not paying dividends, for whatever reason, shares of our common stock could become less liquid and the market price of our common stock could decline.

*Resales of the common stock in the public market following this offering may cause its market price to fall.*

We expect that we will issue 4,000,000 shares of our common stock in connection with this offering, assuming no exercise of the underwriters' overallotment option. The issuance of new shares of our common stock in this offering could have the effect of depressing the market price for shares of our common stock, and resales after completion of this offering of our common stock could cause its market price to fall.

## **Risks Related to Our Business**

*During economic downturns or a rising interest rate environment, the cyclical nature of our business results in lower demand for our products and reduced revenue.*

Our business is cyclical. Overall economic conditions and the purchasing practices of railcar buyers have a significant effect upon our railcar repair, refurbishment and component parts, manufacturing, leasing and fleet management services businesses due to the impact on demand for new, refurbished, used and leased products. As a result, during downturns, we could operate with a lower level of backlog and may temporarily slow down or halt production at some or all of our facilities. Economic conditions that result in higher interest rates increase the cost of new leasing arrangements, which could cause some of our leasing customers to lease fewer of our railcars or demand shorter lease terms. An economic downturn or increase in interest rates may reduce demand for railcars, resulting in lower sales volumes, lower prices, lower lease utilization rates and decreased profits or losses.

*A prolonged decline in performance of the rail freight industry would have an adverse effect on our financial condition and results of operations.*

Our future success depends in part upon the performance of the rail freight industry, which in turn depends on the health of the economy. If railcar loadings, railcar replacement rates or industry demand for railcar products remain weak or otherwise do not materialize, our financial condition and results of operations would be adversely affected.

*Our level of indebtedness and terms of our indebtedness could adversely affect our business, financial condition and liquidity.*

We have a high level of indebtedness, a portion of which has variable interest rates. Although we intend to refinance our debt on or before maturity, there can be no assurance that we will be successful, or if refinanced, that it will be at favorable rates and terms. If we are unable to successfully refinance our debt, we could have inadequate liquidity to fund our ongoing cash needs. In addition, our high level of indebtedness and our financial covenants limit our ability to borrow additional amounts of money for working capital, capital expenditures or other purposes. We must dedicate a substantial portion of these funds to service debt, limiting our ability to use operating cash flow in other areas of our business. The limitations of our financial covenants, among other things, limit our ability to incur additional indebtedness or guarantees, pay dividends or repurchase stock, enter into sale leaseback transactions, create liens, sell assets, engage in transactions with affiliates, joint ventures and foreign subsidiaries, and engage in other transactions, including but not limited to loans, advances, equity investments and guarantees, enter into mergers, consolidations or sales of substantially





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all of our assets, and enter into new lines of business. The high amount of debt increases our vulnerability to general adverse economic and industry conditions and could limit our ability to take advantage of business opportunities and to react to competitive pressures.

*We compete in a highly competitive and concentrated industry which may adversely impact our financial results.*

We face aggressive competition by a concentrated group of competitors in all geographic markets and each industry sector in which we operate. Some of these companies have significantly greater resources or may operate more efficiently than we do. The effect of this competition could reduce our revenues and margins, limit our ability to grow, increase pricing pressure on our products, and otherwise affect our financial results. In addition, because of the concentrated nature of our competitors, customers and suppliers, we face a heightened risk that further consolidation of our competitors, customers and suppliers could adversely affect our revenues, cost of revenues and profitability.

*Turmoil in the credit markets and the financial services industry could negatively impact our business, results of operations, financial condition or liquidity.*

The credit markets and the financial services industry have experienced a period of unprecedented turmoil and upheaval characterized by the bankruptcy, failure, collapse or sale of various financial institutions, an unprecedented level of intervention from the United States federal government and other foreign governments and tighter availability of credit on more restrictive terms at higher cost of capital. While the ultimate outcome of these events cannot be predicted, they could have a negative impact on our liquidity and financial condition if our ability to borrow money to finance operations, obtain credit from trade creditors, offer leasing products to our customers or sell railcar assets to other lessors were to be impaired. In addition, if economic conditions worsen it could also adversely impact our customers' ability to purchase or pay for products from us or our suppliers' ability to provide us with product, either of which could negatively impact our business and results of operations.

*Fluctuations in the availability and price of steel and other raw materials could have an adverse effect on our ability to manufacture and sell our products on a cost-effective basis and could adversely affect our margins and revenue of our refurbishment & parts business.*

A significant portion of our business depends upon the adequate supply of steel at competitive prices and a small number of suppliers provide a substantial amount of our requirements. The cost of steel and all other materials used in the production of our railcars represents more than half of our direct manufacturing costs per railcar.

Our businesses depend upon the adequate supply of other materials, including castings and specialty components, at competitive prices. We cannot be assured that we will continue to have access to supplies of necessary components for manufacturing railcars. Our ability to meet demand for our products could be adversely affected by the loss of access to any of these supplies, the inability to arrange alternative access to any materials, or suppliers limiting allocation of materials to us.

If the price of steel or other raw materials were to fluctuate and we were unable to adjust our selling prices or have adequate protection in our contracts against changes in material prices or reduce operating costs to offset any price increases, our margins would be adversely affected. The loss of suppliers or their inability to meet our price, quality, quantity and delivery requirements could have an adverse effect on our ability to manufacture and sell our products on a cost-effective basis.

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When the price of scrap steel decreases it adversely impacts our refurbishment & parts margin and revenue. Part of our refurbishment & parts business involves scrapping steel parts and the resulting revenue from such scrap steel increases our margins and revenues. When the price of scrap steel declines, our margins and revenues in such business therefore decrease.

*We derive a significant amount of our revenue from a limited number of customers, the loss of one or more of which could have an adverse effect on our business.*

A significant portion of our revenue and backlog is generated from a few major customers such as BNSF Railway Company, General Electric Railcar Services Corporation, Union Pacific Railroad and Crowley Maritime. Although we have some long-term contractual relationships with our major customers, we cannot be assured that our customers will continue to use our products or services or that they will continue to do so at historical levels. A reduction in the purchase or leasing of our products or a termination of our services by one or more of our major customers could have an adverse effect on our business and operating results.

*Our backlog is not necessarily indicative of the level of our future revenues.*

Our manufacturing backlog is future production for which we have written orders from our customers in various periods, and estimated potential revenue attributable to those orders. Some of this backlog is subject to our fulfillment of certain competitive conditions. Our reported backlog may not be converted to revenue in any particular period and some of our contracts permit cancellations without financial penalties or with limited compensation that would not replace lost revenue or margins. Actual revenue from such contracts may not equal our backlog revenues, and therefore, our backlog is not necessarily indicative of the level of our future revenues.

*The timing of our asset sales and related revenue recognition could cause significant differences in our quarterly results and liquidity.*

We may build railcars or marine barges in anticipation of a customer order, or that are leased to a customer and ultimately planned to be sold to a third-party. The difference in timing of production and the ultimate sale is subject to risk and could cause a fluctuation in our quarterly results and liquidity. In addition, we periodically sell railcars from our own lease fleet and the timing and volume of such sales is difficult to predict. As a result, comparisons of our quarterly revenues, income and liquidity between quarterly periods within one year and between comparable periods in different years may not be meaningful and should not be relied upon as indicators of our future performance.

*We could be unable to remarket leased railcars on favorable terms upon lease termination or realize the expected residual values, which could reduce our revenue and decrease our overall return.*

We re-lease or sell railcars we own upon the expiration of existing lease terms. The total rental payments we receive under our operating leases do not fully amortize the acquisition costs of the leased equipment, which exposes us to risks associated with remarketing the railcars. Our ability to remarket leased railcars profitably is dependent upon several factors, including, but not limited to, market and industry conditions, cost of and demand for newer models, costs associated with the refurbishment of the railcars and interest rates. Our inability to re-lease or sell leased railcars on favorable terms could result in reduced revenues and margins and decrease our overall returns.

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*Risks related to our operations outside of the United States could adversely impact our operating results.*

Our operations outside of the United States are subject to the risks associated with cross-border business transactions and activities. Political, legal, trade or economic changes or instability could limit or curtail our foreign business activities and operations. Some foreign countries in which we operate have regulatory authorities that regulate railroad safety, railcar design and railcar component part design, performance and manufacturing. If we fail to obtain and maintain certifications of our railcars and railcar parts within the various foreign countries where we operate, we may be unable to market and sell our railcars in those countries. In addition, unexpected changes in regulatory requirements, tariffs and other trade barriers, more stringent rules relating to labor or the environment, adverse tax consequences and price exchange controls could limit operations and make the manufacture and distribution of our products difficult. The uncertainty of the legal environment or geo-political risks in these and other areas could limit our ability to enforce our rights effectively. Any international expansion or acquisition that we undertake could amplify these risks related to operating outside of the United States.

*Some of our employees belong to labor unions and strikes or work stoppages could adversely affect our operations.*

We are a party to collective bargaining agreements with various labor unions at some of our operations. Disputes with regard to the terms of these agreements or our potential inability to negotiate acceptable contracts with these unions in the future could result in, among other things, strikes, work stoppages or other slowdowns by the affected workers. We cannot be assured that our relations with our workforce will remain positive or that union organizers will not be successful in future attempts to organize at some of our other facilities. If our workers were to engage in a strike, work stoppage or other slowdown, or other employees were to become unionized or the terms and conditions in future labor agreements were renegotiated, we could experience a significant disruption of our operations and higher ongoing labor costs. In addition, we could face higher labor costs in the future as a result of severance or other charges associated with lay-offs, shutdowns or reductions in the size and scope of our operations or due to the difficulties of restarting our operations that have been temporarily shuttered.

*Shortages of skilled labor could adversely impact our operations.*

We depend on skilled labor in the manufacture, repair and refurbishment of railcars. Some of our facilities are located in areas where demand for skilled laborers often exceeds supply. Shortages of some types of skilled laborers such as welders could restrict our ability to maintain or increase production rates and could increase our labor costs.

*We depend on a third party to provide most of the labor services for our operations in Sahagun, Mexico and if such third party fails to provide the labor, it could adversely affect our operations.*

In Sahagun, Mexico, we depend on a third party to provide us with most of the labor services for our operations under a services agreement. This agreement has a term of three years expiring on November 30, 2011, with one three-year option to renew. All of the labor provided by the third party is subject to collective bargaining agreements, over which we have no control. If the third party fails to provide us with the services required by our agreement for any reason, including labor stoppages or strikes or a sale of facilities owned by the third party, our operations could be adversely effected.

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*We could experience interruption of our manufacturing operations in Mexico which would adversely affect our results of operations.*

In Sahagun, Mexico, we lease our manufacturing facility from a third party. The lease agreement has a term of three years expiring on November 30, 2011, with one three-year option to renew. We could incur substantial expense and interruption of our manufacturing production if we were to relocate to a different location. In addition, there can be no assurance that we would be able to find a suitable alternative location or enter into a lease for a new location on favorable terms.

*Fluctuations in foreign currency exchange rates could lead to increased costs and lower profitability.*

Outside of the United States, we operate in Mexico, Germany and Poland, and our non-U.S. businesses conduct their operations in local currencies and other regional currencies. We also source materials worldwide. Fluctuations in exchange rates may affect demand for our products in foreign markets or our cost competitiveness and may adversely affect our profitability. Although we attempt to mitigate a portion of our exposure to changes in currency rates through currency rate hedge contracts and other activities, these efforts cannot fully eliminate the risks associated with the foreign currencies. In addition, some of our borrowings are in foreign currency, giving rise to risk from fluctuations in exchange rates. A material or adverse change in exchange rates could result in significant deterioration of profits or in losses for us.

*We have potential exposure to environmental liabilities, which could increase costs or have an adverse effect on results of operations.*

We are subject to extensive national, state, provincial and local environmental laws and regulations concerning, among other things, air emissions, water discharge, solid waste and hazardous substances handling and disposal and employee health and safety. These laws and regulations are complex and frequently change. We could incur unexpected costs, penalties and other civil and criminal liability if we fail to comply with environmental laws. We also could incur costs or liabilities related to off-site waste disposal or remediating soil or groundwater contamination at our properties. In addition, future environmental laws and regulations may require significant capital expenditures or changes to our operations.

Environmental studies have been conducted on our owned and leased properties that indicate additional investigation and some remediation on certain properties may be necessary. Our Portland, Oregon manufacturing facility is located adjacent to the Willamette River. The United States Environmental Protection Agency (EPA) has classified portions of the river bed, including the portion fronting our Portland, Oregon facility, as a federal National Priority List or Superfund site due to sediment contamination (the Portland Harbor Site). We and more than 90 other parties have received a General Notice of potential liability from the EPA relating to the Portland Harbor Site. The letter advised that we 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. At this time, ten private and public entities, including us, have 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 have not signed such consent, but are nevertheless contributing money to the effort. The study is expected to be completed in 2011. In February 2008, the EPA sought information from over 200 additional entities, including other federal agencies in order to determine whether additional General Notice letters were warranted. Seventy-one parties have entered into a non-judicial mediation process to try to allocate costs associated with the Portland Harbor site. Approximately 110 additional parties have signed tolling agreements related to such allocations. On April 23, 2009, we 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*, US 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 now been

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stayed, pending completion of the RI/FS. In addition, we have entered into a Voluntary Clean-Up Agreement with the Oregon Department of Environmental Quality in which we agreed to conduct an investigation of whether, and to what extent, past or present operations at the Portland property may have released hazardous substances to the environment. We are also conducting groundwater remediation relating to a historical spill on the property which antedates our ownership.

Because these environmental investigations are still underway, we are unable to determine the amount of ultimate liability relating to these matters. Based on the results of the pending investigations and future assessments of natural resource damages, we may be required to incur costs associated with additional phases of investigation or remedial action, and may be liable for damages to natural resources. In addition, we may be required to perform periodic maintenance dredging in order to continue to launch vessels from our launch ways on the Willamette River, in Portland, Oregon, and the river's classification as a Superfund site could result in some limitations on future dredging and launch activities. Any of these matters could adversely affect our business and results of operations, or the value of our Portland property.

*Our implementation of new enterprise resource planning (ERP) systems could result in problems that could negatively impact our business.*

We continue to work on the design and implementation of ERP and related systems that support substantially all of our operating and financial functions. We could experience problems in connection with such implementations, including compatibility issues, training requirements, higher than expected implementation costs and other integration challenges and delays. A significant implementation problem, if encountered, could negatively impact our business by disrupting our operations. Additionally, a significant problem with the implementation, integration with other systems or ongoing management of ERP and related systems could have an adverse effect on our ability to generate and interpret accurate management and financial reports and other information on a timely basis, which could have a material adverse effect on our financial reporting system and internal controls and adversely affect our ability to manage our business.

*A change in our product mix, a failure to design or manufacture products or technologies or achieve certification or market acceptance of new products or technologies or introduction of products by our competitors could have an adverse effect on our profitability and competitive position.*

We manufacture and repair a variety of railcars. The demand for specific types of these railcars and mix of refurbishment work varies from time to time. These shifts in demand could affect our margins and could have an adverse effect on our profitability.

We continue to introduce new railcar products and technologies and periodically accept orders prior to receipt of railcar certification or proof of ability to manufacture a quality product that meets customer standards. We could be unable to successfully design or manufacture these new railcar products and technologies. Our inability to develop and manufacture such new products and technologies in a timely and profitable manner, to obtain certification, and achieve market acceptance or the existence of quality problems in our new products could have a material adverse effect on our revenue and results of operations and subject us to penalties, cancellation of orders and/or other damages.

In addition, new technologies, changes in product mix or the introduction of new railcars and product offerings by our competitors could render our products obsolete or less competitive. As a result, our ability to compete effectively could be harmed.





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*Our relationships with our joint venture and alliance partners could be unsuccessful, which could adversely affect our business.*

In recent years, we have entered into several joint venture agreements and other alliances with other companies to increase our sourcing alternatives, reduce costs, and to produce new railcars for the North American marketplace. We may seek to expand our relationships or enter into new agreements with other companies. If our joint venture alliance partners are unable to fulfill their contractual obligations or if these relationships are otherwise not successful in the future, our manufacturing costs could increase, we could encounter production disruptions, growth opportunities could fail to materialize, or we could be required to fund such joint venture alliances in amounts significantly greater than initially anticipated, any of which could adversely affect our business.

*We could have difficulty integrating the operations of any companies that we acquire, which could adversely affect our results of operations.*

The success of our acquisition strategy depends upon our ability to successfully complete acquisitions and integrate any businesses that we acquire into our existing business. The integration of acquired business operations could disrupt our business by causing unforeseen operating difficulties, diverting management's attention from day-to-day operations and requiring significant financial resources that would otherwise be used for the ongoing development of our business. The difficulties of integration could be increased by the necessity of coordinating geographically dispersed organizations, integrating personnel with disparate business backgrounds and combining different corporate cultures. In addition, we could be unable to retain key employees or customers of the combined businesses. We could face integration issues pertaining to the internal controls and operational functions of the acquired companies and we also could fail to realize cost efficiencies or synergies that we anticipated when selecting our acquisition candidates. Any of these items could adversely affect our results of operations.

*If we are not successful in succession planning for our senior management team our business could be adversely impacted.*

Several key members of our senior management team are at or nearing retirement age. If we are unsuccessful in our succession planning efforts, the continuity of our business and results of operations could be adversely impacted.

*An adverse outcome in any pending or future litigation could negatively impact our business and results of operations.*

We are a defendant in several pending cases in various jurisdictions. If we are unsuccessful in resolving these claims, our business and results of operations could be adversely affected. In addition, future claims that may arise relating to any pending or new matters, whether brought against us or initiated by us against third parties, could distract management's attention from business operations and increase our legal and related costs, which could also negatively impact our business and results of operations.

*We could be liable for physical damage or product liability claims that exceed our insurance coverage.*

The nature of our business subjects us to physical damage and product liability claims, especially in connection with the repair and manufacture of products that carry hazardous or volatile materials. We maintain reserves and liability insurance coverage at commercially reasonable levels compared to similarly-sized heavy equipment manufacturers. However, an unusually large physical damage or product liability claim or a series



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of claims based on a failure repeated throughout our production process could exceed our insurance coverage or result in damage to our reputation.

*We could be unable to procure adequate insurance on a cost-effective basis in the future.*

The ability to insure our businesses, facilities and rail assets is an important aspect of our ability to manage risk. As there are only limited providers of this insurance to the railcar industry, there is no guarantee that such insurance will be available on a cost-effective basis in the future. In addition, due to recent extraordinary economic events that have significantly weakened many major insurance underwriters, we cannot assure that our insurance carriers will be able to pay current or future claims.

*Any failure by us to comply with regulations imposed by federal and foreign agencies could negatively affect our financial results.*

Our manufacturing operations are subject to extensive regulation by governmental, regulatory and industry authorities and by federal and foreign agencies. These organizations establish rules and regulations for the railcar industry, including construction specifications and standards for the design and manufacture of railcars; mechanical, maintenance and related standards; and railroad safety. New regulatory rulings and regulations from these entities could impact our financial results and the economic value of our assets. In addition, if we fail to comply with the requirements and regulations of these entities, we could face sanctions and penalties that could negatively affect our financial results.

*Our financial performance and market value could cause future write-downs of goodwill in future periods.*

With the adoption of Statement of Accounting Standards (SFAS) No. 142, *Accounting for Goodwill and Other Intangibles*, goodwill is no longer amortized; however, we are required to perform an annual impairment review which could result in impairment write-downs to goodwill. If the carrying value of the asset is in excess of the fair value, the carrying value will be adjusted to fair value through an impairment charge. In 2009 the Company took a pre-tax goodwill write-down of \$55.7 million. As of February 28, 2010, we had \$137.1 million of goodwill. Our stock price can impact the results of the impairment review of goodwill. Future write-downs of goodwill could affect certain of the financial covenants under our credit agreements and could restrict our financial flexibility.

*Our product and repair service warranties could expose us to potentially significant claims.*

We offer our customers limited warranties for many of our products and services. Accordingly, we may be subject to significant warranty claims in the future, such as multiple claims based on one defect repeated throughout our production or servicing process or claims for which the cost of repairing the defective part is highly disproportionate to the original cost of the part. These types of warranty claims could result in costly product recalls, customers seeking monetary damages, significant repair costs and damage to our reputation.

If warranty claims attributable to actions of third party component manufacturers are not recoverable from such parties due to their poor financial condition or other reasons, we could be liable for warranty claims and other risks for using these materials on our railcars.

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**USE OF PROCEEDS**

We estimate that the net proceeds from the sale of the shares, after deducting underwriting discounts and commissions and estimated offering expenses, will be approximately \$46.75 million, or approximately \$53.875 million if the underwriters' overallotment option is exercised in full.

We anticipate that we will use the net proceeds from this offering for general corporate purposes. Our management will have broad discretion to allocate the net proceeds from this offering for such purposes as working capital, capital expenditures, repayment or repurchase of a portion of our indebtedness or acquisitions of, or investments in, complementary businesses and products. We have no current agreements or commitments to use these proceeds to repay or repurchase any indebtedness or to make any material acquisitions or investments. Pending such uses, we plan to invest the net proceeds from this offering in highly liquid, investment-grade securities.

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**Table of Contents****CAPITALIZATION**

The following table sets forth our cash and cash equivalents and capitalization as of February 28, 2010 on an actual basis, on an as adjusted basis and on an as adjusted basis for this offering.

As adjusted gives effect to:

the repurchase of \$22.2 million of principal amount of our 23/8% convertible senior notes due 2026 for \$20 million in cash in April 2010; and

a tax refund of \$14.1 million that was received in March 2010.

As adjusted for this offering assumes that the underwriters do not exercise their overallotment option.

This table should be read in conjunction with Use of Proceeds, Management's Discussion and Analysis of Financial Condition and Results of Operations incorporated by reference in this prospectus supplement from our Quarterly Reports on Form 10-Q for the fiscal quarters ended February 28, 2010 and November 30, 2009, our Current Report on Form 8-K dated April 6, 2010 concerning a disclosure pursuant to Item 8.01 Other Events, our Current Report on Form 8-K/A dated May 4, 2010 and with our historical financial statements and related notes incorporated by reference in this prospectus supplement and the accompanying prospectus. See Where You Can Find Additional Information.

|   | <b>As of February 28, 2010</b> |                       |                          |
|---|--------------------------------|-----------------------|--------------------------|
|   | <b>Actual</b>                  | <b>As Adjusted</b>    | <b>As Adjusted</b>       |
|   | <b>(unaudited)</b>             | <b>(unaudited)</b>    | <b>For this Offering</b> |
|   |                                | <b>(In thousands)</b> | <b>(unaudited)</b>       |
| Cash and cash equivalents   | \$67,907                       | 61,907                | 108,657                  |
| <b>Debt</b>   |                                |                       |                          |
| Revolving notes   | \$17,266                       | 17,266                | 17,266                   |
| Notes payable   | 527,191                        | 508,195               | 508,195                  |
| <b>Equity</b>   |                                |                       |                          |
| Preferred stock without par value, 25,000 shares authorized; none outstanding   |                                |                       |                          |
| Common stock without par value; 50,000 shares authorized; 17,370 shares issued and outstanding at February 28, 2010; 21,370 shares issued and outstanding as adjusted for this offering | 17                             | 17                    | 21                       |
| Additional paid-in capital  | 119,667                        | 118,475               | 165,221                  |
| Retained earnings   | 108,444                        | 109,823               | 109,823                  |
| Accumulated other comprehensive loss  | (8,647)                        | (8,647)               | (8,647)                  |
| Total stockholders' equity controlling interest   | 219,481                        | 219,668               | 266,418                  |
| Noncontrolling interest   | 7,665                          | 7,665                 | 7,665                    |

|              |         |         |         |
|--------------|---------|---------|---------|
| Total Equity | 227,146 | 227,333 | 274,083 |
|--------------|---------|---------|---------|

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**Table of Contents****PRICE RANGE OF OUR COMMON STOCK AND DIVIDEND POLICY**

Our common stock is listed on the New York Stock Exchange under the symbol GBX. On May 6, 2010, the closing price of our common stock on the New York Stock Exchange was \$13.63 per share. The following table sets forth, for the fiscal periods indicated, the high and low sale prices of our common stock as reported on the New York Stock Exchange.

|                                     | <b>High</b> | <b>Low</b> |
|-------------------------------------|-------------|------------|
| <b>2010</b>                         |             |            |
| Third Quarter (through May 6, 2010) | \$18.00     | \$9.23     |
| Second Quarter                      | \$12.32     | \$7.42     |
| First Quarter                       | \$14.05     | \$8.51     |
| <b>2009</b>                         |             |            |
| Fourth Quarter                      | \$14.67     | \$5.40     |
| Third Quarter                       | \$9.54      | \$1.86     |
| Second Quarter                      | \$8.55      | \$3.76     |
| First Quarter                       | \$22.45     | \$4.58     |
| <b>2008</b>                         |             |            |
| Fourth Quarter                      | \$26.30     | \$17.28    |
| Third Quarter                       | \$28.88     | \$21.97    |
| Second Quarter                      | \$29.52     | \$16.03    |
| First Quarter                       | \$30.65     | \$21.17    |

Quarterly dividends were suspended as of the third quarter 2009. A quarterly dividend of \$.04 per share was declared during the second quarter of 2009. Quarterly dividends of \$.08 per share were declared each quarter from the fourth quarter of 2005 through the first quarter of 2009. There is no assurance as to the payment of future dividends as they are dependent, among other things, upon future earnings, capital requirements and our financial condition and are at the discretion of our board of directors. The warrant agreement entered into in June 2009 with the WL Ross Group provides that the exercise price and the number of shares of our common stock issuable upon exercise of the warrants are subject to adjustment for dividends and distributions in excess of a \$0.08 per quarter cash dividend. In addition, our revolving and operating lines of credit and the indenture governing our 83/8% senior notes due 2015 contain, and any future lines of credit, indentures or other indebtedness which may be incurred by us may contain, limitations on our ability to pay dividends.

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**MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES**

The following discussion describes material U.S. federal income tax consequences associated with the purchase, ownership and disposition of shares of our common stock. This discussion deals only with shares of our common stock held as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code) (generally, property held for investment). This discussion does not address special situations, including, without limitation, those of:

- brokers or dealers in securities;
- financial institutions;
- regulated investment companies;
- real estate investment trusts;
- tax-exempt entities;
- insurance companies;
- persons holding common stock as a part of a hedging, integrated, conversion or constructive sale transaction or a straddle;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- persons liable for alternative minimum tax;
- U.S. Holders (as defined below) whose functional currency is not the U.S. dollar;
- investors in pass-through entities;
- entities or arrangements treated as partnerships for U.S. federal income tax purposes;
- persons who acquired our common stock through the exercise of employee stock options or otherwise as compensation;
- U.S. expatriates;
  - controlled foreign corporations ; or
  - passive foreign investment companies.

This discussion does not address all aspects of U.S. federal income taxation and does not deal with all tax consequences that may be relevant to holders in light of their personal circumstances. Furthermore, this discussion is based upon the provisions of the Code, the existing and proposed U.S. Treasury regulations promulgated thereunder and administrative and judicial interpretations thereof, all as of the date hereof, and such authorities may be repealed,



revoked, modified or subject to differing interpretations, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those discussed below. This discussion does not address any state, local or foreign tax consequences, or any U.S. federal tax consequences other than U.S. federal income tax consequences. Persons considering the purchase, ownership or disposition of our common stock should consult their own tax advisors concerning the U.S. federal tax

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consequences in light of their particular situations as well as any consequences arising under the laws of any other jurisdiction.

If a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner in a partnership purchasing our common stock, we urge you to consult your own tax advisor.

THIS SUMMARY IS FOR GENERAL INFORMATION ONLY AND IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK. PROSPECTIVE HOLDERS OF OUR COMMON STOCK ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM (INCLUDING THE APPLICATION AND EFFECT OF ANY STATE, LOCAL, AND FOREIGN INCOME AND OTHER TAX LAWS) OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK.

### **Consequences to U.S. Holders**

The following is a summary of the U.S. federal income tax consequences that will apply to you if you are a U.S. Holder of shares of our common stock. A U.S. Holder of common stock means a beneficial owner of common stock that is for U.S. federal income tax purposes:

an individual citizen or resident of the United States;

a corporation (or other entity taxable as a corporation) created or organized in or under the laws of the United States or any state thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust if it is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

### *Dividends*

If you receive a distribution in respect of shares of our common stock, it generally will be treated as a dividend to the extent it is paid from current or accumulated earnings and profits. If you receive a distribution that exceeds current and accumulated earnings and profits, the excess will be treated as a nontaxable return of capital reducing your tax basis in the common stock to the extent of your tax basis in that stock. Any remaining excess will be treated as capital gain. If you are an individual, any dividends you receive generally will be subject to a reduced maximum tax rate of 15% through December 31, 2010 (provided certain holding period requirements are satisfied), after which the rate applicable to dividends is scheduled to return to the tax rate generally applicable to ordinary income. The rate reduction does not apply to dividends received to the extent that you elect to treat the dividends as investment income, which may be offset by investment expense. If you are a U.S. corporation, you will be able to claim the deduction allowed to U.S. corporations in respect of dividends received from other U.S. corporations equal to a portion of any dividends received, subject to generally applicable limitations on that deduction. In general, a dividend distribution to a corporate U.S. Holder may qualify for the 70% dividends received deduction if the U.S. Holder owns less than 20% of the voting power and value of our stock. You should consult your tax



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advisor regarding the holding period and other requirements that must be satisfied in order to qualify for the dividends-received deduction and the reduced maximum tax rate on dividends.

### *Sale, Exchange, or Other Disposition of Common Stock*

You will generally recognize capital gain or loss on a sale, exchange or certain other dispositions of our common stock. Your gain or loss will equal the difference between your amount realized and your tax basis in the stock. Your amount realized will include the amount of any cash and the fair market value of any other property received for the stock. The gain or loss recognized on a sale or exchange of stock will be long-term capital gain or loss if you have held the stock for more than one year. Long-term capital gains of non-corporate taxpayers are generally taxed at lower rates than those applicable to ordinary income. The deductibility of capital losses is subject to certain limitations.

### *Information Reporting and Backup Withholding*

Under certain circumstances, U.S. Treasury regulations require information reporting and backup withholding on certain payments on common stock or on the sale thereof. When required, we will report to the Internal Revenue Service and to each U.S. Holder the amounts paid on or with respect to our common stock and the U.S. federal withholding tax, if any, withheld from such payments. A U.S. Holder will be subject to backup withholding on the dividends paid on the common stock and proceeds from the sale of the common stock at the applicable rate (which is currently 28%) if the U.S. Holder (a) fails to provide us or our paying agent with a correct taxpayer identification number or certification of exempt status (such as a certification of corporate status), (b) has been notified by the Internal Revenue Service that it is subject to backup withholding as a result of the failure to properly report payments of interest or dividends, or (c) in certain circumstances, has failed to certify under penalty of perjury that it is not subject to backup withholding. A U.S. Holder may be eligible for an exemption from backup withholding by providing a properly completed Internal Revenue Service Form W-9 to us or our paying agent.

Backup withholding does not represent an additional U.S. federal income tax. Any amounts withheld from a payment to a U.S. Holder under the backup withholding rules will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information or returns are timely furnished by the holder to the Internal Revenue Service.

### **Consequences to Non-U.S. Holders**

The following is a summary of the U.S. federal income tax consequences that will apply to you if you are a Non-U.S. Holder of shares of our common stock. A Non-U.S. Holder is a beneficial owner of common stock (other than an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder.

### **Dividends**

Dividends paid to you, if any, generally will be subject to withholding of U.S. federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. If you wish to claim the benefit of an applicable income tax treaty for dividends, you will be required to complete Internal Revenue Service Form W-8BEN (or other applicable form) and certify under penalties of perjury that you are not a U.S. person and that you are entitled to the benefits of the applicable income tax treaty. Special certification and other requirements may apply to certain Non-U.S. Holders that are entities rather than individuals.

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Dividends that are effectively connected with your conduct of a trade or business within the United States and, if certain treaties apply, are attributable to your U.S. permanent establishment, are not subject to the withholding tax but instead are subject to U.S. federal income tax rates in the same manner as if you were a U.S. Holder. Special certification and disclosure requirements, including the completion of Internal Revenue Service Form W-8ECI (or any successor form), must be satisfied for effectively connected dividends to be exempt from withholding. If you are a foreign corporation, any such effectively connected dividends received by you may be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

If you are eligible for a reduced rate of U.S. withholding tax pursuant to an income tax treaty, you may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the Internal Revenue Service.

### **Sale, Exchange or Other Disposition of Common Stock**

You generally will not be subject to U.S. federal income tax with respect to gain recognized on a sale, exchange or other disposition of shares of our common stock unless:

the gain is effectively connected with your conduct of a trade or business in the United States, and, if certain income tax treaties apply, is attributable to your U.S. permanent establishment;

if you are an individual and hold shares of our common stock as a capital asset, you are present in the United States for 183 days or more in the taxable year of the sale, exchange or other disposition, and certain other conditions are met; or

we are or have been a U.S. real property holding corporation for U.S. federal income tax purposes and certain other conditions are met.

If you are an individual and are described in the first bullet above, you will be subject to tax on the net gain derived from the sale under regular graduated U.S. federal income tax rates in the same manner as if you were a U.S. Holder. If you are an individual and are described in the second bullet above, you will be subject to a flat 30% tax on the gain derived from the sale, exchange or other disposition, which may be offset by U.S. source capital losses (even though you are not considered a resident of the United States). If you are an individual and eligible for the benefits of a tax treaty between the United States and your country of residence, any such gain will be subject to United States federal income tax in the manner specified by the treaty and generally will only be subject to such tax if such gain is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States and the Non-U.S. Holder claims the benefit of the treaty by properly submitting an IRS Form W-8BEN (or suitable successor or substitute form). If you are a foreign corporation and are described in the first bullet above, you will be subject to tax on your gain under regular graduated U.S. federal income tax rates in the same manner as if you were a U.S. Holder and, in addition, may be subject to the branch profits tax on your effectively connected earnings and profits at a rate of 30% or at such lower rate as may be specified by an applicable income tax treaty.

Generally, a corporation is a U.S. real property holding corporation if the fair market value of its U.S. real property interests, as defined in the Code and applicable Treasury Regulations, equals or exceeds 50% of the aggregate fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. We believe we are not, and do not anticipate becoming, a U.S. real property holding corporation for U.S. federal income tax purposes.

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### **Information Reporting and Backup Withholding**

In general, we must report annually to the Internal Revenue Service and to each Non-U.S. Holder the amount of dividends paid to that holder and the U.S. federal withholding tax withheld with respect to those dividends, regardless of whether withholding is reduced or eliminated by an applicable income tax treaty. Copies of this information reporting may also be made available under the provisions of a specific tax treaty or agreement with the tax authorities in the country in which the Non-U.S. Holder resides or is established.

U.S. backup withholding tax (currently at a rate of 28%) is imposed on certain dividend payments to Non-U.S. Holders that fail to furnish the information required under the U.S. information reporting requirements. Dividends on common stock paid to a Non-U.S. Holder will generally be exempt from backup withholding, provided the Non-U.S. Holder meets applicable certification requirements, including providing a correct and properly executed Internal Revenue Service Form W-8BEN, or otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale of our common stock within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a Non-U.S. Holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person as defined under the Code), or such owner otherwise establishes an exemption.

Backup withholding does not represent an additional U.S. federal income tax. Any amounts withheld from a payment to a Non-U.S. Holder under the backup withholding rules will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information or returns are timely furnished by the holder to the Internal Revenue Service.

### **Recent Legislative Developments**

#### *Foreign Account Legislation*

Recently enacted legislation, that is effective for amounts paid after December 31, 2012, generally will impose a withholding tax of 30% on any dividends on our common stock paid to a foreign financial institution, unless such institution enters into an agreement with the U.S. government to, among other things, collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners). The legislation will also generally impose a withholding tax of 30% on any dividends on our common stock paid to a non-financial foreign entity unless such entity provides the withholding agent with either certification that such entity does not have any substantial United States owners or identification of the direct and indirect substantial U.S. owners of the entity. Finally, withholding of 30% also generally will apply to the gross proceeds of a disposition of our common stock paid to a foreign financial institution or to a non-financial foreign entity unless the reporting and certification requirements described above have been met. Under certain circumstances, a Non-U.S. Holder of our common stock may be eligible for refunds or credits of such taxes. Investors are encouraged to consult with their tax advisors regarding the possible implications of this legislation on their investment in our common stock.

#### *Healthcare Legislation*

Recently enacted legislation requires certain United States stockholders who are individuals, estates or trusts to pay an additional 3.8% tax on, among other things, dividends on and capital gains from the sale or other disposition of stock

for taxable years beginning after December 31, 2012. U.S. Holders are encouraged to consult their tax advisors regarding the effect of this legislation on their investment in our common stock.

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**Table of Contents****UNDERWRITING**

Merrill Lynch, Pierce, Fenner & Smith Incorporated and Jefferies & Company, Inc. are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in a purchase agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

| <b>Underwriter</b>                                    | <b>Number<br/>of Shares</b> |
|---|-----------------------------|
| Merrill Lynch, Pierce, Fenner & Smith<br>Incorporated | 2,400,000                   |
| Jefferies & Company, Inc.                             | 1,600,000                   |
| Total   | 4,000,000                   |

Subject to the terms and conditions set forth in the purchase agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the purchase agreement if any of these shares are purchased. If an underwriter defaults, the purchase agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the purchase agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the purchase agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

**Commissions and Discounts**

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus supplement and to dealers at that price less a concession not in excess of \$.37 per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their overallotment option.

|                       | <b>Per Share</b> | <b>Without Option</b> | <b>With Option</b> |
|-----------------------|------------------|-----------------------|--------------------|
| Public offering price | \$12.50          | \$50,000,000          | \$57,500,000       |
| Underwriting discount | \$.625           | \$2,500,000           | \$2,875,000        |



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|                                  |          |              |              |
|----------------------------------|----------|--------------|--------------|
| Proceeds, before expenses, to us | \$11.875 | \$47,500,000 | \$54,625,000 |
|----------------------------------|----------|--------------|--------------|

The expenses of the offering, not including the underwriting discount, are estimated at \$750,000 and are payable by us. In addition, pursuant to an engagement letter we previously entered into with Jefferies & Company, they have agreed to make a payment to us in the amount of \$150,000 following the closing of this offering as a credit against fees we previously paid to Jefferies & Company in connection with an unrelated transaction.

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### **Overallotment Option**

We have granted an option to the underwriters to purchase up to 600,000 additional shares at the public offering price, less the underwriting discount. The underwriters may exercise this option for 30 days from the date of this prospectus solely to cover any overallotments. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the purchase agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

### **No Sales of Similar Securities**

We, our executive officers and directors and certain of their affiliates have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for or exercisable for common stock, for 90 days after the date of this prospectus without first obtaining the written consent of the Representatives. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly:

offer, pledge, sell or contract to sell any common stock;

sell any option or contract to purchase any common stock;

purchase any option or contract to sell any common stock;

grant any option, right or warrant for the sale of any common stock;

lend or otherwise dispose of or transfer any common stock;

request or demand that we file a registration statement related to the common stock; or

enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to our common stock and to securities convertible into or exchangeable or exercisable for or repayable with our common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition. In the event that either (x) during the last 17 days of the lock-up period referred to above, we issue an earnings release or material news or a material event relating to the Company occurs or (y) prior to the expiration of the lock-up period, we announce that we will release earnings results or become aware that material news or a material event will occur during the 16-day period beginning on the last day of the lock-up period, the restrictions described above shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

### **New York Stock Exchange Listing**

The shares are listed on the New York Stock Exchange under the symbol GBX.

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### **Price Stabilization, Short Positions**

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. Covered short sales are sales made in an amount not greater than the underwriters overallotment option described above. The underwriters may close out any covered short position by either exercising their overallotment option or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the overallotment option. Naked short sales are sales in excess of the overallotment option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

Similar to other purchase transactions, the underwriters purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the New York Stock Exchange, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

### **Electronic Offer, Sale and Distribution of Shares**

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail. In addition, one or more of the underwriters may facilitate Internet distribution for this offering to certain of its Internet subscription customers. One or more of the underwriters may allocate a limited number of shares for sale to its online brokerage customers. An electronic prospectus is available on the Internet web site maintained by one or more of the underwriters. Other than the prospectus in electronic format, the information on such underwriters web site is not part of this prospectus.

### **Other Relationships**

Affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated serve as administrative agents, sole lead arranger and sole book manager and lender under our credit agreement. The underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.



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**Notice to Prospective Investors in the EEA**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State ) an offer to the public of any shares which are the subject of the offering contemplated by this prospectus may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than 43,000,000 and (3) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;
- (c) by the underwriters to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or
- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided, that no such offer of shares shall result in a requirement for the publication by us or any representative of a prospectus pursuant to Article 3 of the Prospectus Directive.

Any person making or intending to make any offer of shares within the EEA should only do so in circumstances in which no obligation arises for us or any of the underwriters to produce a prospectus for such offer. Neither we nor the underwriters have authorized, nor do they authorize, the making of any offer of shares through any financial intermediary, other than offers made by the underwriters which constitute the final offering of shares contemplated in this prospectus.

For the purposes of this provision, and your representation below, the expression an offer to the public in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase any shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any shares under, the offer of shares contemplated by this prospectus will be deemed to have represented, warranted and agreed to and with us and each underwriter that:

- (A) it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
- (B) in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the shares acquired by it in the offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors (as defined in the

Prospectus Directive), or in circumstances in which the prior consent of the representatives has been given to the offer or resale; or (ii) where shares have

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been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those shares to it is not treated under the Prospectus Directive as having been made to such persons.

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are qualified investors (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the Order ) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons ). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

### **Notice to Prospective Investors in Switzerland**

This document, as well as any other material relating to the shares which are the subject of the offering contemplated by this prospectus, do not constitute an issue prospectus pursuant to Article 652a and/or 1156 of the Swiss Code of Obligations. The shares will not be listed on the SIX Swiss Exchange and, therefore, the documents relating to the shares, including, but not limited to, this document, do not claim to comply with the disclosure standards of the listing rules of SIX Swiss Exchange and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange. The shares are being offered in Switzerland by way of a private placement, i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the shares with the intention to distribute them to the public. The investors will be individually approached by the issuer from time to time. This document, as well as any other material relating to the shares, is personal and confidential and do not constitute an offer to any other person. This document may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without express consent of the issuer. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

### **Notice to Prospective Investors in the Dubai International Financial Centre**

This document relates to an exempt offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This document is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with exempt offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The shares which are the subject of the offering contemplated by this prospectus may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this document you should consult an authorised financial adviser.

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**LEGAL MATTERS**

Tonkon Torp LLP, Portland, Oregon, will pass upon the validity of the common stock being offered by this prospectus supplement and certain other legal matters, and Paul, Hastings, Janofsky & Walker LLP, Orange County, California, will pass upon certain legal matters for us in connection with the offered securities. Certain legal matters will be passed upon for the underwriters by Gibson, Dunn & Crutcher LLP, Los Angeles, California.

**EXPERTS**

The consolidated financial statements incorporated in this prospectus supplement by reference from the Company's Current Report on Form 8-K dated April 6, 2010, and the effectiveness of the Company's internal control over financial reporting incorporated by reference from the Company's Annual Report on Form 10-K for the year ended August 31, 2009 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports (which reports (1) express an unqualified opinion on the consolidated financial statements and includes an explanatory paragraph relating to the adoption of accounting guidance related to convertible debt and noncontrolling interests and, (2) express an unqualified opinion on the effectiveness of internal control over financial reporting), which are incorporated herein by reference. Such consolidated financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

**WHERE YOU CAN FIND ADDITIONAL INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we filed at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. Our SEC filings are also available to the public on the website maintained by the SEC at <http://www.sec.gov>.

You may also obtain free copies of the documents that we file with the SEC by going to the Investors Information section of our website, <http://www.gbrx.com>. The information provided on our website is not part of this prospectus supplement or the accompanying prospectus.

**INCORPORATION BY REFERENCE**

The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to another document that we have filed separately with the SEC. You should read the information incorporated by reference because it is an important part of this prospectus supplement. Any information incorporated by reference into this prospectus supplement is considered to be part of this prospectus supplement from the date we file that document. We incorporate by reference the following information or documents that we have filed with the SEC (Commission File No. 001-13146) which shall not include, in each case, documents, or information deemed to have been furnished and not filed in accordance with SEC rules:

Our Annual Report on Form 10-K for the fiscal year ended August 31, 2009 filed with the SEC on November 12, 2009;



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Our Quarterly Reports on Form 10-Q for the fiscal quarter ended November 30, 2009 filed with the SEC on January 8, 2010, and for the fiscal quarter ended February 28, 2010 filed with the SEC on April 7, 2010;

Our Current Reports on Form 8-K filed with the SEC on December 15, 2009, January 13, 2010, March 9, 2010, April 7, 2010 concerning a disclosure pursuant to Item 8.01 Other Events, April 9, 2010 and our Current Report on Form 8-K/A filed with the SEC on May 5, 2010;

The description of our common stock set forth in our registration statement on Form S-1, as declared effective on July 11, 1994 (Registration No. 33-78852), which description has been updated by our registration statement on Form S-3 filed with the SEC on July 25, 2006; and

The description of our preferred share purchase rights set forth in our registration statement on Form 8-A filed with the SEC on July 16, 2004, which description has been updated by our registration statement on Form S-3 filed with the SEC on July 25, 2006.

Any information in any of the foregoing documents will automatically be deemed to be modified or superseded to the extent that information in this prospectus supplement or in a later filed document or other report that is incorporated or deemed to be incorporated herein by reference modifies or replaces such information.

We also incorporate by reference any future filings (other than current reports furnished under Item 2.02 or Item 7.01 of Form 8-K and exhibits filed on such form that are related to such items) made with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, until we file a post-effective amendment that indicates the termination of the offering of the common stock made by this prospectus supplement. Information in such future filings updates and supplements the information provided in this prospectus supplement. These documents include proxy statements and periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and, to the extent they are considered filed and except as described above, Current Reports on Form 8-K. Any statements in any such future filings will automatically be deemed to modify and supersede any information in any document we previously filed with the SEC that is incorporated or deemed to be incorporated herein by reference to the extent that statements in the later filed document modify or replace such earlier statements.

We will provide to each person, including any beneficial owner, to whom this prospectus supplement is delivered, without charge upon written or oral request, a copy of any or all of the documents that are incorporated by reference into this prospectus supplement but not delivered with this prospectus supplement, including exhibits which are specifically incorporated by reference into such documents. If you would like to request documents from us, please send a request in writing or by telephone to us at the following address:

The Greenbrier Companies, Inc.  
One Centerpointe Drive, Suite 200  
Lake Oswego, OR 97035  
(503) 684-7000  
Attn: Secretary

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PROSPECTUS

**\$300,000,000  
Common Stock  
Preferred Stock  
Debt Securities  
Guarantees  
Warrants  
Rights  
Units**

From time to time, we may offer up to \$300,000,000 of our common stock, preferred stock, debt securities, warrants or rights to purchase common stock, preferred stock or debt securities or any combination of these securities, and units consisting of common stock, preferred stock, debt securities or warrants or any combination of these securities, in one or more transactions. We may also offer common stock or preferred stock upon conversion of debt securities, common stock upon conversion of preferred stock, or common stock, preferred stock or debt securities upon the exercise of warrants or rights.

We will provide the specific terms of these offerings and securities in one or more supplements to this prospectus. We may also authorize one or more free writing prospectuses to be provided to you in connection with these offerings. The prospectus supplement and any related free writing prospectus may also add, update or change information contained in this prospectus. You should carefully read this prospectus, the applicable prospectus supplement and any related free writing prospectus, as well as any documents incorporated by reference, before buying any of the securities being offered.

Our common stock is traded on the New York Stock Exchange under the symbol GBX. On April 5, 2010, the last reported sale price of our common stock on the New York Stock Exchange was \$11.99. The applicable prospectus supplement will contain information, where applicable, as to any other listing, if any, on the New York Stock Exchange or any securities market or other exchange of the securities covered by the applicable prospectus supplement.

*Investing in our securities involves a high degree of risk. You should review carefully the risks and uncertainties described under the heading Risk Factors on page 2 and contained in the applicable prospectus supplement and any related free writing prospectus, and under similar headings in the other documents that are incorporated by reference into this prospectus.*

**This prospectus may not be used to consummate a sale of any securities unless accompanied by a prospectus supplement.**

The securities may be sold directly by us to investors, through agents designated from time to time or to or through underwriters or dealers, (or through a combination of these methods or any other method as provided in the applicable prospectus supplement) on a continuous or delayed basis. For additional information on the methods of sale, you should refer to the section titled Plan of Distribution in this prospectus. If any agents or underwriters are involved in the sale of any securities with respect to which this prospectus is being delivered, the names of such agents or underwriters and any applicable fees, commissions, discounts and over-allotment options will be set forth in a prospectus supplement. The price to the public of such securities and the net proceeds that we expect to receive from such sale will also be set forth in a prospectus supplement.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The date of this prospectus is April 14, 2010.

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**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or SEC, utilizing a shelf registration process. Under this shelf registration process, we may offer shares of our common stock or preferred stock, various series of debt securities, guarantees, rights and/or warrants to purchase any of such securities, either individually or in units, in one or more offerings, up to a total dollar amount of \$300,000,000. We may also offer common stock or preferred stock upon conversion of debt securities, common stock upon conversion of preferred stock, or common stock, preferred stock or debt securities upon the exercise of warrants or rights. This prospectus provides you with a general description of the securities we may offer. Each time we offer a type or series of securities under this prospectus, we will provide a prospectus supplement that will contain more specific information about the terms of those securities. We may also authorize one or more free writing prospectuses to be provided to you that may contain material information relating to these offerings. We may also add or update in the prospectus supplement (and in any related free writing prospectus that we may authorize to be provided to you) any of the information contained in this prospectus or in the documents we have incorporated by reference into this prospectus. We urge you to carefully read this prospectus, any applicable prospectus supplement and any related free writing prospectus, together with the information incorporated herein by reference as described under the heading

Where You Can Find Additional Information, before buying any of the securities being offered. **THIS PROSPECTUS MAY NOT BE USED TO CONSUMMATE A SALE OF SECURITIES UNLESS IT IS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.**

You should rely only on the information that we have provided or incorporated by reference in this prospectus, any applicable prospectus supplement and any related free writing prospectus that we may authorize to be provided to you. We have not authorized anyone to provide you with different information. No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus, any applicable prospectus supplement or any related free writing prospectus that we may authorize to be provided to you. You must not rely on any unauthorized information or representation. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus is an offer to sell only the securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. We will not make an offer to sell our securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus, any applicable prospectus supplement, any related free writing prospectus, is accurate only as of the date on the front cover of this prospectus, the applicable free writing prospectus supplement or free writing prospectus, as applicable, and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference, regardless of the time of delivery of this prospectus, any applicable prospectus supplement or any related free writing prospectus, or any sale of a security. Our business, financial condition, results of operations and prospects may have changed since that date.

This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. The registration statement containing this prospectus, including exhibits to the registration statement, provides additional information about us and the securities offered under this prospectus. Copies of some of the documents referred to herein have been filed, will be filed or will be incorporated by reference as exhibits to the registration statement of which this prospectus is a part, and you may obtain copies of those documents as described below under the heading Where You Can Find Additional Information. The Greenbrier Companies is our registered trademark. Gunderson, Maxi-Stack, Auto-Max and YSD are registered trademarks of Gunderson LLC.

**THE GREENBRIER COMPANIES, INC.**

We are one of the leading designers, manufacturers and marketers of railroad freight car equipment in North America and Europe, a manufacturer and marketer of ocean-going marine barges in North America and a leading provider of railcar refurbishment and parts, leasing and other services to the railroad and related transportation industries in North America.

We operate an integrated business model in North America that combines freight car manufacturing, repair and refurbishment, component parts reconditioning, leasing and fleet management services to provide customers with a comprehensive set of freight car solutions. This model allows us to develop synergies between our various business activities.

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We operate in three primary business segments: Manufacturing, Refurbishment & Parts and Leasing & Services. Financial information about our business segments for the years ended August 31, 2009, 2008 and 2007 is located in Note 24 to the Consolidated Financial Statements in our Annual Report on Form 10-K, filed November 12, 2009.

The Greenbrier Companies, Inc., which was incorporated in Delaware in 1981, consummated a merger on February 28, 2006 with its affiliate, Greenbrier Oregon, Inc., an Oregon corporation, for the sole purpose of changing its state of incorporation from Delaware to Oregon. Greenbrier Oregon survived the merger and assumed the name, The Greenbrier Companies, Inc. Our principal executive offices are located at One Centerpointe Drive, Suite 200, Lake Oswego, Oregon 97035, our telephone number is (503) 684-7000, and our website is located at [www.gbrx.com](http://www.gbrx.com). The information found on, or accessible through, our website is not part of this prospectus.

In this prospectus, we refer to common stock, preferred stock, debt securities, warrants, rights and units collectively as securities. Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to we, us, our, the Company, Greenbrier and similar references refer to The Greenbrier Companies, Inc., an Oregon corporation, and its wholly-owned subsidiaries.

## **RISK FACTORS**

Investing in our securities involves a high degree of risk. You should carefully review the risks and uncertainties described under the heading Risk Factors contained in the applicable prospectus supplement and any related free writing prospectus, and under similar headings in the other documents, including our most recent annual report on Form 10-K, any subsequent quarterly reports on Form 10-Q as well as any amendments thereto, and in other filings with the SEC, that are incorporated by reference into this prospectus. The occurrence of any of these risks might cause you to lose all or part of your investment in the offered securities. Additional risks not presently known to us or that we currently believe are immaterial may also significantly impair our business operations and financial condition.

## **FORWARD-LOOKING STATEMENTS**

This prospectus and the documents incorporated by reference contain forward-looking statements of Greenbrier within the meaning of Section 27A of the Securities Act of 1933, as amended, the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, the Exchange Act. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. These forward-looking statements rely on a number of assumptions concerning future events and include statements relating to:

availability of financing sources and borrowing base for working capital, other business development activities, capital spending and railcar warehousing activities;

ability to renew, maintain or obtain sufficient lines of credit and performance guarantees on acceptable terms;

ability to utilize beneficial tax strategies;

ability to grow our refurbishment & parts and lease fleet and management services businesses;

ability to obtain sales contracts which provide adequate protection against increased costs of materials and components;

ability to obtain adequate insurance coverage at acceptable rates;

ability to obtain adequate certification and licensing of products; and  
short- and long-term revenue and earnings effects of the above items.



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Forward-looking statements are subject to a number of uncertainties and other factors outside our control. The following factors, among others, could cause actual results or outcomes to differ materially from the forward-looking statements:

fluctuations in demand for newly manufactured railcars or marine barges;

delays in receipt of orders, risks that contracts may be canceled during their term or not renewed and that customers may not purchase the amount of products or services under the contracts as anticipated;

ability to maintain sufficient availability of credit facilities and to maintain compliance with or to obtain appropriate amendments to covenants under various credit agreements;

domestic and global political or economic conditions including such matters as terrorism, war, embargoes or quotas;

growth or reduction in the surface transportation industry;

ability to maintain good relationships with third party labor providers or collective bargaining units;

steel and specialty component price fluctuations, scrap surcharges, steel scrap prices and other commodity price fluctuations and their impact on product demand and margin;

a delay or failure of acquired businesses, start-up operations, or new products or services to compete successfully;

changes in product mix and the mix of revenue levels among reporting segments;

labor disputes, energy shortages or operating difficulties that might disrupt 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 alliance partners, subcontractors or suppliers;

ability to renew or replace expiring customer contracts on satisfactory terms;

ability to obtain and execute suitable contracts for railcars held for sale;

lower than anticipated lease renewal rates, earnings on utilization based leases or residual values for leased equipment;

discovery of defects in railcars resulting in increased warranty costs or litigation;

resolution or outcome of pending or future litigation and investigations;

financial condition of principal customers;

competitive factors, including introduction of competitive products, new entrants into certain of our markets, price pressures, limited customer base and competitiveness of our manufacturing facilities and products;

industry overcapacity and our manufacturing capacity utilization;

decreases in carrying value of inventory, goodwill or other assets due to impairment;

severance or other costs or charges associated with lay-offs, shutdowns, or reducing the size and scope of operations;

changes in future maintenance or warranty requirements;

ability to adjust to the cyclical nature of the railcar industry;

changes in interest rates and financial impacts from interest rates;

ability and cost to maintain and renew operating permits;

actions by various regulatory agencies;

changes in fuel and/or energy prices;

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risks associated with our intellectual property rights or those of third parties, including infringement, maintenance, protection, validity, enforcement and continued use of such rights;

expansion of warranty and product support terms beyond those which have traditionally prevailed in the rail supply industry;

availability of a trained work force and availability and/or price of essential raw materials, specialties or components, including steel castings, to permit manufacture of units on order;

failure to successfully integrate acquired businesses;

discovery of unknown liabilities associated with acquired businesses;

failure of or delay in implementing and using new software or other technologies;

ability to replace maturing lease revenue and earnings with revenue and earnings from additions to the lease fleet and management services;

credit limitations upon our ability to maintain effective hedging programs; and

financial impacts from currency fluctuations and currency hedging activities in our worldwide operations.

Any forward-looking statements should be considered in light of these factors. Words such as anticipates, believes, forecast, potential, contemplates, expects, intends, plans, believes, seeks, estimates, could, would, similar expressions identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements. You are cautioned not to put undue reliance on any forward-looking statements. Except as otherwise required by law, we do not assume any obligation to update any forward-looking statements. In evaluating an investment in our securities, you should carefully consider the discussion of risks and uncertainties described under the heading Risk Factors contained in this prospectus and the applicable prospectus supplement and any related free writing prospectus, and under similar headings in the other documents, including our most recent annual report on Form 10-K and in our most recent quarterly report on Form 10-Q, as well as any amendments thereto, and in other filings with the SEC, that are incorporated by reference into this prospectus. You should carefully read both this prospectus, the applicable prospectus supplement and any related free writing prospectus, together with the information incorporated herein by reference as described under the heading Incorporation by Reference, completely and with the understanding that our actual future results may be materially different from what we expect.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES**

Set forth below is information concerning our ratio of earnings to fixed charges on a consolidated basis for the periods indicated. The ratio of earnings to fixed charges below has been computed by dividing earnings before fixed charges by fixed charges. Earnings before fixed charges consist of earnings (loss) before income tax, noncontrolling interest and equity in unconsolidated subsidiaries, plus fixed charges. Fixed charges consist of interest expense, including amortization of debt issuance costs, and the portion of rental expense that we believe is representative of the interest component of lease expense. The ratio calculated below is not the same as the calculation of similarly titled fixed charge coverage ratios required by our existing debt agreements.

|  | <b>Fiscal Years Ended August 31</b>      |             |             |             |             | <b>Six Months Ended February 28</b> |             |
|--|--|-------------|-------------|-------------|-------------|-------------------------------------|-------------|
|  | <b>2005</b>                              | <b>2006</b> | <b>2007</b> | <b>2008</b> | <b>2009</b> | <b>2009</b>                         | <b>2010</b> |
|  | <b>(In thousands, except for ratios)</b> |             |             |             |             |                                     |             |
| Earnings (loss) before income tax, noncontrolling interest and equity in unconsolidated subsidiaries | \$ 50,000                                | \$ 60,144   | \$ 30,914   | \$ 30,488   | \$ (74,215) | \$ (19,056)                         | \$ (10,876) |
| Interest expense   | 14,835                                   | 26,317      | 43,206      | 44,320      | 45,912      | 20,917                              | 23,517      |
| Estimated interest portion of rent expense   | 5,591                                    | 6,465       | 7,249       | 11,371      | 11,869      | 5,189                               | 5,699       |
|  | \$ 70,426                                | \$ 92,926   | \$ 81,369   | \$ 86,179   | \$ (16,434) | \$ 7,050                            | \$ 18,340   |
| Fixed charges  | \$ 20,426                                | \$ 32,782   | \$ 50,455   | \$ 55,691   | \$ 57,781   | \$ 26,106                           | \$ 29,216   |
| Ratio of earnings to fixed charges(1)  | 3.45                                     | 2.83        | 1.61        | 1.55        | (0.28)      | 0.27                                | 0.63        |
| Deficiency of earnings to fixed charges  |  |             |             |             | \$ 74,215   | \$ 19,056                           | \$ 10,876   |

(1) Our earnings were insufficient to cover our fixed charges in the twelve months ended August 31, 2009, and the six months ended February 28, 2009 and 2010.

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**THE SECURITIES WE MAY OFFER**

We may offer shares of our common stock or preferred stock, various series of debt securities, rights and/or warrants to purchase any of such securities, either individually or in units, in one or more offerings, with a total value of up to \$300,000,000 from time to time under this prospectus at prices and on terms to be determined by market conditions at the time of any offering. We may also offer common stock or preferred stock upon conversion of debt securities, common stock upon conversion of preferred stock, or common stock, preferred stock or debt securities upon the exercise of warrants or rights. This prospectus provides you with a general description of the securities we may offer. Each time we offer a type or series of securities under this prospectus, we will provide a prospectus supplement that will describe the specific amounts, prices and other important terms of the securities including, to the extent applicable:

designation or classification;

aggregate principal amount or aggregate offering price;

maturity;

original issue discount;

rates and times of payment of interest or dividends;

redemption, conversion, exercise, exchange or sinking fund terms;

ranking;

restrictive covenants;

voting or other rights;

events of default;

restriction on transfer, sale or other assignment;

security and subordination;

terms of modification;

conversion prices; and

important United States federal income tax considerations.

The prospectus supplement and any related free writing prospectus that we may authorize to be provided to you may also add or update information contained in this prospectus or in documents we have incorporated by reference. However, no prospectus supplement or free writing prospectus will offer a security that is not registered and described in this prospectus at the time of the effectiveness of the registration statement of which this prospectus is a part.

**THIS PROSPECTUS MAY NOT BE USED TO CONSUMMATE A SALE OF SECURITIES UNLESS IT IS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.**

We may sell the securities directly to investors or to or through agents, underwriters or dealers. We, and our agents or underwriters, reserve the right to accept or reject all or part of any proposed purchase of securities. If we do offer securities to or through agents or underwriters, we will include in the applicable prospectus supplement:

the names of those agents or underwriters;

applicable fees, discounts and commissions to be paid to them;

details regarding over-allotment options, if any; and

the net proceeds to us.

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*Common Stock.* We may issue shares of our common stock from time to time. The holders of common stock are entitled to one vote for each share held of record on all matters submitted to a vote of shareholders and do not have cumulative voting rights. Subject to preferences that may be applicable to any outstanding shares of preferred stock, the holders of common stock are entitled to receive ratably only those dividends as may be declared by our board of directors out of legally available funds. Upon our liquidation, dissolution or winding up, holders of our common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preferences of any outstanding shares of preferred stock.

*Preferred Stock.* We may issue shares of our preferred stock from time to time, in one or more series. Under our certificate of incorporation there are 25,000,000 shares of preferred stock authorized. Our board of directors has the authority, without further action by shareholders, to designate the shares of preferred stock in one or more series and to fix the rights, preferences, privileges, qualifications and restrictions granted to or imposed upon the preferred stock, including dividend rights, conversion rights, voting rights, rights and terms of redemption, liquidation preference and sinking fund terms, any or all of which may be greater than the rights of the common stock. We have not issued any preferred stock, but in connection with stockholder rights agreement, have designated 200,000 shares of preferred stock as Series A participating preferred stock.

If we sell any series of preferred stock under this prospectus, we will fix the designations, powers, preferences and rights of such series of preferred stock, as well as the qualifications, limitations or restrictions thereon, in the certificate of designation relating to that series. Convertible preferred stock will be convertible into or exchangeable for our common stock or our other securities at predetermined conversion rates. We may prescribe that conversion of such securities shall be mandatory or at your option. We will file as an exhibit to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, the form of any certificate of designation that describes the terms of the series of preferred stock we are offering before the issuance of the related series of preferred stock. We urge you to read the applicable prospectus supplement (and any free writing prospectus that we may authorize to be provided to you) related to the series of preferred stock being offered, as well as the complete certificate of designation that contains the terms of the applicable series of preferred stock.

*Debt Securities.* We may issue debt securities from time to time, in one or more series, as either senior or subordinated debt or as senior or subordinated convertible debt and may be secured or unsecured. The senior debt securities will rank equally with any unsubordinated debt. The subordinated debt securities will rank equally with all of our other subordinated debts. Convertible debt securities will be convertible into or exchangeable for our common stock or our other securities at predetermined conversion rates. We may prescribe that conversion of such securities shall be mandatory or at your option.

The debt securities will be issued under one or more indentures, which are contracts between us and a national banking association or other eligible party, as trustee. In this prospectus, we have summarized certain general features of the debt securities. We urge you, however, to read the applicable prospectus supplement (and any free writing prospectus that we may authorize to be provided to you) related to the series of debt securities being offered, as well as the complete indentures that contain the terms of the debt securities. We have filed these indentures as exhibits to the registration statement of which this prospectus is a part, and supplemental indentures and forms of debt securities containing the terms of the debt securities being offered will be filed as exhibits to the registration statement of which this prospectus is a part or will be incorporated by reference from reports that we file with the SEC.

*Guarantees.* Our debt securities may be guaranteed by any of the Subsidiary Guarantors listed on this prospectus. The specific terms and provisions of each guarantee will be described in the applicable prospectus supplement.

*Warrants.* We may issue warrants for the purchase of common stock, preferred stock, debt securities or other securities in one or more series. We may issue warrants together with common stock, preferred stock and/or debt securities, and the warrants may be attached to or separate from these securities. In this prospectus, we have summarized certain general features of the warrants. We urge you, however, to read the applicable prospectus supplement (and any free writing prospectus that we may authorize to be provided to you) related to the particular series of warrants being offered, as well as the complete warrant agreements and warrant certificates that contain the



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terms of the warrants. We will file as an exhibit to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, forms of the warrant agreements and forms of warrant certificates containing the terms of the warrants being offered.

We will evidence each series of warrants by warrant certificates that we will issue. Warrants may be issued under an applicable warrant agreement that we enter into with a warrant agent. We will indicate the name and address of the warrant agent, if applicable, in the prospectus supplement relating to the particular series of warrants being offered.

*Rights.* We may issue rights for the purchase of common stock, preferred stock, debt securities or other securities in one or more series. These rights may be issued independently or together with any other security offered hereby and may or may not be transferable by the stockholder receiving the rights in such offering. In this prospectus, we have summarized certain general features of the rights. We urge you, however, to read the applicable prospectus supplement (and any free writing prospectus that we may authorize to be provided to you) related to the particular series of rights being offered, as well as the complete rights agreements that contain the terms of the rights. We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, the form of rights agreements that describes the terms of the rights we are offering, and any supplemental agreements, before the issuance of the related series of rights.

*Units.* We may issue, in one or more series, units consisting of common stock, preferred stock, debt securities and/or warrants for the purchase of common stock, preferred stock and/or debt securities in any combination. In this prospectus, we have summarized certain general features of the units. We urge you, however, to read the applicable prospectus supplement (and any free writing prospectus that we may authorize to be provided to you) related to the series of units being offered, as well as the complete unit agreement that contains the terms of the units. We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, the form of unit agreement and any supplemental agreements that describe the terms of the series of units it is offering before the issuance of the related series of units.

## **DESCRIPTION OF OUR CAPITAL STOCK**

The following description is a general summary of the terms of our common stock and preferred stock. The description below does not include all of the terms of the common stock and preferred stock and should be read together with our Articles of Incorporation, Bylaws, as amended, the rights agreement governing our stockholder rights plan, as amended, and our investor rights and restrictions agreement, copies of which have been filed with the SEC.

### **General**

Under our Articles of Incorporation, we are authorized to issue 75,000,000 shares, of which 50,000,000 have been designated shares of common stock, without par value, and 25,000,000 have been designated shares of preferred stock, without par value. Further, in connection with the stockholders rights agreement described below, the board of directors has designated 200,000 shares of preferred stock as Series A participating preferred stock. As of April 6, 2010, 17,382,560 shares of common stock were issued and outstanding. We have not issued any shares of our preferred stock.

### **Common Stock**

Holders of common stock are entitled to one vote per share on all matters to be voted upon by the shareholders. There are no cumulative voting rights. Holders of common stock have no preemptive or conversion rights and are entitled to receive ratable dividends when and if declared by the board of directors out of funds legally available for the payment

of dividends, subject to any preferential rights of any then-outstanding preferred stock. There are no redemption or sinking fund provisions applicable to common stock. Subject to the rights of holders of any preferred stock, holders of common stock are entitled to share ratably in our assets legally available for distribution to shareholders in the event of our liquidation, dissolution or winding up after payment of or adequate provision for all

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our known debts and liabilities. Our common stock is listed on the New York Stock Exchange under the symbol GBX.

### **Preferred Stock**

The board of directors may, without further action by the shareholders, issue preferred stock in one or more series and fix the rights and preferences of the preferred stock, including voting rights, dividend rates, conversion rights, terms of redemption (including sinking fund provisions) and liquidation preferences. The issuance of preferred stock by action of the board of directors could adversely affect the voting power, dividend rights and other rights of holders of common stock. Issuance of a series of preferred stock also could, depending upon the terms of series, impede the completion of a merger, tender offer or other takeover attempt. In connection with the stockholders rights plan described below, the board has designated 200,000 shares of preferred stock as Series A participating preferred stock, without par value. None of these shares of preferred stock have been issued or are outstanding. The number of shares of Series A participating preferred stock may be increased or decreased by the board without shareholder approval provided that the number of shares of Series A participating preferred stock is at least equal to the number of shares outstanding plus the number of shares issuable upon exercise of outstanding rights, options or warrants or upon conversion of outstanding securities.

When the Series A participating preferred stock is issued, each holder of one one-hundredth of a share of Series A participating preferred stock will be entitled to one vote on all matters to be voted upon by the shareholders. Except as otherwise provided, holders of Series A participating preferred stock and common stock will vote together as a single class. The Series A participating preferred stock will rank junior to all other series of our preferred stock as to the payment of dividends and the distribution of assets on liquidation, dissolution or winding up, but senior to our common stock. Such shares of Series A participating preferred stock will not be redeemable.

### **Antitakeover Provisions**

Our Articles of Incorporation and Bylaws, as currently in effect, contain provisions that may have the effect of delaying, deferring or preventing a change in control of our ownership or management. They provide for:

- a classified board of directors, with each class containing as nearly as possible one-third of the total number of members of the board of directors and the members of each class serving for staggered three-year terms;

- a vote of at least 55% of our voting securities to amend some provisions of the Articles of Incorporation;

- no less than 120 days advance notice with respect to nominations of directors or other matters to be voted on by shareholders other than by or at the direction of the board of directors;

- removal of directors only with cause;

- the calling of special meetings of shareholders only by the president, a majority of the board of directors or the holders of not less than 25% of all votes entitled to be cast on the matters to be considered at such meeting;

- the issuance of preferred stock by the board without further action by the shareholders; and

- the designation of the terms of preferred stock issuable pursuant to a stockholder rights agreement, as described below.

### **Antitakeover Effects of Provisions of Oregon Law**

*Oregon Takeover Statute; Hostile Takeovers.* The Oregon Control Share Act, or OCSA, regulates the process by which a person may acquire control of certain Oregon-based corporations without the consent and cooperation of the board of directors. The OCSA provisions restrict a shareholder's ability to vote shares of stock acquired in certain transactions not approved by the board that cause the acquiring person to gain control of a voting position exceeding one-fifth, one-third, or one-half of the votes entitled to be cast in an election of directors. Shares acquired in a control share acquisition have no voting rights except as authorized by a vote of the shareholders. A corporation

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may opt out of the OCSA by provision in the corporation's articles of incorporation or bylaws. We have not opted out of the coverage of the OCSA.

*Interested Shareholder Transactions.* Except under certain circumstances, the Oregon Business Corporation Act, or OBCA, prohibits a business combination between a corporation and an interested shareholder within three years of the shareholder becoming an interested shareholder. Generally, an interested shareholder is a person or group that directly or indirectly owns, controls, or has the right to acquire or control, the voting or disposition of 15% or more of the outstanding voting stock or is an affiliate or associate of the corporation and was the owner of 15% or more of such voting stock at any time within the previous three years. A business combination is defined broadly to include, among others, (i) mergers and sales or other dispositions of 10% or more of the assets of a corporation with or to an interested shareholder, (ii) certain transactions resulting in the issuance or transfer to the interested shareholder of any stock of the corporation or its subsidiaries, (iii) certain transactions which would result in increasing the proportionate share of the stock of a corporation or its subsidiaries owned by the interested shareholder, and (iv) receipt by the interested shareholder of the benefit (except proportionately as a shareholder) of any loans, advances, guarantees, pledges, or other financial benefits. A business combination between a corporation and an interested shareholder is prohibited for three years following the date that the shareholder became an interested shareholder unless (i) prior to the date the person became an interested shareholder, the board of directors approved either the business combination or the transaction which resulted in the person becoming an interested shareholder, (ii) upon consummation of the transaction that resulted in the person becoming an interested shareholder, that person owns at least 85% of the corporation's voting stock outstanding at the time the transaction is commenced (excluding shares owned by persons who are both directors and officers and shares owned by employee stock plans in which participants do not have the right to determine confidentially whether shares will be tendered in a tender or exchange offer), or (iii) the business combination is approved by the board of directors and authorized by the affirmative vote (at an annual or special meeting and not by written consent) of at least two-thirds of the outstanding voting stock not owned by the interested shareholder.

These restrictions placed on interested shareholders by the OBCA do not apply under certain circumstances, including, but not limited to, the following: (i) if the corporation's original articles of incorporation contain a provision expressly electing not to be governed by the applicable section of the OBCA; or (ii) if the corporation, by action of its shareholders, adopts an amendment to its bylaws or articles of incorporation expressly electing not to be governed by the applicable section of the OBCA, provided that such an amendment is approved by the affirmative vote of not less than a majority of the outstanding shares entitled to vote. Such an amendment, however, generally will not be effective until 12 months after its adoption and will not apply to any business combination with a person who became an interested shareholder at or prior to such adoption. We have not elected to be outside the coverage of the applicable sections of the OBCA.

*Board Of Directors Criteria For Evaluating Business Combinations.* Under the OBCA, members of the board of directors of a corporation are authorized to consider certain factors in determining the best interests of the corporation when evaluating any (i) offer of another party to make a tender or exchange offer, (ii) merger or consolidation proposal, or (iii) offer of another party to purchase or otherwise acquire all or substantially all of the assets of the corporation. These factors include the social, legal and economic effects on employees, customers and suppliers of the corporation and on the communities and geographical areas in which the corporation and its subsidiaries operate, the economy and the state of the nation, the long-term and short-term interests of the corporation and its shareholders, including the possibility that these interests may be best served by the continued independence of the corporation, and other relevant factors.

## **Investor Rights and Restrictions Agreement**

On June 10, 2009, we entered into (i) a credit agreement with WLR Recovery Fund IV, L.P., WLR IV Parallel ESC, L.P., WL Ross & Co. LLC, and certain other parties thereto providing us a \$75 million secured term loan; and (ii) a warrant agreement with Recovery Fund IV, L.P., WLR IV Parallel ESC, L.P., and other holders from time to time party thereto, the Warrant Agreement, whereby we issued warrants to purchase an aggregate of 3,377,903 shares of our common stock, referred to herein as, WLR Warrants. The initial exercise price of the WLR Warrants is \$6.00 per share, and the exercise price and the number of shares of common stock issuable upon exercise of the WLR Warrants are subject to adjustment as provided for in the Warrant Agreement. In connection

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with the WLR Credit Agreement and the Warrant Agreement, we entered into the Investor Rights and Restrictions Agreement, dated as of June 10, 2009, with WL Ross & Co. LLC and certain affiliates, referred to herein as the WLR Funds, and the holders of the WLR Warrants from time to time party thereto.

Among other things, the Investor Rights Agreement provides that we will cause two designees of Recovery Fund IV, L.P., to be appointed to our board of directors, each of whom shall be appointed to a separate class. In addition, the Investor Rights Agreement also provides that subject to certain exceptions, we may not issue common stock or securities convertible into, or exercisable or exchangeable for, common stock, without consideration or for consideration per share (or having a conversion or exercise price per share) that is less than \$6.00 per share (as adjusted for stock splits, dividends, combinations, etc.), without the prior consent, not to be unreasonably withheld, of a majority of the holders of the WLR Warrants.

The Investor Rights Agreement also provides, if permitted by law and the rules and regulations of the applicable stock exchange, if we conduct a primary, public offering of our common stock (other than one where we reasonably believe that the price per share to the public will be in excess of \$6.00), certain holders of the WLR Warrants the right to participate in proportion to their ownership of our common stock (calculated as if the warrants were exercised). The Investor Rights Agreement also grants the holders of the WLR Warrants certain registration rights. The terms and conditions of such participation rights and registration rights are set forth in the Investor Rights Agreement.

## **Stockholder Rights Agreement**

We entered into a stockholder rights agreement, dated July 13, 2004, as amended on November 9, 2004, February 5, 2005, and June 10, 2009, between us and a rights agent. Pursuant to the rights agreement, each stockholder of record as of July 26, 2004 received a dividend distribution of one preferred stock purchase right per share of common stock. Each right initially entitles the registered holder to purchase one one-hundredth of a share of Series A participating preferred stock, at a price of \$100 per right, subject to adjustment. The rights are not presently exercisable. Until they become exercisable, the rights will automatically trade with the underlying common stock and no separate preferred stock purchase rights certificates will be distributed at this time. The rights can be exercised on a cashless basis at the discretion of the board of directors. The rights will expire at the earlier of July 26, 2014 or the redemption or exchange of the rights.

Subject to certain exceptions, the rights become exercisable ten days following the date any person or group becomes an Acquiring Person, as defined in the agreement. The agreement provides that an Acquiring Person is, subject to certain exceptions, any person who first acquires 12% or more of our common stock or any person or group, commencing a tender offer, the consummation of which would result in that person or group beneficially owning 12% or more of our outstanding common stock. In connection with the Investor Rights and Restrictions Agreement, we amended the stockholder rights agreement to provide the WLR Funds shall not be deemed to be an Acquiring Person unless their beneficial ownership exceeds 19.9% of our common stock.

If the rights become exercisable as described in the preceding paragraph, each holder of rights will be entitled to exercise such rights in order to receive that number of shares of our common stock equal to twice the exercise price of the rights. In addition, in the event of a business combination or certain sale transactions, the rights permit their holders to receive, upon the exercise at the then-current exercisable price, that number of shares of the acquirer's or surviving corporation's common stock having a market value of two times the exercise price of the right. In each case, the rights associated with the shares of our common stock owned by the Acquiring Person become null and void.

At any time after a person or group becomes an Acquiring Person and before the person or group acquires 50% or more of our common stock, we may exchange all of the then-outstanding rights, other than rights held by the Acquiring Person, for common stock at an exchange ratio of one share of common stock per rights, subject to

readjustment. The agreement also provides that in accordance with certain provisions we may, by action of our board of directors, at any time until 10 days after a person meets the triggering threshold under the plan redeem the rights for \$0.01 per right and terminate the rights agreement.



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### **Number of Directors; Filling Vacancies**

Our Bylaws, as currently in effect, provide that the number of directors shall be eleven. The shareholders and the board of directors have the authority to adopt, repeal or amend the bylaws. The affirmative vote of a majority of the total number of votes of the then-outstanding shares of our capital stock entitled to vote generally in the election of directors, voting together as a single class, may remove any director only with cause. Unless previously filled by the holders of at least a majority of the shares of capital stock entitled to vote for the election of directors, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority vote of the directors then in office, even if less than a quorum, or by a sole remaining director.

### **DESCRIPTION OF DEBT SECURITIES**

The following description, together with the additional information we include in any applicable prospectus supplement, summarizes the material features, terms and provisions of any debt securities that we may offer under this prospectus. This summary does not purport to be exhaustive and may not contain all the information that is important to you. Therefore, you should read the applicable prospectus supplement relating to those debt securities and any other offering materials that we may provide. We may issue debt securities, in one or more series, as either senior or subordinated debt or as senior or subordinated convertible debt. Unless otherwise stated in the applicable prospectus supplement, we will not be limited in the amount of debt securities that we may issue, and neither the senior debt securities nor the subordinated debt securities will be secured by any of our property or assets. As of the date of this prospectus, substantially all of our assets are pledged to secure indebtedness under our existing credit facilities. While the terms we have summarized below will apply generally to any debt securities that we may offer under this prospectus, we will describe the particular terms of any debt securities that we may offer in more detail in the applicable prospectus supplement. The terms of any debt securities offered under a prospectus supplement may differ from the terms described below. For any debt securities that we may offer, an indenture (and any relevant supplemental indenture) will contain additional important terms and provisions and will be incorporated by reference as an exhibit to the registration statement that includes this prospectus, or as an exhibit to a current report on Form 8-K, incorporated by reference in this prospectus. Unless the context requires otherwise, whenever we refer to the indentures, we also are referring to any supplemental indentures that specify the terms of a particular series of debt securities.

We conduct substantially all of our operations through subsidiaries. As a result, claims of holders of debt securities will generally have a junior position to claims of creditors of our subsidiaries, except to the extent that we may be recognized as a creditor of those subsidiaries. In addition, our right to participate as a shareholder in any distribution of assets of any subsidiary (and thus the ability of holders of debt securities to benefit from such distribution as our creditors) is junior to creditors of each subsidiary.

We may issue senior debt securities or subordinated debt securities under one or separate indentures, which may be supplemented or amended from time to time. Senior debt securities will be issued under one or more senior indentures that we will enter into with the trustees named in such senior indentures and subordinated debt securities will be issued under one or more subordinated indentures that we will enter into with the trustees named in such subordinated indentures. Any senior debt indentures and subordinated debt indentures are referred to individually in this prospectus as the indenture and collectively as the indentures. The particular terms of a series of debt securities will be described in a prospectus supplement relating to such series of debt securities. Any indentures will be subject to, governed by and qualified under, the Trust Indenture Act of 1939, as amended, and may be supplemented or amended from time to time following their execution. We use the term debenture trustee to refer to either a trustee under a senior indenture or a trustee under a subordinated indenture, as applicable. We have filed forms of indentures to the registration statement of which this prospectus is a part, and supplemental indentures and forms of debt securities containing the terms of the debt securities being offered will be filed as exhibits to the registration statement of which this prospectus

is a part or will be incorporated by reference from reports that we file with the SEC.

Any indentures will contain the full legal text of the matters described in this section of the prospectus, as applicable. Because this section is a summary, it does not describe every aspect of the debt securities or any applicable indentures. This summary is therefore subject to and is qualified in its entirety by reference to all the

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provisions of any applicable indenture, including any definitions of terms used in such indenture. Your rights will be defined by the terms of any applicable indenture, not the summary provided herein or in any prospectus supplement or supplements. This summary is also subject to and qualified by reference to the description of the particular terms of a particular series of debt securities described in the applicable prospectus supplement or supplements.

The debt securities may be denominated and payable in U.S. dollars. We may also issue debt securities, from time to time, with the principal amount, interest or other amounts payable on any relevant payment date to be determined by reference to one or more currency exchange rates, securities or baskets of securities, commodity prices, indices or any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance. In addition, we may issue debt securities as part of any units issued by us. All references in this prospectus or any prospectus supplement to other amounts will include premiums, if any, other cash amounts payable under the applicable indenture, and the delivery of securities or baskets of securities under the terms of the debt securities. Debt securities may bear interest at a fixed rate, which may be zero, or a floating rate.

Some of the debt securities may be issued as original issue discount debt securities. Original issue discount securities bear no interest or bear interest at below market rates and will be sold at a discount below their stated principal amount. A prospectus supplement relating to an issue of original issue discount securities will contain information relating to United States federal income tax, accounting, and other special considerations applicable to original issue discount securities.

We will set forth in the applicable prospectus supplement the terms, if any, on which a series of debt securities may be convertible into or exchangeable for our preferred stock, common stock or other securities. We will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at our option. We may include provisions pursuant to which the number of shares of our preferred stock, common stock or other securities that holders of the series of debt securities receive would be subject to adjustment.

We will generally have no obligation to repurchase, redeem, or change the terms of debt securities upon any event (including a merger, consolidation, change in control or disposition of substantially all of our assets) that might have an adverse effect on our credit quality.

The following summaries of material provisions of the senior debt securities, the subordinated debt securities and the indentures are subject to, and qualified in their entirety by reference to, all of the provisions of the indenture applicable to a particular series of debt securities. We urge you to read the applicable prospectus supplements and any related free writing prospectuses related to the debt securities that we may offer under this prospectus, as well as the complete indentures that contains the terms of the debt securities. Except as we may otherwise indicate, the terms of the senior indenture and the subordinated indenture are identical.

### **General**

We will describe in the applicable prospectus supplement, documents incorporated by reference, or free writing prospectus with respect to any debt securities, the terms of the debt securities being offered, including, but not limited to:

the title and series of debt securities;

the principal amount being offered, and if a series, the total amount authorized and the total amount outstanding;

any limit on the amount that may be issued;

whether or not we will issue the series of debt securities in global form, the terms and who the depositary will be;

the date or dates and method or methods by which principal and any premium on such debt securities is payable;

the principal amount due at maturity;

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whether and under what circumstances, if any, we will pay additional amounts on any debt securities held by a person who is not a United States person for tax purposes, and whether we can redeem the debt securities if we have to pay such additional amounts;

the interest rate, which may be fixed or variable, or the method for determining the rate and the date interest will begin to accrue, the dates interest will be payable and the regular record dates for interest payment dates or the method for determining such dates;

whether or not the debt securities will be convertible into shares of common stock, preferred stock or other securities or property and, if so, the terms of such conversion;

whether or not the debt securities will be secured or unsecured, and the terms of any secured debt;

the terms of the subordination of any series of subordinated debt;

the terms of any guarantee of the payment of principal, interest and premium, if any, with respect to debt securities of the series and any corresponding changes to the provisions of the applicable indenture;

the place where payments will be payable;

restrictions on transfer, sale or other assignment, if any;

our right, if any, to defer payment of interest and the maximum length of any such deferral period;

the date, if any, after which, and the price at which, we may, at our option, redeem the series of debt securities pursuant to any optional or provisional redemption provisions and the terms of those redemption provisions;

the date, if any, on which, and the price at which we are obligated, pursuant to any mandatory sinking fund or analogous fund provisions or otherwise, to redeem, or at the holder's option to purchase, the series of debt securities and the currency or currency unit in which the debt securities are payable;

whether and under what circumstances any additional amounts are payable with respect to such debt securities;

the notice, if any, to holders of such debt securities regarding the determination of interest on a floating rate debt security;

the denominations of such debt securities, if other than \$1,000 and integral multiples thereof;

the terms, if any, by which the amount of payments of principal or any premium, interest or additional amounts on such debt securities may be determined by reference to an index, formula, financial or economic measure or other methods;

if other than the principal amount hereof, the portion of the principal amount of such debt securities that will be payable upon declaration of acceleration of the maturity thereof or provable in bankruptcy;

any events of default or covenants in addition to or in lieu of those described herein and remedies therefor;

whether such debt securities will be subject to defeasance or covenant defeasance;

the terms, if any, upon which such debt securities are to be issuable upon the exercise of warrants, units or rights;

whether such debt securities will be guaranteed and the terms thereof; and

any other terms of the series of debt securities (which shall not be inconsistent with the provisions of the indentures, except as permitted by a supplemental indenture, but which may modify or delete any provisions of the indentures insofar as it applies to such series), including any terms which may be required by or advisable under the laws of the U.S. or regulations thereunder or advisable (as determined by us) in connection with the marketing of the debt securities of the series.

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### **Guarantee**

Our debt securities may be guaranteed by any of the Subsidiary Guarantors listed on this prospectus. The specific terms and provisions of each guarantee will be described in the applicable prospectus supplement.

### **Conversion or Exchange Rights**

We will set forth in the applicable prospectus supplement the terms on which a series of debt securities may be convertible into or exchangeable for our common stock or our other securities. We will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at our option. We may include provisions pursuant to which the number of shares of our common stock or our other securities that the holders of the series of debt securities receive would be subject to adjustment.

### **Consolidation, Merger or Sale**

Unless we provide otherwise in the prospectus supplement applicable to a particular series of debt securities, the indentures will not contain any covenant that restricts our ability to merge or consolidate, or sell, convey, transfer or otherwise dispose of all or substantially all of our assets. However, any successor to or acquirer of such assets must assume all of our obligations under the indentures or the debt securities, as appropriate. If the debt securities are convertible into or exchangeable for our other securities or securities of other entities, the person with whom we consolidate or merge or to whom we sell all of our property must make provisions for the conversion of the debt securities into securities that the holders of the debt securities would have received if they had converted the debt securities before the consolidation, merger or sale.

## **DESCRIPTION OF WARRANTS**

We may issue warrants for the purchase of common stock, preferred stock, debt securities or other securities, in one or more series. We may issue warrants independently or together with common stock, preferred stock and/or debt securities, and the warrants may be attached to or separate from these securities. While the terms summarized below will apply generally to any warrants that we may offer, we will describe the particular terms of any series of warrants in more detail in the applicable prospectus supplement. The terms of any warrants offered under a prospectus supplement may differ from the terms described below.

We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, the form of warrant agreement that describes the terms of the particular series of warrants we are offering. The following summaries of material provisions of the warrants and the warrant agreements are subject to, and qualified in their entirety by reference to, all the provisions of the warrant agreement and warrant certificate applicable to the particular series of warrants that we may offer under this prospectus. We urge you to read the applicable prospectus supplements related to the particular series of warrants that it may offer under this prospectus, as well as any related free writing prospectuses, and the complete warrant agreements that contain the terms of the warrants.

### **General**

We will describe in the applicable prospectus supplement, documents incorporated by reference, or free writing prospectus with respect to any warrants, the terms of the warrants being offered, including, but not limited to:

the offering price of securities that include such warrants and aggregate number of warrants offered;

if applicable, the designation and terms of the securities with which the warrants are issued and the number of warrants issued with each such security or each principal amount of such security;

in the case of warrants to purchase debt securities, the principal amount of debt securities purchasable upon exercise of one warrant and the price at, and currency in which, this principal amount of debt securities may be purchased upon such exercise;



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in the case of warrants to purchase common stock or preferred stock, the number of shares of common stock or preferred stock, as the case may be, purchasable upon the exercise of one warrant and the price at which these shares may be purchased upon such exercise;

the effect of any merger, consolidation, sale or other disposition of our business on the warrant agreements and the warrants;

the terms of any rights to redeem or call the warrants;

any provisions for changes to or adjustments in the exercise price or number of securities issuable upon exercise of the warrants;

the dates on which the right to exercise the warrants will commence and expire;

the manner in which the warrant agreements may be modified;

a discussion of any material or special United States federal income tax consequences of holding or exercising the warrants;

the terms of the securities issuable upon exercise of the warrants; and

any other specific terms, preferences, rights or limitations of or restrictions on the warrants.

Before exercising their warrants, holders of warrants will not have any of the rights of holders of the securities purchasable upon such exercise, including:

in the case of warrants to purchase debt securities, the right to receive payments of principal of, or premium, if any, or interest on, the debt securities purchasable upon exercise or to enforce covenants in the applicable indenture; or

in the case of warrants to purchase common stock or preferred stock, the right to receive dividends, if any, or payments upon our liquidation, dissolution or winding up or to exercise voting rights, if any.

**Exercise of Warrants**

Each warrant will entitle the holder to purchase the securities that we specify in the applicable prospectus supplement at the exercise price or prices that we describe in the applicable prospectus supplement. Holders of the warrants may exercise the warrants at any time up to the specified time on the expiration date that we set forth in the applicable prospectus supplement. After the close of business on the expiration date, unexercised warrants will become void.

Holders of the warrants may exercise the warrants by delivering the warrant agreement representing the warrants to be exercised together with specified information, and paying the required amount to us in immediately available funds, as provided in the applicable prospectus supplement.

Upon receipt of the required payment and the warrant agreement properly completed and duly executed at our or any other office indicated in the applicable prospectus supplement, we will issue and deliver the securities purchasable upon such exercise. If fewer than all of the warrants represented by the warrant agreement are exercised, then we will issue a new warrant agreement for the remaining amount of warrants. Holders of the warrants may surrender securities

as all or part of the exercise price for warrants.

**Enforceability of Rights by Holders of Warrants**

Each warrant agent will act solely as our agent under the applicable warrant agreement and will not assume any obligation or relationship of agency or trust with any holder of any warrant. A single bank or trust company may act as warrant agent for more than one issue of warrants. A warrant agent will have no duty or responsibility in case of any default by us under the applicable warrant agreement or warrant, including any duty or responsibility to initiate any proceedings at law or otherwise, or to make any demand upon us. Any holder of a warrant may, without the consent of the related warrant agent or the holder of any other warrant, enforce by appropriate legal action its right to exercise, and receive the securities purchasable upon exercise of, its warrants.

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**DESCRIPTION OF RIGHTS**

We may issue rights to purchase our common stock, preferred stock, debt securities or other securities in one or more series. These rights may be issued independently or together with any other security offered hereby and may or may not be transferable by the stockholder receiving the rights in such offering. In connection with any offering of such rights, we may enter into a standby arrangement with one or more underwriters or other purchasers pursuant to which the underwriters or other purchasers may be required to purchase any securities remaining unsubscribed for after such offering.

We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, the form of rights agreements that describes the terms of the rights we are offering, and any supplemental agreements, before the issuance of the related series of rights. The following summaries of material terms and provisions the rights are subject to, and qualified in their entirety by reference to, all the provisions of the rights agreement and any supplemental agreements applicable to a particular series of rights. We urge you to read the applicable prospectus supplements related to the particular series of rights that we may offer under this prospectus, as well as any related free writing prospectuses and the complete rights agreement and any supplemental agreements that contain the terms of the rights.

**General**

We will describe in the applicable prospectus supplement, documents incorporated by reference, or free writing prospectus with respect to any rights, the terms of the rights being offered, including, but not limited to:

in the case of a distribution of rights to our stockholders, the date of determining the stockholders entitled to the rights distribution;

in the case of a distribution of rights to our stockholders, the number of rights issued or to be issued to each stockholder;

the exercise price payable for the underlying debt securities, common stock, preferred stock or other securities upon the exercise of the rights;

the number and terms of the underlying debt securities, common stock, preferred stock or other securities which may be purchased per each right;

the extent to which the rights are transferable;

the date on which the holder's ability to exercise the rights shall commence, and the date on which the rights shall expire;

the extent to which the rights may include an over-subscription privilege with respect to unsubscribed securities;

the effect of any merger, consolidation, sale or other disposition of our business on the rights agreements and the rights;

the manner in which the rights agreements may be modified;

a discussion of any material or special United States federal income tax consequences of holding or exercising the rights;

if applicable, the material terms of any standby underwriting or purchase arrangement entered into by us in connection with the offering of such rights; and

any other terms of the rights, including, but not limited to, the terms, procedures, conditions and limitations relating to the exchange and exercise of the rights.

**Exercise of Rights**

Each right will entitle the holder to purchase the securities that we specify in the applicable prospectus supplement at the exercise price or prices that we describe in the applicable prospectus supplement. Holders of the

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rights may exercise the rights at any time up to the specified time on the expiration date that we set forth in the applicable prospectus supplement. After the close of business on the expiration date, unexercised rights will become void.

Holders of the rights may exercise the rights by delivering the rights agreement representing the rights to be exercised together with specified information, and paying the required amount to us in immediately available funds, as provided in the applicable prospectus supplement.

Upon receipt of the required payment and the rights agreement properly completed and duly executed at our or any other office indicated in the applicable prospectus supplement, we will issue and deliver the securities purchasable upon such exercise. If fewer than all of the rights represented by the rights agreement are exercised, then we will issue a new rights agreement for the remaining amount of rights. Holders of the rights may surrender securities as all or part of the exercise price for rights.

## **DESCRIPTION OF UNITS**

We may issue, in one or more series, units consisting of common stock, preferred stock, debt securities and/or warrants for the purchase of common stock, preferred stock and/or debt securities in any combination. While the terms we have summarized below will apply generally to any units that we may offer under this prospectus, we will describe the particular terms of any series of units in more detail in the applicable prospectus supplement. The terms of any units offered under a prospectus supplement may differ from the terms described below.

We will file as exhibits to the registration statement of which this prospectus is a part, or will incorporate by reference from reports that we file with the SEC, the form of unit agreement that describes the terms of the series of units we are offering, and any supplemental agreements, before the issuance of the related series of units. The following summaries of material terms and provisions of the units are subject to, and qualified in their entirety by reference to, all the provisions of the unit agreement and any supplemental agreements applicable to a particular series of units. We urge you to read the applicable prospectus supplements related to the particular series of units that we may offer under this prospectus, as well as any related free writing prospectuses and the complete unit agreement and any supplemental agreements that contain the terms of the units.

### **General**

Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The unit agreement under which a unit is issued may provide that the securities included in the unit may not be held or transferred separately, at any time or at any time before a specified date.

We will describe in the applicable prospectus supplement, documents incorporated by reference, or free writing prospectus with respect to any series of units, the terms of the series of units being offered, including, but not limited to:

the designation and terms of the units and of the securities comprising the units, including whether and under what circumstances those securities may be held or transferred separately;

any provisions of the governing unit agreement that differ from those described below; and

any provisions for the issuance, payment, settlement, transfer or exchange of the units or of the securities comprising the units.

The provisions described in this section, as well as those described under Description of Our Capital Stock, Description of Debt Securities and Description of Warrants will apply to each unit to the extent comprised of any such security included in each unit, as well as the underlying, relevant securities, respectively.

**Issuance in Series**

We may issue units in such amounts and in such numerous distinct series as we determine.

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**Enforceability of Rights by Holders of Units**

Each unit agent will act solely as our agent under the applicable unit agreement and will not assume any obligation or relationship of agency or trust with any holder of any unit. A single bank or trust company may act as unit agent for more than one series of units. A unit agent will have no duty or responsibility in case of any default by us under the applicable unit agreement or unit, including any duty or responsibility to initiate any proceedings at law or otherwise, or to make any demand upon us. Any holder of a unit may, without the consent of the related unit agent or the holder of any other unit, enforce by appropriate legal action its rights as holder under any security included in the unit.

**Title**

We, and any unit agent and any of their agents, may treat the registered holder of any unit certificate as an absolute owner of the units evidenced by that certificate for any purpose and as the person entitled to exercise the rights attaching to the units so requested, despite any notice to the contrary. See [Legal Ownership of Securities](#) below.

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**USE OF PROCEEDS**

Except as described in any prospectus supplement or in any related free writing prospectus that we may authorize to be provided to you, we currently intend to use the net proceeds from the sale of the securities offered hereby for general corporate purposes, including, among other things, working capital, financing possible acquisitions, repayment of obligations that have matured, and reducing or refinancing indebtedness that may be outstanding at the time of any offering under this prospectus.

We have not specifically allocated the proceeds to those purposes as of the date of this prospectus. Pending these uses, we may invest the net proceeds in short-term, investment-grade securities. The precise amount and timing of the application of proceeds from the sale of securities will depend on our funding requirements and the availability and cost of other funds at the time of sale. Allocation of proceeds of a particular series of securities, or the principal reason for the offering if no allocation has been made, will be described in the applicable prospectus supplement or in any related free writing prospectus.



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**LEGAL OWNERSHIP OF SECURITIES**

We can issue securities in registered form to holders and indirect holders or as global securities. We refer to those persons who have securities registered in their own names on the books that we or any applicable trustee or depository maintain for this purpose as the holders of those securities. These persons are the legal holders of the securities. We refer to those persons who, indirectly through others, own beneficial interests in securities that are not registered in their own names, as indirect holders of those securities. As discussed below, indirect holders are not legal holders, and investors in securities issued in book-entry form or in street name will be indirect holders.

**Book-Entry Holders**

We may issue securities in book-entry form only, as we will specify in the applicable prospectus supplement. This means securities may be represented by one or more global securities registered in the name of a financial institution that holds them as depository on behalf of other financial institutions that participate in the depository's book-entry system. These participating institutions, which are referred to as participants, in turn, hold beneficial interests in the securities on behalf of themselves or their customers.

Only the person in whose name a security is registered is recognized as the holder of that security. Securities issued in global form will be registered in the name of the depository or its participants. Consequently, for securities issued in global form, we will recognize only the depository as the holder of the securities, and we will make all payments on the securities to the depository. The depository passes along the payments it receives to its participants, which in turn pass the payments along to their customers who are the beneficial owners. The depository and its participants do so under agreements they have made with one another or with their customers; they are not obligated to do so under the terms of the securities.

As a result, investors in a book-entry security will not own securities directly. Instead, they will own beneficial interests in a global security, through a bank, broker or other financial institution that participates in the depository's book-entry system or holds an interest through a participant. As long as the securities are issued in global form, investors will be indirect holders, and not holders, of the securities.

**Street Name Holders**

We may terminate a global security or issue securities in non-global form. In these cases, investors may choose to hold their securities in their own names or in street name. Securities held by an investor in street name would be registered in the name of a bank, broker or other financial institution that the investor chooses, and the investor would hold only a beneficial interest in those securities through an account he or she maintains at that institution.

For securities held in street name, we will recognize only the intermediary banks, brokers and other financial institutions in whose names the securities are registered as the holders of those securities, and will make all payments, if any, on those securities to them. These institutions pass along the payments they receive to their customers who are the beneficial owners, but only because they agree to do so in their customer agreements or because they are legally required to do so. Investors who hold securities in street name will be indirect holders, not holders, of those securities.

**Legal Holders**

Our obligations, as well as the obligations of any applicable trustee and of any third parties employed by us or a trustee, run only to the legal holders of the securities. We do not have obligations to investors who hold beneficial

interests in global securities, in street name or by any other indirect means. This will be the case whether an investor chooses to be an indirect holder of a security or has no choice because we are issuing the securities only in global form.

For example, once we make a payment, if any, or give a notice to the holder, we have no further responsibility for the payment or notice even if that holder is required, under agreements with depositary participants or customers or by law, to pass it along to the indirect holders but does not do so. Similarly, we may want to obtain the approval of the holders to amend an indenture, to relieve us of the consequences of a default or of our obligation to comply with a particular provision of the indenture or for other purposes. In such an event, we would seek approval only from the

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holders, and not the indirect holders, of the securities. Whether and how the holders contact the indirect holders is up to the holders.

### **Special Considerations For Indirect Holders**

If you hold securities through a bank, broker or other financial institution, either in book-entry form or in street name, you should check with your own institution to find out:

how it handles securities payments and notices;

whether it imposes fees or charges;

how it would handle a request for the holders' consent, if ever required;

whether and how you can instruct it to send you securities registered in your own name so you can be a holder, if that is permitted in the future;

how it would exercise rights under the securities if there were a default or other event triggering the need for holders to act to protect their interests; and

if the securities are in book-entry form, how the depository's rules and procedures will affect these matters.

### **Global Securities**

A global security is a security that represents one or any other number of individual securities held by a depository. Generally, all securities represented by the same global securities will have the same terms.

Each security issued in book-entry form will be represented by a global security that we deposit with and register in the name of a financial institution or its nominee that we select. The financial institution that we select for this purpose is called the depository. Unless we specify otherwise in the applicable prospectus supplement, The Depository Trust Company, New York, New York, known as DTC, will be the depository for all securities issued in book-entry form.

A global security may not be transferred to or registered in the name of anyone other than the depository, its nominee or a successor depository, unless special termination situations arise. We describe those situations below under "Special Situations When a Global Security Will Be Terminated." As a result of these arrangements, the depository, or its nominee, will be the sole registered owner and holder of all securities represented by a global security, and investors will be permitted to own only beneficial interests in a global security. Beneficial interests must be held by means of an account with a broker, bank or other financial institution that in turn has an account with the depository or with another institution that does. Thus, an investor whose security is represented by a global security will not be a holder of the security, but only an indirect holder of a beneficial interest in the global security.

If the prospectus supplement for a particular security indicates that the security will be issued in global form only, then the security will be represented by a global security at all times unless and until the global security is terminated. If termination occurs, we may issue the securities through another book-entry clearing system or decide that the securities may no longer be held through any book-entry clearing system.

### **Special Considerations For Global Securities**

The rights of an indirect holder relating to a global security will be governed by the account rules of the investor's financial institution and of the depositary, as well as general laws relating to securities transfers. We do not recognize an indirect holder as a holder of securities but instead deal only with the depositary that holds the global security.

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If securities are issued only in the form of a global security, an investor should be aware of the following:

an investor cannot cause the securities to be registered in his or her name, and cannot obtain non-global certificates for his or her interest in the securities, except in the special situations described below;

an investor will be an indirect holder and must look to his or her own bank or broker for payments on the securities and protection of his or her legal rights relating to the securities, as described above;

an investor may not be able to sell interests in the securities to some insurance companies and to other institutions that are required by law to own their securities in non-book-entry form;

an investor may not be able to pledge his or her interest in a global security in circumstances where certificates representing the securities must be delivered to the lender or other beneficiary of the pledge in order for the pledge to be effective;

the depositary's policies, which may change from time to time, will govern payments, transfers, exchanges and other matters relating to an investor's interest in a global security;

we and any applicable trustee have no responsibility for any aspect of the depositary's actions or for its records of ownership interests in a global security, nor do we or any applicable trustee supervise the depositary in any way;

the depositary may, and we understand that DTC will, require that those who purchase and sell interests in a global security within its book-entry system use immediately available funds, and your broker or bank may require you to do so as well; and

financial institutions that participate in the depositary's book-entry system, and through which an investor holds its interest in a global security, may also have their own policies affecting payments, notices and other matters relating to the securities.

There may be more than one financial intermediary in the chain of ownership for an investor. We do not monitor and are not responsible for the actions of any of those intermediaries.

### **Special Situations When a Global Security Will Be Terminated**

In a few special situations described below, the global security will terminate and interests in it will be exchanged for physical certificates representing those interests. After that exchange, the choice of whether to hold securities directly or in street name will be up to the investor. Investors must consult their own banks or brokers to find out how to have their interests in securities transferred to their own name, so that they will be direct holders. We have described the rights of holders and street name investors above.

Unless we provide otherwise in the applicable prospectus supplement, the global security will terminate when the following special situations occur:

if the depositary notifies us that it is unwilling, unable or no longer qualified to continue as depositary for that global security and we do not appoint another institution to act as depositary within 90 days;

if we notify any applicable trustee that we wish to terminate that global security; or

if an event of default has occurred with regard to securities represented by that global security and has not been cured or waived.

The prospectus supplement may also list additional situations for terminating a global security that would apply only to the particular series of securities covered by the applicable prospectus supplement. When a global security terminates, the depositary, and not us or any applicable trustee, is responsible for deciding the names of the institutions that will be the initial direct holders.

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**PLAN OF DISTRIBUTION**

We may sell the securities from time to time pursuant to underwritten public offerings, negotiated transactions, block trades or a combination of these methods. We may sell the securities to or through underwriters or dealers, with or without an underwriting syndicate, through agents, or directly to one or more purchasers through a specific bidding or auction process, a rights offering, or otherwise, or through a combination of these methods or through any other method described in a prospectus supplement. We may distribute securities from time to time in one or more transactions:

- at a fixed price or prices, which may be changed;
- at market prices prevailing at the time of sale;
- at prices related to such prevailing market prices; or
- at negotiated prices or in competitively bid transactions.

A distribution of the securities offered by this prospectus may also be effected through the issuance of derivative securities, including without limitation, warrants, subscriptions, exchangeable securities, forward delivery contracts and the writing of options. In addition, the manner in which we may sell some or all of the securities covered by this prospectus includes, without limitation, through:

- a block trade in which a broker-dealer will attempt to sell as agent, but may position or resell a portion of the block, as principal, in order to facilitate the transaction;
- purchases by a broker-dealer, as principal, and resale by the broker-dealer for its account;
- ordinary brokerage transactions and transactions in which a broker solicits purchasers; or
- privately negotiated transactions.

We may also enter into hedging transactions. For example, we may:

- enter into transactions with a broker-dealer or affiliate thereof in connection with which such broker-dealer or affiliate will engage in short sales of the common stock pursuant to this prospectus, in which case such broker-dealer or affiliate may use shares of common stock received from us to close out its short positions;
- sell securities short and redeliver such shares to close out our short positions;
- enter into option or other types of transactions that require us to deliver common stock to a broker-dealer or an affiliate thereof, who will then resell or transfer the common stock under this prospectus; or
- loan or pledge the common stock to a broker-dealer or an affiliate thereof, who may sell the loaned shares or, in an event of default in the case of a pledge, sell the pledged shares pursuant to this prospectus.

In addition, we may enter into derivative or hedging transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. In connection with such a transaction, the third

parties may sell securities covered by and pursuant to this prospectus and an applicable prospectus supplement or pricing supplement, as the case may be. If so, the third party may use securities borrowed from us or others to settle such sales and may use securities received from us to close out any related short positions. We may also loan or pledge securities covered by this prospectus and an applicable prospectus supplement to third parties, who may sell the loaned securities or, in an event of default in the case of a pledge, sell the pledged securities pursuant to this prospectus and the applicable prospectus supplement or pricing supplement, as the case may be.

A prospectus supplement or supplements will describe the terms of the offering of the securities, including:

the terms of the offering;

the name or names of the underwriters, dealers or agents, if any, and the types and amounts of securities underwritten or purchased by each of them;

the purchase price of the securities and the proceeds we will receive from the sale;



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any over-allotment options under which underwriters may purchase additional securities from us;

any agency fees or underwriting discounts and other items constituting agents or underwriters compensation;

the terms of any rights;

any public offering price;

any delayed delivery arrangements;

any discounts or concessions allowed or reallocated or paid to dealers; and

any securities exchange or market on which the securities may be listed.

Only underwriters named in the prospectus supplement will be underwriters of the securities offered by the prospectus supplement.

If underwriters are used in the sale, they will acquire the securities for their own account and may resell the securities from time to time in one or more transactions at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase the securities will be subject to the conditions set forth in the applicable underwriting agreement. We may offer the securities to the public through underwriting syndicates represented by managing underwriters or by underwriters without a syndicate. Subject to certain conditions, the underwriters will be obligated to purchase all of the securities offered by the prospectus supplement, other than securities covered by any over-allotment option. Any public offering price and any discounts or concessions allowed or reallocated or paid to dealers may change from time to time. We may use underwriters with whom we have a material relationship. We will describe in the prospectus supplement, naming the underwriter, the nature of any such relationship.

If we use dealers in the sale of securities, we will sell securities to such dealers as principals. The dealers may then resell the securities to the public at varying prices to be determined by such dealers at the time of resale. We may solicit offers to purchase the securities directly, and we may sell the securities directly to institutional or other investors, who may be deemed underwriters within the meaning of the Securities Act with respect to any resales of those securities. The terms of these sales will be described in the applicable prospectus supplement. If we use agents in the sale of securities, unless otherwise indicated in the prospectus supplement, they will use their reasonable best efforts to solicit purchases for the period of their appointment. Unless otherwise indicated in a prospectus supplement, if we sell directly, no underwriters, dealers or agents would be involved. We will not make an offer of securities in any jurisdiction that does not permit such an offer.

We may sell securities directly or through agents we designate from time to time. We will name any agent involved in the offering and sale of securities and will describe any commissions we will pay the agent in the prospectus supplement. Unless the prospectus supplement states otherwise, our agent will act on a best-efforts basis for the period of its appointment.

We may choose to sell the offered securities directly to multiple purchasers or a single purchaser. In this case, no underwriters or agents would be involved.

We may also make direct sales through rights distributed to our existing stockholders on a pro rata basis, which may or may not be transferable. In any distribution of rights to our stockholders, if all of the underlying securities are not

subscribed for, we may then sell the unsubscribed securities directly to third parties or may engage the services of one or more underwriters, dealers or agents, including standby underwriters, to sell the unsubscribed securities to third parties. In addition, whether or not all of the underlying securities are subscribed for, we may concurrently offer additional securities to third parties directly or through underwriters or agents. If securities are to be sold through rights, the rights will be distributed as a dividend to the stockholders for which they will pay no separate consideration. The prospectus supplement, the documents incorporated by reference or the free writing prospectus with respect to the offer of securities under the rights will set forth the relevant terms of the rights.

We may authorize underwriters, dealers, or agents to solicit offers by certain types of institutional investors or other purchasers to purchase our securities from them at the public offering price set forth in the prospectus

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supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. The contracts will be subject to those conditions set forth in the prospectus supplement, and the prospectus supplement will set forth any commissions or discounts we pay for solicitation of these contracts.

We may provide agents and underwriters with indemnification against civil liabilities, including liabilities under the Securities Act, or contribution with respect to payments that the agents or underwriters may make with respect to these liabilities. Agents and underwriters may engage in transactions with, or perform services for, us in the ordinary course of business.

Unless otherwise specified in an applicable prospectus supplement, each class or series of securities will be a new issue with no established trading market, other than our common stock, which is listed on the New York Stock Exchange under the symbol GBX. Any common stock sold pursuant to a prospectus supplement will be listed on the New York Stock Exchange, subject to official notice of issuance. We may elect to list any other class or series of securities on any exchange, but we are not obligated to do so. It is possible that one or more underwriters may make a market in a class or series of securities, but the underwriters will not be obligated to do so and may discontinue any market making at any time without notice. We cannot give any assurance as to the liquidity of the trading market for any of the securities. We cannot guarantee the liquidity of the trading markets for any securities.

In connection with any offering, the underwriters may purchase and sell securities in the open market. Any underwriter may engage in short sales, over-allotment, stabilizing transactions, short-covering transactions and penalty bids in accordance with Regulation M under the Exchange Act. Short sales involve the sale by the underwriters of a greater number of securities than they are required to purchase in an offering. Over-allotment involves sales in excess of the offering size, which create a short position. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum price and are made for the purpose of preventing or retarding a decline in the market price of the securities while an offering is in progress. Syndicate-covering or other short-covering transactions involve purchases of the securities, either through exercise of the over-allotment option or in the open market after the distribution is completed, to cover short positions. Penalty bids permit the underwriters to reclaim a selling concession from a dealer when the securities originally sold by the dealer are purchased in a stabilizing or covering transaction to cover short positions. These activities by the underwriters may stabilize, maintain or otherwise affect the market price of the securities. As a result, the price of the securities may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time. These transactions may be effected on an exchange or automated quotation system, if the securities are listed on an exchange or admitted for trading on an automated quotation system, in the over-the-counter market, or otherwise.

Any underwriters that are qualified market makers on the New York Stock Exchange may engage in passive market making transactions in our common stock on the New York Stock Exchange in accordance with Regulation M under the Exchange Act, during the business day prior to the pricing of the offering, before the commencement of offers or sales of the common stock. Passive market makers must comply with applicable volume and price limitations and must be identified as passive market makers. In general, a passive market maker must display its bid at a price not in excess of the highest independent bid for such security; if all independent bids are lowered below the passive market maker's bid, however, the passive market maker's bid must then be lowered when certain purchase limits are exceeded. Passive market making may stabilize the market price of the securities at a level above that which might otherwise prevail in the open market and, if commenced, may be discontinued at any time.

In compliance with guidelines of the Financial Industry Regulatory Authority, or FINRA, the maximum consideration or discount to be received by any FINRA member or independent broker dealer may not exceed 8% of the aggregate amount of the securities offered pursuant to this prospectus and any applicable prospectus supplement.

If more than 10% of the net proceeds of any offering of securities made under this prospectus will be received by FINRA members participating in the offering or affiliates or associated persons of such FINRA members, the offering will be conducted in accordance with FINRA Conduct Rule 5110(h).

To the extent required, this prospectus may be amended or supplemented from time to time to describe a specific plan of distribution.

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**LEGAL MATTERS**

Tonkon Torp LLP, Portland, Oregon will pass upon the validity of the securities being offered by this prospectus. Any underwriter, dealer or agent may be advised about issues relating to any offering by its own legal counsel. The name of the law firm or law firms advising any underwriters, dealers or agents with respect to certain issues relating to any offering will be set forth in the applicable prospectus supplement.

**EXPERTS**

The consolidated financial statements incorporated in this prospectus by reference from the Company's Current Report on Form 8-K dated April 6, 2010, and the effectiveness of the Company's internal control over financial reporting incorporated by reference from the Company's Annual Report on Form 10-K have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports (which reports (1) express an unqualified opinion on the consolidated financial statements and includes an explanatory paragraph relating to the adoption of accounting guidance related to convertible debt and noncontrolling interests and, (2) express an unqualified opinion on the effectiveness of internal control over financial reporting), which are incorporated herein by reference. Such consolidated financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

**WHERE YOU CAN FIND ADDITIONAL INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we filed at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. Our SEC filings are also available to the public on the website maintained by the SEC at <http://www.sec.gov>.

You may also obtain free copies of the documents that we file with the SEC by going to the Investors Information section of our website, <http://www.gbrx.com>. The information provided on our website is not part of this prospectus.

**INCORPORATION BY REFERENCE**

The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to another document that we have filed separately with the SEC. You should read the information incorporated by reference because it is an important part of this prospectus. Any information incorporated by reference into this prospectus is considered to be part of this prospectus from the date we file that document. We incorporate by reference the following information or documents that we have filed with the SEC (Commission File No. 001-13146) which shall not include, in each case, documents, or information deemed to have been furnished and not filed in accordance with SEC rules:

Our Annual Report of Form 10-K for the fiscal year ended August 31, 2009 filed with the SEC on November 12, 2009.

Our Quarterly Reports on Form 10-Q for the fiscal quarter ended November 30, 2009 filed with the SEC on January 8, 2010, and for the fiscal quarter ended February 28, 2010 filed with the SEC on April 7, 2010.

Our Current Reports on Form 8-K filed with the SEC on December 15, 2009, January 13, 2010, March 9, 2010, and April 7, 2010 concerning a disclosure pursuant to Item 8.01 Other Items;

The description of our common stock set forth in our registration statement on Form S-1, as declared effective on July 11, 1994 (Registration No. 33-78852), which description has been updated by our registration statement on Form S-3 filed with the SEC on July 25, 2006; and

The description of our preferred share purchase rights set forth in our registration statement on Form 8-A filed with the SEC on July 16, 2004, which description has been updated by our registration statement on Form S-3 filed with the SEC on July 25, 2006.

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Any information in any of the foregoing documents will automatically be deemed to be modified or superseded to the extent that information in this prospectus or in a later filed document or other report that is incorporated or deemed to be incorporated herein by reference modifies or replaces such information.

We also incorporate by reference any future filings (other than current reports furnished under Item 2.02 or Item 7.01 of Form 8-K and exhibits filed on such form that are related to such items) made with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, until we file a post-effective amendment that indicates the termination of the offering of the securities made by this prospectus. Information in such future filings updates and supplements the information provided in this prospectus. These documents include proxy statements and periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and, to the extent they are considered filed and except as described above, Current Reports on Form 8-K. Any statements in any such future filings will automatically be deemed to modify and supersede any information in any document we previously filed with the SEC that is incorporated or deemed to be incorporated herein by reference to the extent that statements in the later filed document modify or replace such earlier statements.

We will provide to each person, including any beneficial owner, to whom a prospectus is delivered, without charge upon written or oral request, a copy of any or all of the documents that are incorporated by reference into this prospectus but not delivered with the prospectus, including exhibits which are specifically incorporated by reference into such documents. If you would like to request documents from us, please send a request in writing or by telephone to us at the following address:

The Greenbrier Companies, Inc.  
One Centerpointe Drive, Suite 200  
Lake Oswego, OR 97035  
(503) 684-7000  
Attn: Secretary

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**4,000,000 Shares**

**Common Stock**

**PROSPECTUS SUPPLEMENT**

**BofA Merrill Lynch**

**Jefferies & Company**

**May 6, 2010**