SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **2006-01-05** | Period of Report: **2005-11-30**
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FILER

GREENBRIER COMPANIES INC
CIK:**923120**| IRS No.: **930816972** | State of Incorp.:**DE** | Fiscal Year End: **0831**
Type: **10-Q** | Act: **34** | File No.: **001-13146** | Film No.: **06512421**
SIC: **3743** Railroad equipment

Mailing Address
ONE CENTERPOINTE DR
STE 200
LAKE OSWEGO OR 97035

Business Address
ONE CENTERPOINTE DR
STE 200
LAKE OSWEGO OR 97035
5036847000

Autostack CO , LLC
CIK:**1334558**| IRS No.: **930981840**
Type: **10-Q** | Act: **34** | File No.: **333-126947-11** | Film No.: **06512420**

Mailing Address
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97035-8612

Business Address
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LAKE OSWEGO OR
97035-8612
(503)684-7000

Greenbrier-Concarril, LLC
CIK:**1334559**| IRS No.: **931262344**
Type: **10-Q** | Act: **34** | File No.: **333-126947-05** | Film No.: **06512419**

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Business Address
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Greenbrier Leasing Company, LLC
CIK:**1334560**| IRS No.: **310789836**
Type: **10-Q** | Act: **34** | File No.: **333-126947-10** | Film No.: **06512418**

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97035-8612

Business Address
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LAKE OSWEGO OR
97035-8612
(503)684-7000

Greenbrier Leasing, L.P.
CIK:**1334562**| IRS No.: **911960693**
Type: **10-Q** | Act: **34** | File No.: **333-126947-08** | Film No.: **06512417**

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Greenbrier Leasing LTD Partner, LLC
CIK:**1334564**| IRS No.: **931266038**
Type: **10-Q** | Act: **34** | File No.: **333-126947-09** | Film No.: **06512416**

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Greenbrier Management Services, LLC

CIK:**1334565**| IRS No.: **931266040**
Type: **10-Q** | Act: **34** | File No.: **333-126947-07** | Film No.: **06512415**

Mailing Address
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Greenbrier Railcar, LLC

CIK:**1334566**| IRS No.: **930971066**
Type: **10-Q** | Act: **34** | File No.: **333-126947-06** | Film No.: **06512414**

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Gunderson Rail Services, LLC

CIK:**1334567**| IRS No.: **931123815**
Type: **10-Q** | Act: **34** | File No.: **333-126947-03** | Film No.: **06512411**

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Gunderson, LLC

CIK:**1334568**| IRS No.: **930180205**
Type: **10-Q** | Act: **34** | File No.: **333-126947-01** | Film No.: **06512413**

Mailing Address
4350 NW FRONT AVENUE
PORTLAND OR 97210

Business Address
4350 NW FRONT AVENUE
PORTLAND OR 97210
503.972.5700

Gunderson Marine, LLC

CIK:**1334569**| IRS No.: **931127982**
Type: **10-Q** | Act: **34** | File No.: **333-126947-04** | Film No.: **06512412**

Mailing Address
4350 NW FRONT AVENUE
PORTLAND OR 97210

Business Address
4350 NW FRONT AVENUE
PORTLAND OR 97210
503.972.5700

Gunderson Specialty Products, LLC

CIK:**1334570**| IRS No.: **930180205**
Type: **10-Q** | Act: **34** | File No.: **333-126947-02** | Film No.: **06512410**

Mailing Address
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PORTLAND OR 97210

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

Form 10-Q

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

for the quarterly period ended November 30, 2005

or

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

for the transition period from ___ to ___

Commission File No. 1-13146

THE GREENBRIER COMPANIES, INC.

(Exact name of registrant as specified in its charter)

Delaware (State of Incorporation)	93-0816972 (I.R.S. Employer Identification No.)
One Centerpointe Drive, Suite 200, Lake Oswego, OR (Address of principal executive offices)	97035 (Zip Code)

(503) 684-7000
(Registrant' s telephone number, including area code)
CO-REGISTRANTS AND SUBSIDIARY GUARANTORS

Autostack Company, LLC	Oregon	3743	93-0981840
Greenbrier-Concarril, LLC	Oregon	3743	93-1262344
Greenbrier Leasing Company, LLC	Oregon	3743	31-0789836
Greenbrier Leasing, L.P.	Oregon	3743	91-1960693
Greenbrier Leasing Limited Partner, LLC	Oregon	3743	93-1266038
Greenbrier Management Services, LLC	Oregon	3743	93-1266040
Greenbrier Railcar, LLC	Oregon	3743	93-0971066
Gunderson, LLC	Oregon	3743	93-0180205
Gunderson Marine, LLC	Oregon	3743	93-1127982
Gunderson Rail Services, LLC	Oregon	3743	93-1123815
Gunderson Specialty Products, LLC	Oregon	3743	93-0180205

The Greenbrier Companies, Inc. One Centerpointe Drive, Suite 200 Lake Oswego, Oregon 97035-8612 (503) 684-7000	Autostack Company, LLC One Centerpointe Drive, Suite 200 Lake Oswego, Oregon 97035-8612 (503) 684-7000	Greenbrier Concarril, LLC One Centerpointe Drive, Suite 200 Lake Oswego, Oregon 97035-8612 (503) 684-7000	Greenbrier Leasing Company, LLC One Centerpointe Drive, Suite 200 Lake Oswego, Oregon 97035-8612 (503) 684-7000
Greenbrier Leasing, L.P. One Centerpointe Drive, Suite 200	Greenbrier Leasing Limited Partner, LLC One Centerpointe Drive, Suite	Greenbrier Management Services, LLC One Centerpointe Drive, Suite	Greenbrier Railcar, LLC One Centerpointe Drive, Suite 200

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Lake Oswego, Oregon 97035-8612 (503) 684-7000	200 Lake Oswego, Oregon 97035-8612 (503) 684-7000	200 Lake Oswego, Oregon 97035-8612 (503) 684-7000	Lake Oswego, Oregon 97035-8612 (503) 684-7000
Gunderson, LLC 4350 NW Front Avenue Portland, Oregon 97210 (503) 972-5700	Gunderson Marine, LLC 4350 NW Front Avenue Portland, Oregon 97210 (503) 972-5700	Gunderson Rail Services, LLC One Centerpointe Drive, Suite 200 Lake Oswego, Oregon 97035-8612 (503) 684-7000	Gunderson Specialty Products, LLC 4350 NW Front Avenue Portland, Oregon 97210 (503) 972-5700

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☑ No ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).
Yes ☑ No ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)
Yes ☐ No ☑

The number of shares of the registrant' s common stock, $0.001 par value per share, outstanding on December 29, 2005 was 15,539,791 shares.

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- Item 4. CONTROLS AND PROCEDURES

PART II. OTHER INFORMATION
- Item 1. Legal Proceedings
- Item 6. Exhibits

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EXHIBIT 31.2
EXHIBIT 32.1
EXHIBIT 32.2

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PART I. FINANCIAL INFORMATION

Item 1. Condensed Financial Statements

Consolidated Balance Sheets
(In thousands, except per share amounts, unaudited)

	November 30, 2005	August 31, 2005
Assets		
Cash and cash equivalents	$ 100,695	$ 73,204
Restricted cash	89	93
Accounts and notes receivable	91,656	122,957
Inventories	121,183	121,698
Railcars held for sale	103,606	59,421
Equipment on operating leases	220,962	183,155
Investment in direct finance leases	7,314	9,974
Property, plant and equipment	72,917	73,203
Other	29,003	27,502
	$ 747,425	$ 671,207
Liabilities and Stockholders' Equity		
Revolving notes	$ 14,540	$ 12,453
Accounts payable and accrued liabilities	207,516	195,258
Participation	22,386	21,900
Deferred income taxes	30,495	31,629
Deferred revenue	3,870	6,910
Notes payable	273,122	214,635
Subordinated debt	7,175	8,617
Subsidiary shares subject to mandatory redemption	3,746	3,746
Commitments and contingencies (Note 11)	–	–
Stockholders' equity:		
Preferred stock – $0.001 par value; 25,000 shares authorized; none outstanding	–	–
Common stock – $0.001 par value; 50,000 shares authorized; 15,540 and 15,479 shares outstanding at November 30, 2005 and August 31, 2005	16	15
Additional paid-in capital	64,211	62,768
Retained earnings	120,760	113,987
Accumulated other comprehensive loss	(412)	(711)
	184,575	176,059
	$ 747,425	$ 671,207

The accompanying notes are an integral part of these statements.

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THE GREENBRIER COMPANIES, INC.

Consolidated Statements of Operations
(In thousands, except per share amounts, unaudited)

	Three Months Ended November 30,	
	2005	2004
Revenue		
Manufacturing	$164,596	$200,397
Leasing & services	21,766	17,651
	186,362	218,048
Cost of revenue		
Manufacturing	143,030	182,862
Leasing & services	10,439	10,380
	153,469	193,242
Margin	32,893	24,806
Other costs		
Selling and administrative expense	15,684	12,072
Interest and foreign exchange	4,430	3,059
	20,114	15,131
Earnings before income taxes and equity in unconsolidated subsidiaries	12,779	9,675
Income tax expense	(4,934)	(3,554)
Earnings before equity in unconsolidated subsidiaries	7,845	6,121
Equity in earnings (loss) of unconsolidated subsidiaries	172	(731)
Net earnings	$8,017	$5,390
Basic earnings per common share:	$0.52	$0.36
Diluted earnings per common share:	$0.51	$0.35
Weighted average common shares:		
Basic	15,511	14,894
Diluted	15,847	15,504

The accompanying notes are an integral part of these statements.

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THE GREENBRIER COMPANIES, INC.

Consolidated Statements of Cash Flows
(In thousands, unaudited)

	Three Months Ended November 30,	
	2005	2004
Cash flows from operating activities:		
Net earnings	$8,017	$5,390
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Deferred income taxes	(1,122)	845
Tax benefit of stock options exercised	639	–
Depreciation and amortization	6,016	5,285
Gain on sales of equipment	(612)	(86)
Other	40	10
Decrease (increase) in assets:		
Accounts and notes receivable	31,228	(25,993)
Inventories	922	(3,181)
Railcars held for sale	(43,619)	(2,682)
Other	(1,663)	2,299
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	10,878	(10,426)
Participation	486	406
Deferred revenue	(2,846)	5,624
Net cash provided by (used in) operating activities	8,364	(22,509)
Cash flows from investing activities:		
Principal payments received under direct finance leases	871	1,832
Proceeds from sales of equipment	3,169	2,460
Investment in and advances to unconsolidated joint venture	75	(57)
Capital expenditures	(44,401)	(12,395)
Net cash used in investing activities	(40,286)	(8,160)
Cash flows from financing activities:		
Changes in revolving notes	2,096	34,363
Proceeds from notes payable	60,000	–
Repayments of notes payable	(1,382)	(2,280)
Repayments of subordinated debt	(1,442)	(1,592)
Proceeds from exercise of stock options	805	174
Net cash provided by financing activities	60,077	30,665
Effect of exchange rate changes	(664)	4,199
Increase in cash and cash equivalents	27,491	4,195
Cash and cash equivalents		
Beginning of period	73,204	12,110
End of period	$100,695	$16,305
Cash paid during the period for:		
Interest	$8,998	$2,029
Income taxes	$4,374	$112

The accompanying notes are an integral part of these statements.

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Notes to Consolidated Financial Statements
(Unaudited)

Note 1 − Interim Financial Statements

The Consolidated Financial Statements of The Greenbrier Companies, Inc. and Subsidiaries (Greenbrier or the Company) as of November 30, 2005 and for the three months ended November 30, 2005 and 2004 have been prepared without audit and reflect all adjustments (consisting of normal recurring accruals) which, in the opinion of management, are necessary for a fair presentation of the financial position and operating results for the periods indicated. The results of operations for the three months ended November 30, 2005 are not necessarily indicative of the results to be expected for the entire year ending August 31, 2006. Certain reclassifications have been made to the prior period' s Consolidated Financial Statements to conform to the current year presentation.

Certain notes and other information have been condensed or omitted from the interim financial statements presented in this Quarterly Report on Form 10-Q. Therefore, these financial statements should be read in conjunction with the Consolidated Financial Statements contained in the Company' s 2005 Annual Report on Form 10-K.

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

Initial Adoption of Accounting Policies − On September 1, 2005, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 123R, *Share Based Payment.* This statement requires all entities to recognize compensation expense in an amount equal to the fair value of share-based payments (stock options and restricted stock) granted to employees. The implementation did not have a material effect on the Company' s Consolidated Financial Statements as all options were vested prior to August 31, 2005. Restricted stock grants are currently being recorded as compensation expense over the vesting period, consistent with prior periods.

Prospective Accounting Changes − In May 2005, the Financial Accounting Standards Board (FASB) issued SFAS No. 154, *Accounting Changes and Error Corrections* which replaces Accounting Principles Board (APB) opinion No. 20, *Accounting Changes* and SFAS No. 3, *Reporting Accounting Changes in Interim Financial Statements*. This statement requires retrospective application, unless impracticable, for changes in accounting principles in the absence of transition requirements specific to newly adopted accounting principles. This statement is effective for any accounting changes and corrections of errors made by the Company beginning September 1, 2006.

Note 2 − Acquisitions

In September 1998 Greenbrier entered into a joint venture with Bombardier Transportation (Bombardier) to build railroad freight cars at a portion of Bombardier' s existing manufacturing facility in Sahagun, Mexico. Each party held a 50% non-controlling interest in the joint venture. In December 2004, Greenbrier acquired Bombardier' s interest and will pay Bombardier a purchase price of $9.0 million over five years and as a result of the allocation of the purchase price among assets and liabilities, recorded $1.3 million in goodwill. Greenbrier leases a portion of the plant from Bombardier and has entered into a service agreement under which Bombardier provides labor and manufacturing support. These operations, previously accounted for under the equity method, were consolidated for financial reporting purposes beginning in December 2004.

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The following unaudited pro forma consolidated financial information for Greenbrier was prepared as if the transaction to acquire Bombardier' s equity in the Mexican operations had occurred at the beginning of the period presented:

(In thousands, except per share amounts)	Three Months Ended November 30, 2004
Revenue	$ 246,740
Net earnings	$ 4,201
Basic earnings per share	$ 0.28
Diluted earnings per share	$ 0.27

The unaudited pro forma financial information is not necessarily indicative of what actual results would have been had the transaction occurred at the beginning of the period presented.

Note 3 − Inventories

(In thousands)	November 30, 2005	August 31, 2005
Manufacturing supplies and raw materials	$ 36,097	$33,653
Work-in-process	88,679	91,637
Lower of cost or market adjustment	(3,593)	(3,592)
	$ 121,183	$121,698

Note 4 − Warranty Accruals

Warranty costs are estimated and charged to operations to cover a defined warranty period. The estimated warranty cost is based on historical warranty claims for each particular product type. For new product types without a warranty history, preliminary estimates are based on historical information for similar product types. The accrual, included in accounts payable and accrued liabilities on the Consolidated Balance Sheet, is periodically reviewed and updated based on warranty trends.

Warranty accrual activity:

(In thousands)	Three Months Ended November 30, 2005	2004
Balance at beginning of period	$15,037	$12,691
Charged to cost of revenue	927	1,016
Payments	(1,060)	(1,071)
Currency translation effect	38	1,082
Balance at end of period	$14,942	$13,718

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Note 5 − Notes Payable

(In thousands)	November 30, 2005	August 31, 2005
Senior unsecured notes	$ 235,000	$175,000
Term loans	38,020	39,479
Other	102	156
	$ 273,122	$214,635

On November 21, 2005, the Company issued, at par, through a private placement, $60.0 million aggregate principal amount of 8 3/8% senior unsecured notes due 2015. Greenbrier is obligated to file a registration statement with respect to an offer to exchange these senior unsecured notes for a new issue of identical notes registered with the Securities and Exchange Commission prior to February 19, 2006 and is also obligated to cause the registration statement to be effective before May 19, 2006. The transaction is an additional offering under the indenture entered into in connection with the Company' s sale of $175.0 million of senior unsecured notes in May 2005. The $235.0 million combined senior unsecured notes (the Notes) have identical terms. Payment on the Notes is guaranteed by certain of the Company' s domestic subsidiaries. Interest is paid in arrears on May 15th and November 15th of each year.

At any time prior to May 15, 2008, Greenbrier may redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of 108.4% of the principal amount, plus accrued and unpaid interest and liquidated damages, if any, to the redemption date, with the net cash proceeds of one or more equity offerings. On or after May 15, 2010, Greenbrier has the option to redeem the Notes, in whole or in part, at the redemption prices (expressed as percentages of principal amount) of 104.2% in 2010, 102.8% in 2011, 101.4% in 2012, and 100.0% in 2013 and thereafter plus accrued and unpaid interest and liquidated damages, if any, to the applicable redemption date, if redeemed during the twelve-month period beginning on May 15. Upon a change of control, Greenbrier is required to offer to purchase all of the Notes then outstanding for cash at 101.0% of the principal amount thereof plus accrued and unpaid interest and liquidated damages, if any, to the purchase date.

Term loans are due in varying installments through August 2017 and are generally collateralized by certain property, plant and equipment. As of November 30, 2005, the effective interest rates on the term loans ranged from 4.4% to 8.4%.

The revolving and operating lines of credit, along with notes payable, contain covenants with respect to the Company and various subsidiaries, the most restrictive of which, among other things, limit the ability to: incur additional indebtedness or guarantees; pay dividends; enter into sale leaseback transactions; create liens; sell assets; engage in transactions with affiliates; enter into mergers, consolidations or sales of substantially all the Company' s assets; and enter into new lines of business. The covenants also require certain minimum levels of tangible net worth, maximum ratios of debt to equity and minimum levels of interest coverage.

Interest rate swap agreements are utilized to reduce the impact of changes in interest rates on certain term loans. At November 30, 2005, such agreements had a notional amount of $23.2 million and mature between August 2006 and March 2011.

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The remaining principal payments on the notes payable are as follows:

(In thousands)	
Year Ending August 31,	
2006 (Remaining nine months)	$11,969
2007	4,180
2008	3,881
2009	4,066
2010	5,209
Thereafter	243,817
	$273,122

Note 6 − Comprehensive Income

The following is a reconciliation of net earnings to comprehensive income:

	Three Months Ended November 30,	
(In thousands)	2005	2004
Net earnings	$8,017	$5,390
Reclassification of derivative financial instruments recognized in net earnings during the three months (net of tax effect)	(1,251)	(953)
Unrealized gain on derivative financial instruments (net of tax effect)	923	5,853
Foreign currency translation adjustment (net of tax effect)	627	2,464
Comprehensive income	$8,316	$12,754

Accumulated other comprehensive income (loss), net of tax effect, consisted of the following:

(In thousands)	Unrealized Gains (Losses) on Derivative Financial Instruments	Foreign Currency Translation Adjustment	Accumulated Other Comprehensive Income (Loss)
Balance, August 31, 2005	$ 1,241	$ (1,952)	$ (711)
First quarter activity	(328)	627	299
Balance, November 30, 2005	$ 913	$ (1,325)	$ (412)

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Note 7 − Earnings Per Share

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

(In thousands)	Three Months Ended November 30, 2005	Three Months Ended November 30, 2004
Weighted average basic common shares outstanding	15,511	14,894
Dilutive effect of employee stock options	336	610
Weighted average diluted common shares outstanding	15,847	15,504

Weighted average diluted common shares outstanding includes the incremental shares that would be issued upon the assumed exercise of stock options as calculated using the treasury stock method. No options were anti-dilutive for the three months ended November 30, 2005 and 2004.

Note 8 − Stock Based Compensation

Prior to the adoption of SFAS 123R on September 1, 2005, compensation expense for employee stock options was measured using the method prescribed by APB Opinion No. 25, *Accounting for Stock Issued to Employees*. In accordance with APB Opinion No. 25, Greenbrier did not recognize compensation expense for employee stock options because options were only granted with an exercise price equal to the fair value of the stock on the effective date of grant. If the Company had elected to recognize compensation expense using a fair value approach, the pro forma net earnings and earnings per share would have been as follows:

(In thousands, except per share amounts)	Three Months Ended November 30, 2004
Net earnings, as reported	$ 5,390
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of tax (1)	(48)
Net earnings, pro forma	$ 5,342
Basic earnings per share	
As reported	$ 0.36
Pro forma	$ 0.36
Diluted earnings per share	
As reported	$ 0.35
Pro forma	$ 0.34

(1) Compensation expense was determined based on the Black-Scholes-Merton option pricing model which was developed to estimate the value of publicly traded options. Greenbrier' s options are not publicly traded.

All stock options were vested prior to September 1, 2005 and accordingly no compensation expense was recorded for stock options for the three months ended November 30, 2005. The value of stock awarded under restricted stock grants is amortized as compensation expense over the vesting period of two to five years. For the three months ended November 30, 2005, $0.6 million in compensation expense was recorded related to restricted stock grants. No expense was recorded for the three months ended November 30, 2004 as no restricted stock grants were outstanding.

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Note 9 − Derivative Instruments

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

At November 30, 2005 exchange rates, forward exchange contracts for the sale of United States dollars aggregated $51.5 million, Pound Sterling aggregated $0.9 million and Euro aggregated $6.1 million. Adjusting these contracts to the fair value of these cash flow hedges at November 30, 2005 resulted in an unrealized pre-tax gain of $2.5 million that was recorded in the line item accumulated other comprehensive loss and the fair value of the contracts is included in accounts payable and accrued liabilities on the Consolidated Balance Sheet. As these contracts mature at various dates through August 2006, any such gain or loss remaining will be recognized in manufacturing revenue along with the related transactions. In the event that the underlying sales transaction does not occur or does not occur in the period designated at the inception of the hedge, the amount classified in accumulated other comprehensive income (loss) would be reclassified to the current year' s results of operations.

At November 30, 2005 exchange rates, interest rate swap agreements had a notional amount of $23.2 million and mature between August 2006 and March 2011. The fair value of these cash flow hedges at November 30, 2005 resulted in an unrealized pre-tax loss of $1.1 million. The loss is included in accumulated other comprehensive loss and the fair value of the contracts is included in accounts payable and accrued liabilities on the Consolidated Balance Sheet. As interest expense on the underlying debt is recognized, amounts corresponding to the interest rate swaps are reclassified from accumulated other comprehensive income (loss) and charged or credited to interest expense. At November 30, 2005 interest rates, approximately $0.4 million would be reclassified to interest expense in the next 12 months.

Note 10 − Segment Information

Greenbrier has two reportable segments: manufacturing and leasing & services. The accounting policies of the segments are described in the summary of significant accounting policies in the Consolidated Financial Statements contained in the Company' s 2005 Annual Report on Form 10-K. Performance is evaluated based on margin. Intersegment sales and transfers are accounted for as if the sales or transfers were to third parties.

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

	Three Months Ended November 30,	
(In thousands)	2005	2004
Revenue:		
Manufacturing	$230,394	$200,937
Leasing & services	25,674	21,477
Intersegment eliminations	(69,706)	(4,366)
	$186,362	$218,048
Margin:		
Manufacturing	$21,566	$17,535
Leasing & services	11,327	7,271
	$32,893	$24,806

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Note 11 − Commitments and Contingencies

From time to time, Greenbrier is involved as a defendant in litigation in the ordinary course of business, the outcome of which cannot be predicted with certainty. The most significant litigation is as follows:

On April 20, 2004, BC Rail Partnership initiated litigation against the Company in the Supreme Court of Nova Scotia, alleging breach of contract and negligent manufacture and design of railcars which were involved in a derailment. No trial date has been set.

On November 3, 2004, and November 4, 2004, in the District Court of Tarrant County, Texas, and in the District Court of Lancaster County, Nebraska, respectively, litigation was initiated against the Company by Burlington Northern Santa Fe Railway (BNSF). BNSF alleges the failure of a component part on a railcar manufactured by Greenbrier in 1988, resulted in a derailment and a chemical spill. The complaint alleges in excess of $14.0 million in damages. Answers have been filed in both cases and the parties have agreed to stay the Nebraska action and proceed with the litigation in Texas. No trial date has been set.

On September 23, 2004, two current employees and one former employee of the Company filed a civil complaint in Multnomah County Circuit Court, State of Oregon, alleging that the Company failed to comply with Oregon wage and hour laws. Plaintiffs seek injunctive relief and unspecified unpaid wages, penalty wages, costs, disbursements and attorneys' fees. The parties have participated in mediation proceedings, and are in settlement negotiations. No trial date has been set.

On June 27, 2005, an individual initiated litigation against Union Pacific alleging general and economic damages in the amount of $0.5 million and $1.0 million, respectively, for personal injuries incurred while operating a handbrake on a railcar operating on Union Pacific's lines. On September 16, 2005, Union Pacific initiated litigation against various Greenbrier entities claiming indemnity and contribution. Discovery is continuing and no trial date has been set.

On December 9, 2005, SEB Finans AB (SEB) initiated an arbitration proceeding in Stockholm, Sweden, against Greenbrier alleging defects in connection with a contract to build 372 railcar units with an aggregate sales price of approximately $20.0 million. In its Statement of Claim, SEB alleges that, due to the failure of a component supplied by an unaffiliated vendor, the cars are defective and cannot be used for their intended purpose. SEB seeks damages in an undisclosed amount. No hearing date has been set. Greenbrier believes that applicable law provides an opportunity to remedy the performance issues and that an engineering solution is likely. The component supplier has effectively filed for the United Kingdom equivalent of bankruptcy protection. Accordingly, Greenbrier may be unable to recover its expenses and damages from the supplier.

Management intends to vigorously defend its position in each of the foregoing cases and believes that any ultimate liability resulting from the above litigation will not materially affect the Company's financial condition or results of operations.

The Company is involved as a defendant in other litigation initiated in the ordinary course of business. While the ultimate outcome of such legal proceedings cannot be determined at this time, management believes that the resolution of these actions will not have a material adverse effect on the Company's financial condition or results of operation.

Environmental studies have been conducted of the Company's owned and leased properties that indicate additional investigation and some remediation on certain properties may be necessary. The Company's Portland, Oregon manufacturing facility is located on the Willamette River. The United States Environmental Protection Agency (EPA) has classified portions of the river bed, including the portion fronting Greenbrier's facility, as a federal "National Priority List" or "Superfund" site due to sediment contamination (the Portland Harbor Site). Greenbrier and more than 60 other parties, have received a "General Notice" of potential liability from the EPA relating to the Portland Harbor Site. The letter advised the Company that they 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 have signed an Administrative Order on Consent to perform a remedial investigation/feasibility study of the Portland Harbor Site under EPA oversight, and five additional entities have not signed such consent, but are nevertheless contributing money to the

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effort. The study is expected to be completed in 2007. In addition, the Company has entered into a Voluntary Clean-Up Agreement with the Oregon Department of Environmental Quality in which the Company agreed to conduct an investigation of whether, and to what extent, past or present operations at our Portland property may have released hazardous substances to the environment. Under this oversight, the Company is also conducting groundwater remediation relating to a historical spill on its property.

Because these environmental investigations are still underway, the Company is 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, Greenbrier 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, the Company may be required to perform periodic maintenance dredging in order to continue to launch vessels from its launch ways on the river, 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 the Company' s business and results of operations, or the value of its Portland property.

The Internal Revenue Service (IRS) is currently conducting an audit of the Company' s federal income tax returns for the years ended 1999 through 2002. In connection with the audit, the IRS is reviewing the Company' s decision to take a deduction on the 2002 federal tax return in the amount of $52.6 million relating to European operations, which resulted in a $21.5 million tax benefit reported in the 2002 Consolidated Financial Statements. The IRS has not completed its examination. However, upon completion of its audit, the IRS may propose to disallow some or all of the deduction in that year. The Company would have rights of appeal within the IRS and in the courts.

The Company has entered into contingent rental assistance agreements, aggregating a maximum of $11.9 million, on certain railcars subject to leases that have been sold to third parties. These agreements guarantee the purchasers a minimum lease rental, subject to a maximum defined rental assistance amount, over periods that range from one to six years. A liability is established and revenue is reduced in the period during which a determination can be made that it is probable that a rental shortfall will occur and the amount can be estimated. For the three months ended November 30, 2005 and 2004, no accruals were made to cover estimated future obligations as rental shortfalls were not considered probable. There is no liability accrued as of November 30, 2005. All of these agreements were entered into prior to December 31, 2002 and have not been modified since. The accounting for any future rental assistance agreements will comply with the guidance required by FASB Interpretation (FIN) 45 which pertains to contracts entered into or modified subsequent to December 31, 2002.

A portion of leasing & services revenue is derived from "car hire" which is a fee that a railroad pays for the use of railcars owned by other railroads or third parties. Car hire earned by a railcar is usually made up of hourly and mileage components. Until 1992, the Interstate Commerce Commission directly regulated car hire rates by prescribing a formula for calculating these rates. Government regulation of car hire rates continues, but the system of prescribed rates has been superseded by a system known as deprescription. A ten-year period used to phase in this new system ended on January 1, 2003. Deprescription is a system whereby railcar owners and users have the right to negotiate car hire rates. If the railcar owner and railcar user cannot come to an agreement on a car hire rate then either party has the right to call for arbitration. In arbitration either the owner' s or user' s rate is selected and that rate becomes effective for a one-year period. There is some risk that car hire rates could be negotiated or arbitrated to lower levels in the future. This could reduce future car hire revenue which amounted to $5.7 million and $5.9 million for the three months ended November 30, 2005 and 2004.

In accordance with customary business practices in Europe, the Company has $10.0 million in bank and third party performance, advance payment, and warranty guarantee facilities, all of which have been utilized as of November 30, 2005. To date, no amounts have been drawn against these performance, advance payment, and warranty guarantee facilities.

At November 30, 2005, an unconsolidated subsidiary had $7.7 million of third party debt, for which the Company has guaranteed 33%, or approximately $2.6 million. In the event there is a change in control or insolvency by any of the three 33% investors that have guaranteed the debt, the remaining investor' s share of the guarantee will increase proportionately.

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The Company has outstanding letters of credit aggregating $1.8 million associated with materials purchases and facility leases.

Greenbrier has jointly committed with Babcock & Brown Rail Management, LLC to purchase new railcars from unaffiliated manufacturers to be leased to third party customers. Greenbrier' s remaining portion of this commitment is $38.7 million.

The Company has outstanding purchase commitments for materials in the amount of $53.9 million, a portion of which is for production of railcars included in backlog.

Note 12 − Guarantor/Non Guarantor

The Notes (see Note 5) issued on May 11, 2005 and November 21, 2005 are fully and unconditionally and jointly and severally guaranteed by certain of Greenbrier' s wholly owned subsidiaries: Autostack Company, LLC, Greenbrier-Concarril, LLC, Greenbrier Leasing Company, LLC, Greenbrier Leasing Limited Partner, LLC, Greenbrier Management Services, LLC, Greenbrier Leasing, L.P., Greenbrier Railcar, LLC, Gunderson, LLC, Gunderson Marine, LLC, Gunderson Rail Services, LLC, and Gunderson Specialty Products, LLC. No other subsidiaries guarantee the Notes.

The following represents the supplemental consolidated condensed financial information of Greenbrier and its guarantor and non guarantor subsidiaries, as of November 30, 2005 and August 31, 2005 and for the quarters ended November 30, 2005 and 2004. The information is presented on the basis of Greenbrier accounting for its ownership of its wholly owned subsidiaries using the equity method of accounting. Intercompany transactions of goods and services between the guarantor and non guarantor subsidiaries are presented as the sales or transfers were to third parties.

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The Greenbrier Companies, Inc.
Condensed Consolidated Balance Sheet
November 30, 2005
(In thousands)

	Parent	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
Cash and cash equivalents	$89,583	$ 337	$ 10,775	$ –	$ 100,695
Restricted cash	–	–	89	–	89
Accounts and notes receivable	23,008	39,701	28,856	91	91,656
Inventories	–	81,373	39,810	–	121,183
Railcars held for sale	–	98,248	6,716	(1,358)	103,606
Equipment on operating leases	–	222,991	–	(2,029)	220,962
Investment in direct finance leases	–	7,314	–	–	7,314
Property, plant and equipment	5	50,924	21,988	–	72,917
Other	317,167	25,321	2,488	(315,973)	29,003
	$429,763	$ 526,209	$ 110,722	$ (319,269)	$ 747,425
LIABILITIES AND STOCKHOLDERS' EQUITY					
Revolving notes	$–	$ –	$ 14,540	$ –	$ 14,540
Accounts payable and accrued liabilities	1,618	157,109	48,697	92	207,516
Participation	–	22,386	–	–	22,386
Deferred income taxes	716	31,540	(1,027)	(734)	30,495
Deferred revenue	1,358	2,092	420	–	3,870
Notes payable	242,795	16,888	13,439	–	273,122
Subordinated debt	–	7,175	–	–	7,175
Minority interest	–	(66)	–	66	–
Subsidiary shares subject to mandatory redemption	–	–	–	3,746	3,746
STOCKHOLDERS' EQUITY	183,276	289,085	34,653	(322,439)	184,575
	$429,763	$ 526,209	$ 110,722	$ (319,269)	$ 747,425

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The Greenbrier Companies, Inc.
Condensed Consolidated Statement of Operations
For the quarter ended November 30, 2005
(In thousands)

	Parent	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue					
Manufacturing	$–	$ 130,117	$ 75,176	$ (40,697)	$ 164,596
Leasing and services	988	21,505	–	(727)	21,766
	988	151,622	75,176	(41,424)	186,362
Cost of revenue					
Manufacturing	(53)	111,873	70,789	(39,579)	143,030
Leasing and services	–	10,455	–	(16)	10,439
	(53)	122,328	70,789	(39,595)	153,469
Margin	1,041	29,294	4,387	(1,829)	32,893
Other costs					
Selling and administrative expense	4,136	9,865	1,683	–	15,684
Interest and foreign exchange	4,403	945	79	(997)	4,430
	8,539	10,810	1,762	(997)	20,114
Earnings (loss) before income taxes, minority interest and equity in earnings (loss) of unconsolidated subsidiaries	(7,498)	18,484	2,625	(832)	12,779
Income tax (expense) benefit	2,923	(7,501)	(691)	335	(4,934)
	(4,575)	10,983	1,934	(497)	7,845
Minority interest	–	(45)		45	–
Equity in earnings (loss) of unconsolidated subsidiaries	12,592	172	–	(12,592)	172
Net earnings	$8,017	$ 11,110	$ 1,934	$ (13,044)	$ 8,017

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The Greenbrier Companies, Inc.
Condensed Consolidated Statement of Cash Flows
For the quarter ended November 30, 2005
(In thousands)

	Parent	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash flows from operating activities:					
Net earnings	$8,017	$ 11,110	$ 1,934	$ (13,044)	$ 8,017
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:					
Deferred income taxes	(236)	(20)	(531)	(335)	(1,122)
Tax benefit of options exercised	639	–	–	–	639
Depreciation and amortization	158	5,036	838	(16)	6,016
Gain on sales of equipment	–	(609)	–	(3)	(612)
Other	(2)	72	15	(45)	40
Decrease (increase) in assets					
Accounts and notes receivable	4,318	35,986	(9,028)	(48)	31,228
Inventories	–	(4,264)	5,187	(1)	922
Railcars held for sale	–	(43,517)	(853)	751	(43,619)
Other	(41,250)	26,841	154	12,592	(1,663)
Increase (decrease) in liabilities					
Accounts payable and accrued liabilities	(9,211)	12,416	7,666	7	10,878
Participation	–	486	–	–	486
Deferred revenue	(39)	(3,294)	487	–	(2,846)
Net cash provided by (used in) operating activities	(37,606)	40,243	5,869	(142)	8,364
Cash flows from investing activities:					
Principal payments received under direct finance leases	–	871	–	–	871
Proceeds from sales of equipment	–	3,169	–	–	3,169
Investment in and advances to unconsolidated subsidiaries	–	75	–	–	75
Capital expenditures	–	(43,795)	(706)	100	(44,401)
Net cash provided by (used in) investing activities	–	(39,680)	(706)	100	(40,286)
Cash flows from financing activities					
Changes in revolving notes	–	–	2,096	–	2,096
Proceeds from notes payable	60,000	–	–	–	60,000
Repayments of notes payable	(277)	(884)	(221)	–	(1,382)
Repayments of subordinated debt	–	(1,442)	–	–	(1,442)
Stock options exercised and restricted stock awards	805	–	–	–	805
Net cash provided by (used in) financing activities	60,528	(2,326)	1,875	–	60,077
Effect of exchange rate changes	(99)	47	(613)	1	(664)
Increase in cash and cash equivalents	22,823	(1,716)	6,425	(41)	27,491
Cash and cash equivalents					
Beginning of period	66,760	2,053	4,350	41	73,204
End of period	$89,583	$ 337	$ 10,775	$ –	$ 100,695

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The Greenbrier Companies, Inc.
Condensed Consolidated Balance Sheet
August 31, 2005
(In thousands)

	Parent	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
Cash and cash equivalents	$66,760	$ 2,053	$ 4,350	$ 41	$ 73,204
Restricted cash	–	–	93	–	93
Accounts and notes receivable	27,325	75,762	19,827	43	122,957
Inventories	–	77,110	44,588	–	121,698
Railcars held for sale	–	54,165	5,863	(607)	59,421
Equipment on operating leases	–	185,104	–	(1,949)	183,155
Investment in direct finance leases	–	9,974	–	–	9,974
Property, plant and equipment	8	51,381	21,814	–	73,203
Other	276,072	24,788	2,635	(275,993)	27,502
	$370,165	$ 480,337	$ 99,170	$ (278,465)	$ 671,207
LIABILITIES AND STOCKHOLDERS' EQUITY					
Revolving notes	$–	$ –	$ 12,453	$ –	$ 12,453
Accounts payable and accrued liabilities	9,586	144,672	40,916	84	195,258
Participation	–	21,900	–	–	21,900
Deferred income taxes	952	31,560	(484)	(399)	31,629
Deferred revenue	1,396	5,387	127	–	6,910
Notes payable	183,072	17,772	13,791	–	214,635
Subordinated debt	–	8,617	–	–	8,617
Minority	–	(111)	–	111	–
Subsidiary shares subject to mandatory redemption	–	–	–	3,746	3,746
STOCKHOLDERS' EQUITY	175,159	250,540	32,367	(282,007)	176,059
	$370,165	$ 480,337	$ 99,170	$ (278,465)	$ 671,207

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The Greenbrier Companies, Inc.
Condensed Consolidated Statement of Operations
For the quarter ended November 30, 2004
(In thousands)

	Parent	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue					
Manufacturing	$13,174	$ 95,871	$ 91,385	$ (33)	$ 200,397
Leasing and services	316	17,899	–	(564)	17,651
	13,490	113,770	91,385	(597)	218,048
Cost of revenue					
Manufacturing	12,225	84,730	85,907	–	182,862
Leasing and services	–	10,399	–	(19)	10,380
	12,225	95,129	85,907	(19)	193,242
Margin	1,265	18,641	5,478	(578)	24,806
Other costs					
Selling and administrative expense	2,762	6,922	2,388	–	12,072
Interest and foreign exchange	771	1,804	1,081	(597)	3,059
	3,533	8,726	3,469	(597)	15,131
Earnings (loss) before income taxes, minority interest and equity in earnings (loss) of unconsolidated subsidiaries	(2,268)	9,915	2,009	19	9,675
Income tax (expense) benefit	1,090	(4,176)	(463)	(5)	(3,554)
	(1,178)	5,739	1,546	14	6,121
Equity in earnings (loss) of unconsolidated subsidiaries	6,568	(80)	–	(7,219)	(731)
Net earnings	$5,390	$ 5,659	$ 1,546	$ (7,205)	$ 5,390

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The Greenbrier Companies, Inc.
Condensed Consolidated Statement of Cash Flows
For the quarter ended November 30, 2004
(In thousands)

	Parent	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash flows from operating activities:					
Net earnings	$5,390	$ 5,659	$ 1,546	$ (7,205)	$ 5,390
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:					
Deferred income taxes	625	(1,389)	1,604	5	845
Depreciation and amortization	19	4,340	945	(19)	5,285
Gain on sales of equipment	–	(86)	–	–	(86)
Other	–	8	2	–	10
Decrease (increase) in assets					
Accounts and notes receivable	203	(17,320)	(9,061)	185	(25,993)
Inventories	–	900	(4,081)	–	(3,181)
Railcars held for sale	–	(1,613)	(1,069)	–	(2,682)
Other	(6,877)	871	1,086	7,219	2,299
Increase (decrease) in liabilities					
Accounts payable and accrued liabilities	(157)	888	(10,972)	(185)	(10,426)
Participation	–	406	–	–	406
Deferred revenue	1,552	3,742	330		5,624
Net cash provided by (used in) operating activities	755	(3,594)	(19,670)	–	(22,509)
Cash flows from investing activities:					
Principal payments received under direct finance leases	–	1,832	–	–	1,832
Proceeds from sales of equipment	–	2,460	–	–	2,460
Investment in and advances to unconsolidated subsidiaries	–	(57)	–	–	(57)
Capital expenditures	–	(11,435)	(960)	–	(12,395)
Net cash used in investing activities	–	(7,200)	(960)	–	(8,160)
Cash flows from financing activities					
Changes in revolving notes	–	16,000	18,363	–	34,363
Repayments of notes payable	(255)	(1,790)	(235)	–	(2,280)
Repayments of subordinated debt	–	(1,592)	–	–	(1,592)
Proceeds from exercise of stock options	174	–	–	–	174
Net cash provided by (used in) financing activities	(81)	12,618	18,128	–	30,665
Effect of exchange rate changes	(674)	590	4,283	–	4,199
Increase in cash and cash equivalents	–	2,414	1,781	–	4,195
Cash and cash equivalents					
Beginning of period	–	10,454	1,656	–	12,110
End of period	$–	$ 12,868	$ 3,437	$ –	$ 16,305

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Note 13 − Subsequent Event

Subsequent to November 30, 2005, all remaining subsidiary shares subject to mandatory redemption carried at $3.7 million were redeemed in an equity transaction for $5.3 million resulting in a $1.6 million decrease in paid-in-capital.

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

Executive Summary

We currently operate in two primary business segments: manufacturing and leasing & services. These two business segments are operationally integrated. With operations in the United States, Canada, Mexico and Europe the manufacturing segment produces double-stack intermodal railcars, conventional railcars, tank cars, marine vessels and performs railcar repair, refurbishment and maintenance activities. We produce rail castings through an unconsolidated joint venture and may also manufacture new freight cars through the use of unaffiliated subcontractors. The leasing & services segment owns approximately 11,000 railcars and provides management services for approximately 131,000 railcars for railroads, shippers, carriers, and other leasing and transportation companies. Segment performance is evaluated based on margins.

Our manufacturing backlog of railcars for sale and lease as of November 30, 2005 was approximately 7,100 railcars with an estimated value of $450.0 million compared to 10,300 railcars valued at $620.0 million as of November 30, 2004. Substantially all of the current backlog has been priced to cover anticipated material price increases and surcharges. As these sales price increases are an anticipated pass-through of vendor material price increases and surcharges, they are not necessarily indicative of increased margins on future production. There is still risk that material prices could increase beyond amounts used to price our sale contracts which would adversely impact margins in our backlog.

The available supply of rail castings to the industry continues to be adversely affected as a result of reorganization and consolidation of domestic suppliers. Our investment in a joint venture that operates castings production facilities has helped us maintain production despite industry-wide casting shortages. Shortages of other railcar components such as wheels, axles and couplers may impact production at our new railcar and refurbishment facilities. In an effort to mitigate shortages and reduce supply chain costs, we are participating in strategic alliances and global sourcing of components.

In September 1998 we entered into a joint venture with Bombardier Transportation (Bombardier) to build railroad freight cars at a portion of Bombardier' s existing manufacturing facility in Sahagun, Mexico. Each party held a 50% non-controlling interest in the joint venture. In December 2004, we acquired Bombardier' s interest for $9.0 million payable over five years. We lease a portion of the plant from Bombardier and have entered into a service agreement under which Bombardier provides labor and manufacturing support. The Mexican operations, previously accounted for under the equity method, were consolidated for financial reporting purposes beginning in December 2004.

On November 21, 2005, we issued, at par, through a private placement, $60.0 million aggregate principal amount of 8 3/8% senior unsecured notes due 2015. We are obligated to file a registration statement with respect to an offer to exchange these senior unsecured notes for a new issue of identical notes registered with the Securities and Exchange Commission prior to February 19, 2006 and are also obligated to cause the registration statement to be effective before May 19, 2006. The transaction is an additional offering under the indenture entered into in connection with our sale of $175.0 million of senior unsecured notes in May 2005. The $235.0 million combined senior unsecured notes (the Notes) have identical terms. Payment on the Notes is guaranteed by certain of our domestic subsidiaries. Interest is paid in arrears on May 15th and November 15th of each year. Proceeds of the Notes are intended to be used for working capital, general corporate purposes, capital expenditures and potential acquisitions.

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Critical Accounting Policies

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

Income taxes − For financial reporting purposes, income tax expense is estimated based on planned tax return filings. The amounts anticipated to be reported in those filings may change between the time the financial statements are prepared and the time the tax returns are filed. Further, because tax filings are subject to review by taxing authorities, there is also the risk that a position taken in preparation of a tax return may be challenged by a taxing authority. If the taxing authority is successful in asserting a position different than that taken by us, differences in tax expense or between current and deferred tax items may arise in future periods. Such differences, which could have a material impact on our financial statements, would be reflected in the financial statements when management considers them probable of occurring and the amount reasonably estimable. Valuation allowances reduce deferred assets to an amount that will more likely than not be realized. Our estimates of the realization of deferred tax assets is based on the information available at the time the financial statements are prepared and may include estimates of future income and other assumptions that are inherently uncertain.

Maintenance obligations − We are responsible for maintenance on a portion of the managed and owned lease fleet under the terms of maintenance obligations defined in the underlying lease or management agreement. The estimated maintenance liability is based on maintenance histories for each type and age of railcar. These estimates involve judgment as to the future costs of repairs and the types and timing of repairs required over the lease term. As we cannot predict with certainty the prices, timing and volume of maintenance needed in the future on railcars under long-term leases, this estimate is uncertain and could be materially different from maintenance requirements. The liability is periodically reviewed and updated based on maintenance trends and known future repair or refurbishment requirements. Historically, we have not had material adjustments to these estimates as they are reviewed frequently and cover long-term contracts. However, these adjustments could be material in the future due to the inability to predict future maintenance requirements.

Warranty accruals − Warranty costs are estimated and charged to operations to cover a defined warranty period. The estimated warranty cost is based on historical warranty claims for each particular product type. For new product types without a warranty history, preliminary estimates are based on historical information for similar product types.

These estimates are inherently uncertain as they are based on historical data for existing products and judgment for new products. If warranty claims are made in the current period for issues that have not historically been the subject of warranty claims and were not taken into consideration in establishing the accrual or if claims for issues already considered in establishing the accrual exceed expectations, warranty expense may exceed the accrual for that particular product. Conversely, there is the possibility that claims may be lower than estimates. The warranty accrual is periodically reviewed and updated based on warranty trends. In aggregate, warranty costs have not been materially different from the estimates. However, as we cannot predict future claims, the potential exists for the difference to be material.

Results of Operations

Three Months Ended November 30, 2005 Compared to Three Months Ended November 30, 2004

Overview

Total revenue for the three months ended November 30, 2005 was $186.4 million, a decrease of $31.6 million from revenues of $218.0 million in the prior comparable period. Net earnings were $8.0 million and $5.4 million for the three months ended November 30, 2005 and 2004.

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Manufacturing Segment

Manufacturing revenue includes results from new railcar, marine, refurbishment and maintenance activities. New railcar delivery and backlog information includes all facilities and orders that may be manufactured by unaffiliated subcontractors.

Our purchase on December 1, 2004 of Bombardier' s equity interest in the railcar manufacturing joint venture located in Mexico brought our ownership percentage to 100%. As a result the financial results of the subsidiary, formerly accounted for under the equity method, are consolidated beginning December 1, 2004.

Manufacturing revenue for the three months ended November 30, 2005 was $164.6 million compared to $200.4 million in the corresponding prior period, a decrease of $35.8 million. In addition, the prior comparable period excludes $28.7 million in revenue from our Mexican manufacturing facility that was accounted for under the equity method. The decrease is the result of lower deliveries and a change in product mix to lower priced car types. New railcar deliveries were approximately 2,400 units in the current period compared to 3,200 units in the prior comparable period. Reduced deliveries to third parties are primarily due to a downturn in the European market and increased production of railcars for our lease fleet or held for sale. Current period deliveries include a product mix that consists of 86% intermodal railcars and 14% conventional railcars as compared to a product mix of 67% intermodal railcars and 33% conventional railcars in the prior comparable period. Multi-unit intermodal railcars generally have per unit selling prices that are less than conventional railcars.

Manufacturing margin percentage, which includes new railcar, marine, refurbishment and maintenance activities, for the three months ended November 30, 2005 was 13.1% compared to a margin of 8.8% for the three months ended November 30, 2004. The increase was primarily due to lower material costs, higher margin railcar types and the addition of Mexican operations with operating efficiencies. In addition, the prior comparable period included certain railcars produced on contracts entered into prior to the adjustment for increases in steel surcharges and price increases which could not be passed onto the customer.

Leasing & Services Segment

Leasing & services revenue increased $4.1 million, or 23.2%, to $21.8 million for the three months ended November 30, 2005 compared to $17.7 million for the three months ended November 30, 2004. The change is primarily a result of a $2.1 million increase in operating lease revenue from new lease additions, $0.5 million increase in gains on disposition of assets from the lease fleet, $0.5 million in rate adjustments due to increased utilization of railcars under certain contracts and a $1.2 million increase in interim lease revenue on railcars held for sale.

Pre-tax earnings of $0.6 million were realized on the disposition of leased equipment, compared to $0.1 million in the prior comparable period. Assets from Greenbrier' s lease fleet are periodically sold in the normal course of business in order to take advantage of market conditions, manage risk and maintain liquidity.

Leasing & services margin, as a percentage of revenue, was 52.0% and 41.2% for the three-month periods ended November 30, 2005 and 2004. The increase was primarily a result of growth of the operating lease portfolio to replace maturing direct finance leases, increased gains on disposition of assets from the lease fleet, rate escalations on certain maintenance contracts and interim rental on assets held for sale.

Other Costs

Selling and administrative expense was $15.7 million for the three months ended November 30, 2005 compared to $12.1 million for the comparable prior period, an increase of $3.6 million. The change is primarily due to a $2.3 million increase in employee costs including incentive compensation for both salaried and hourly employees, $0.6 million in amortization of the value of restricted stock grants and $0.5 million in costs for our Mexican operations, accounted for under the equity method in the prior comparable period.

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Interest and foreign exchange increased $1.3 million to $4.4 million for the three months ended November 30, 2005, compared to $3.1 million in the prior comparable period. The increase is due to higher debt levels with the addition of $235.0 million in senior unsecured debt, partially offset by payoff of certain notes payable and revolving notes and foreign exchange fluctuations. Current period results include foreign exchange gains of $0.4 million as compared to foreign exchange losses of $0.3 million in the prior comparable period.

Income tax expense for the three months ended November 30, 2005 represents a tax rate of 40.5% on United States operations as compared to 42.0% in the prior comparable period. The decline in tax rate is due to reduced state income tax rates and the current period implementation of the manufacturing tax deduction. Both periods include varying tax rates on foreign operations. Our effective tax rate was 38.6% and 36.7% for the three months ended November 30, 2005 and 2004. The fluctuations in effective tax rate are due to the geographical mix of pre-tax earnings and losses.

Equity in Earnings (Loss) of Unconsolidated Subsidiaries

Equity in earnings of unconsolidated subsidiaries was $0.2 million for the three months ended November 30, 2005 compared to a loss of $0.7 million for the three months ended November 30, 2004. The three months ended November 30, 2005 consist of our portion of earnings on our castings joint venture which incurred a small loss in the prior comparable period due to start up costs. The three months ended November 30, 2004 include $0.7 million in losses on our railcar manufacturing joint venture in Mexico resulting from production issues and parts shortages. As a result of the purchase of our joint venture partner' s interest in the venture, the financial results for the entity were consolidated beginning on December 1, 2004.

Liquidity and Capital Resources

We have been financed through cash generated from operations and borrowings. During the quarter ending November 30, 2005, cash increased $27.5 million to $100.7 million from $73.2 million at August 31, 2005. Cash increases were primarily due to the issuance of $60.0 million in senior unsecured notes during November, partially offset by purchases of equipment for the lease fleet and increases in assets held for sale.

Cash provided by operations for the three months ended November 30, 2005 was $8.4 million compared to cash used in operations of $22.5 million for the three months ended November 30, 2004. The change is due primarily to timing of working capital needs and improved earnings.

Cash used in investing activities was $40.3 million for the three months ended November 30, 2005 compared to $8.2 million in the prior comparable period. The increased cash utilization was primarily due to increased capital expenditures.

Capital expenditures totaled $44.4 million and $12.4 million for the three months ended November 30, 2005 and 2004. Of these capital expenditures, approximately $41.9 million and $10.3 million were attributable to leasing & services operations. Leasing & services capital expenditures for 2006 are expected to be approximately $60.0 million. Our capital expenditures have increased as we replace the maturing direct finance lease portfolio. We regularly sell assets from our lease fleet, some of which may have been purchased within the current year and included in capital expenditures.

Approximately $2.5 million and $2.1 million of capital expenditures for the three months ended November 30, 2005 and 2004 were attributable to manufacturing operations. Capital expenditures for manufacturing operations are expected to be approximately $16.0 million in 2006, a portion of which is associated with expansion and improvement of our marine facilities.

Cash provided by financing activities of $60.1 million for the three months ended November 30, 2005 compared to $30.7 million in the three months ended November 30, 2004. During the three months ended November 30, 2005 we received $60.0 million in proceeds from a senior unsecured debt offering. In the prior period, cash proceeds were primarily from borrowings under revolving credit lines.

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All amounts originating in foreign currency have been translated at the November 30, 2005 exchange rate for the purpose of the following discussion. Credit facilities aggregated $171.8 million as of November 30, 2005. Available borrowings are based upon defined levels of inventory, receivables, leased equipment and property, plant and equipment, as well as certain consolidated capitalization, tangible net worth and fixed coverage ratios which at November 30, 2005 levels would provide for maximum borrowing of $106.0 million, of which $14.5 million is outstanding. A $125.0 million revolving line of credit is available through June 2010 to provide working capital and interim financing of equipment for the United States and Mexican operations. A $25.7 million line of credit is available through June 2010 for working capital for Canadian manufacturing operations. Lines of credit totaling $21.1 million are available principally through June 2006 for working capital for the European manufacturing operation. Advances bear interest at rates that depend on the type of borrowing and the ratio of debt to total capitalization, as defined. At November 30, 2005, there were no borrowings outstanding under the North American credit facilities. The European manufacturing credit lines had $14.5 million outstanding.

In accordance with customary business practices in Europe, we have $10.0 million in bank and third party performance, advance payment and warranty guarantee facilities all of which has been utilized as of November 30, 2005. To date, no amounts have been drawn under these performance, advance payment and warranty guarantees.

We have advanced $2.1 million in long term advances to an unconsolidated subsidiary which are secured by accounts receivable and inventory. As of November 30, 2005, this same unconsolidated subsidiary had $7.7 million in third party debt for which we have guaranteed 33% or approximately $2.6 million.

We have outstanding letters of credit aggregating $1.8 million associated with materials purchases and facility leases.

Foreign operations give rise to risks from changes in foreign currency exchange rates. Greenbrier utilizes foreign currency forward exchange contracts with established financial institutions to hedge a portion of that risk. No provision has been made for credit loss due to counterparty non-performance.

Quarterly dividends have been paid since the 4th quarter of 2004 when dividends of $.06 per share were reinstated. The dividend was increased to $.08 per share in the 4th quarter of 2005.

We expect existing funds and cash generated from operations, together with proceeds from financing activities including borrowings under existing credit facilities and long-term financing, to be sufficient to fund dividends, working capital needs, planned capital expenditures and expected debt repayments for the foreseeable future.

Off Balance Sheet Arrangements

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

Forward-Looking Statements

From time to time, Greenbrier or its representatives have made or may make forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements as to expectations, beliefs and strategies regarding the future. Such forward-looking statements may be included in, but not limited to, press releases, oral statements made with the approval of an authorized executive officer or in various filings made by us with the Securities and Exchange Commission. 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 or obtain sufficient lines of credit and performance guarantees on acceptable terms;

ability to utilize beneficial tax strategies;

ability to grow our railcar services and lease fleet and management services business;

ability to obtain sales contracts which contain provisions for the escalation of prices due to increased costs of materials and components;

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ability to obtain adequate certification and licensing of products; and

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

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

a delay or failure of acquired businesses, products or services to compete successfully;

decreases in carrying value of 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 requirements;

effects of local statutory accounting conventions on compliance with covenants in certain loan agreements;

domestic and global business conditions and growth or reduction in the surface transportation industry;

actual future costs and the availability of materials and a trained workforce;

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

availability of subcontractors;

steel price increases, scrap surcharges and other commodity price fluctuations and their impact on railcar demand and margin;

changes in product mix and the mix between the manufacturing and leasing & services segments;

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

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

ability to obtain suitable contracts for railcars held for sale;

lower than anticipated residual values for leased equipment;

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

resolution or outcome of investigations and pending or future litigation;

the ability to consummate expected sales;

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

financial condition of principal customers;

market acceptance of products;

ability to determine and obtain adequate levels of insurance at acceptable rates;

competitive factors, including introduction of competitive products, price pressures, limited customer base and competitiveness of our manufacturing facilities and products;

industry over-capacity and our manufacturing capacity utilization;

continued industry demand at current and anticipated levels for railcar products;

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

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

cost overrun or delays in completion of the expansion of the marine facility;

the effects of car hire deprescription on leasing revenue;

changes in interest rates;

actions by various regulatory agencies;

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changes in fuel and/or energy prices;

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

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

financial impacts from currency fluctuations in our worldwide operations.

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Any forward-looking statements should be considered in light of these factors. Greenbrier assumes no obligation to update or revise any forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements or if Greenbrier later becomes aware that these assumptions are not likely to be achieved, except as required under securities laws.

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Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Currency Exchange Risk

We have operations in Canada, Mexico, Germany and Poland that conduct business in their local currencies as well as other regional currencies. To mitigate its exposure to transactions denominated in currencies other than the functional currency of each entity, we enter into foreign currency forward exchange contracts to protect our margin on a portion of its forecast foreign currency sales. At November 30, 2005, $58.5 million of forecast sales were hedged by foreign exchange contracts. Because of the variety of currencies in which purchases and sales are transacted and the interaction between currency rates, it is not possible to predict the impact a movement in a single foreign currency exchange rate would have on future operating results. We believe the exposure to foreign exchange risk is not material.

In addition to exposure to transaction gains or losses, we are also exposed to foreign currency exchange risk related to the net asset position of its foreign subsidiaries. At November 30, 2005, net assets of foreign subsidiaries aggregated $35.6 million and a uniform 10% strengthening of the United States dollar relative to the foreign currencies would result in a decrease in stockholders' equity of $3.6 million, 1.9% of total stockholders' equity. This calculation assumes that each exchange rate would change in the same direction relative to the United States dollar.

Interest Rate Risk

We have managed our floating rate debt with interest rate swap agreements, effectively converting $23.2 million of variable rate debt to fixed rate debt. At November 30, 2005, the exposure to interest rate risk is limited since 92% of our debt has fixed rates. As a result, we are only exposed to interest rate risk relating to our revolving debt and a portion of term debt. At November 30, 2005, a uniform 10% increase in interest rates would result in approximately $0.4 million of additional annual interest expense.

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Item 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management has evaluated, under the supervision and with the participation of our President and Chief Executive Officer and Chief Financial Officer, the effectiveness of the Company' s disclosure controls and procedures as of the end of the period covered by this report pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 (the Exchange Act). Based on that evaluation, our President and Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective in ensuring that information required to be disclosed in our Exchange Act reports is (1) recorded, processed, summarized and reported in a timely manner, and (2) accumulated and communicated to our management, including our President and Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Controls over Financial Reporting

There has been no change in our internal control over financial reporting that occurred during the quarter ended November 30, 2005 that has materially affected, or is reasonably likely to materially affect, the Company' s internal controls over financial reporting.

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PART II. OTHER INFORMATION

Item 1. Legal Proceedings

There is hereby incorporated by reference the information disclosed in Note 10 to Consolidated Financial Statements, Part I of this quarterly report.

Item 6. Exhibits

(a) List of Exhibits:

31.1 Certification pursuant to Rule 13 (a) - 14 (a)

31.2 Certification pursuant to Rule 13 (a) - 14 (a)

32.1 Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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SIGNATURES

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

THE GREENBRIER COMPANIES, INC.

Date: January 4, 2006

By: /s/ Larry G. Brady
Larry G. Brady
Senior Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer)

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AUTOSTACK COMPANY LLC

Dated: January 4, 2006

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Chief Executive Officer and Manager (Principal Executive Officer)
/s/ Larry G. Brady Larry G. Brady	Vice President (Principal Financial and Accounting Officer)

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GREENBRIER-CONCARRIL, LLC

Dated: January 4, 2006

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Chairman of the Board of Directors (Principal Executive Officer)
/s/ Larry G. Brady Larry G. Brady	Vice President (Principal Financial and Accounting Officer)
/s/ L. Clark Wood L. Clark Wood	Director
/s/ Robin Bisson Robin Bisson	Director

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Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GREENBRIER LEASING COMPANY, LLC

Dated: January 4, 2006	By: /s/ Larry G. Brady Larry G. Brady Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Chief Executive Officer and Manager (Principal Executive Officer)
/s/ Larry G. Brady Larry G. Brady	Vice President (Principal Financial and Accounting Officer)

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Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GREENBRIER LEASING, L.P.

Dated: January 4, 2006

By: Greenbrier Management Services LLC
General Partner

By: Greenbrier Leasing Company LLC
Sole Member and Manager

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Principal Executive Officer
/s/ Larry G. Brady Larry G. Brady	Principal Financial and Accounting Officer

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Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GREENBRIER LEASING LIMITED PARTNER, LLC

Dated: January 4, 2006

By: Greenbrier Leasing Company LLC
Sole Member and Manager

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Principal Executive Officer
/s/ Larry G. Brady Larry G. Brady	Principal Financial and Accounting Officer

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Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GREENBRIER MANAGEMENT SERVICES LLC

Dated: January 4, 2006

By: Greenbrier Leasing Company LLC
Sole Member and Manager

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Principal Executive Officer
/s/ Larry G. Brady Larry G. Brady	Principal Financial and Accounting Officer

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Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GREENBRIER RAILCAR LLC

Dated: January 4, 2006

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Manager (Principal Executive Officer)
/s/ Larry G. Brady Larry G. Brady	Vice President (Principal Financial and Accounting Officer)

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GUNDERSON LLC

Dated: January 4, 2006

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Manager (Principal Executive Officer)
/s/ Larry G. Brady Larry G. Brady	Vice President (Principal Financial and Accounting Officer)

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Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GUNDERSON MARINE LLC

Dated: January 4, 2006

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Manager (Principal Executive Officer)
/s/ Larry G. Brady Larry G. Brady	Vice President (Principal Financial and Accounting Officer)

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Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GUNDERSON RAIL SERVICES LLC

Dated: January 4, 2006

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Manager (Principal Executive Officer)
/s/ Larry G. Brady Larry G. Brady	Vice President (Principal Financial and Accounting Officer)

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Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GUNDERSON SPECIALTY PRODUCTS LLC

Dated: January 4, 2006

By: Gunderson LLC, Sole Member and Sole Manager

By: /s/ Larry G. Brady
Larry G. Brady
Vice President

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, this report has been signed by the following persons in the capacities indicated on
January 4, 2006:

Signature	Title
/s/ William A. Furman William A. Furman	Principal Executive Officer
/s/ Larry G. Brady Larry G. Brady	Principal Financial and Accounting Officer

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EXHIBIT 31.1

CERTIFICATIONS

I, William A. Furman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Greenbrier Companies, Inc. for the quarterly period ended November 30, 2005;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant' s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on such evaluation; and

   (d) disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting; and

5. The registrant' s other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant' s auditors and the audit committee of registrant' s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting.

Date: January 4, 2006

/s/ William A. Furman
William A. Furman, President and
Chief Executive Officer, Director

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CERTIFICATIONS (cont’ d)

I, Larry G. Brady, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Greenbrier Companies, Inc. for the quarterly period ended November 30, 2005;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’ s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant’ s disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on such evaluation; and

   (d) disclosed in this report any change in the registrant’ s internal control over financial reporting that occurred during the registrant’ s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’ s internal control over financial reporting; and

5. The registrant’ s other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant’ s auditors and the audit committee of registrant’ s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’ s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’ s internal control over financial reporting.

Date: January 4, 2006

/s/ Larry G. Brady
Larry G. Brady
Senior Vice President and
Chief Financial Officer

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EXHIBIT 32.1

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

In connection with the quarterly report of The Greenbrier Companies, Inc. (the "Company") on Form 10-Q for the quarterly period ended November 30, 2005 as filed with the Securities and Exchange Commission on the date therein specified (the "Report"), I, William A. Furman, President and Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

Date: January 4, 2006

/s/ WILLIAM A. FURMAN
William A. Furman
President and Chief Executive Officer

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EXHIBIT 32.2

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

In connection with the quarterly report of The Greenbrier Companies, Inc. (the "Company") on Form 10-Q for the quarterly period ended November 30, 2005 as filed with the Securities and Exchange Commission on the date therein specified (the "Report"), I, Larry G. Brady, Senior Vice President and Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 4, 2006

/s/ Larry G. Brady

Larry G. Brady
Senior Vice President and
Chief Financial Officer

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