

Global Railway Industries Ltd. Reports Q1 2011 Results

Company: **Global Railway Industries Ltd.**
Stock Symbol: **GBI**
Listing: **Toronto Stock Exchange**
Outstanding Shares: **15.2 Million**
Web Site: www.globalrailway.com

LACHINE, QC, June 14, 2011 /CNW/ - **Global Railway Industries Ltd., - (GBI:TSX)** : Global Railway Industries Ltd., www.globalrailway.com, ("Global" or the "Company"), today reports the Company's 2011 first quarter financial results for the three-months ended March 31, 2011. All dollar figures are reported in Canadian currency unless otherwise noted.

2011 Q1 Financial Highlights: 3-months ended March 30, 2011

- Total revenue increased 11% to \$12.2 million compared to \$11.0 million from continuing operations in Q1 2010
- Net earnings of \$202,000 compared to a net loss of \$594,000 from continuing operations in Q1 2010
- Earnings per share of \$0.01 compared to a loss of \$0.04 per share in Q1 2010 from continuing operations

During the first quarter, the Company delivered three remanufactured locomotives under the refurbishment contract bringing the total number of locomotives delivered to 26. The Company also delivered six remanufactured engines for the marine industry.

Mr. Fausto Levy, President and CEO of Global commented, "We have been encouraged by evidence that the economic recovery is gaining momentum. We are also pleased with progress made towards achieving operating profitability in Q1 2011, including a reduction in corporate costs after the technical challenges experienced over the last two quarters of 2010."

Mr. Levy continued, "Revenue gains and operational improvements helped bolster results with a gross margin of 12.6% for Q1 2011 versus 6.1% for 2010 comparable period. The team continues the pursuit of new contracts while continuing the focus on cost reductions and operational efficiency."

The Company's net earnings from operations for the first quarter of 2011 were \$202,000 versus a loss of \$594,000 from continuing operations one year earlier for an improvement of \$796,000.

The Company's Board of Directors will continue to focus on moving forward the Company's strategic plan to maximize shareholder value.

Financial Summary:

Summary Income Statement (unaudited)	Three months ending March 30, 2011	Three months ending March 30, 2010	Change
Revenues	\$12,179,575	\$10,997,959	\$1,181,616
Net earnings (loss) from continuing operations	\$201,949	(\$593,655)	\$795,604
Earnings (loss) per share (diluted) from continuing operations	\$0.01	(\$0.04)	\$0.05
Net earnings	\$201,949	\$117,693	\$84,256
Earnings per share (diluted)	\$0.01	\$0.01	\$0.00

The Company's 2011 first quarter financial statements and Management's discussion and analysis will be posted in the investor information section of Global's web site at www.globalrailway.com and are also available on SEDAR at www.sedar.com.

Forward Looking Statements:

This news release contains certain forward-looking statements about the objectives, strategies, financial conditions, results of operations and businesses of Global. Statements that are not historical facts are forward-looking and are subject to important risks, uncertainties and assumptions. These statements are based on the Company's current expectations about its business and the markets in which it operates, and upon various estimates and assumptions. The results or events predicted in these forward-looking statements may differ materially from actual results or events if known or unknown risks, trends or uncertainties affect the

Company's business, or if its estimates or assumptions turn out to be inaccurate. As a result, there is no assurance that the circumstances described in any forward-looking statement will materialize. Significant and reasonably foreseeable factors that could cause the Company's results to differ materially from its current expectations are discussed in the section entitled "Business Risks" contained in the Company's Management's Discussion and Analysis for the year ended December 31, 2010 filed by Global with the Canadian securities commissions (available on SEDAR at www.sedar.com), as updated in its most recent Management's Discussion and Analysis for the three months ended March 30, 2011. The Company disclaims any intention or obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason.

About Global Railway Industries: Global Railway Industries Ltd. is a public company whose shares are listed for trading on the Toronto Stock Exchange (TSX) under the symbol "GBI". For more information: visit www.globalrailway.com.

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