



News Release
May 13, 2009

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

Global Railway Reports Q1 Results for 2009

Investor Conference Call on Thursday May 14, 2009 @11AM ET

London, Ontario – May 13, 2009 - Global Railway Industries Ltd., - (GBI:TSX): Global Railway Industries Ltd., www.globalrailway.com, ("Global" or the "Company"), a leading North American provider of railway products and services, today reports the Company's 2009 first quarter financial result for the three-month period ended March 31, 2009. All dollar figures are reported in Canadian currency unless otherwise noted.

2009 Q1 Financial Highlights:

- Total revenue of \$14.7 million compared to \$15.5 million in Q1 2008
- Net loss of \$1.5 million compared to \$642 thousand of net income in Q1 2008
- Loss per share of \$0.10 compared to earnings per share \$0.04 in Q1 2008

Terry McManaman, Chairman, President and CEO of Global commented, "The economic recession has had a significant negative impact on our freight railway related businesses in the latter half of 2008 and continuing into 2009. North American Class 1 Railroads continue to report carload decreases exceeding twenty percent year over year. Global's business is directly impacted as these railroads continue to increase the number of locomotives and railcars put in storage. For the first quarter of 2009, Global reports a net loss of \$1.5 million, a loss per share of \$0.10 and revenues of \$14.7 million."

McManaman continues, "The first quarter loss can be attributed to Global's CAD Railway Industries (CADRI) subsidiary whose operating performance did not meet Management's expectations. As freight railroad companies store substantial numbers of locomotives and freight cars, there is a reduced demand for locomotive and railcar maintenance and parts, a significant part of CADRI's recurring business. In addition to lower locomotive and railcar maintenance business, CADRI operations in Q1 as expected, were impacted by the inefficiencies inherit and related to the start up phase of the VIA locomotive remanufacturing contract."

"Despite lower demand for track & signal products, G&B Specialties (G&B) subsidiary sales and gross margins met Management's expectations in the first quarter of 2009," said McManaman. "As part of Global's strategy to increase worldwide market penetration, G&B continues to increase its sales volumes to railroad companies in Mexico. G&B expects to have double digit percentage sales growth to Mexico in 2009, as compared with 2008."

"Global's Bach-Simpson ("Bach") subsidiary 2009 first quarter sales greatly exceeded Management expectations, increasing approximately 47% as compared to the first quarter of 2008. Bach does not expect its customers, most of which are commuter and passenger rail related, to have the same slow down that is currently being experienced by the customers of Global's other subsidiaries," said McManaman. "In Q1, Bach received a \$1.3 million order for event recorders from a major OEM with first deliveries beginning in 2010. Bach's backlog has increased to more than \$12.0 million at March 31, 2009."

McManaman continues, "Although the general North American economy continues to be weak and the freight railroad companies continue to be hesitant to commit to capital expenditures, opportunities for Global's growth still exist. CADRI is in process of bidding on a large Canadian passenger railcar remanufacturing contract. Management believes that CADRI is well positioned to win this contract prior to the end of 2009. CADRI also has recently bid on over \$5.0 million of components business which, if successful in winning, Management expects to start shipping this new business during the second half of 2009."

VIA Rail Contract

Early in April 2009, Global delivered the first locomotive of a fleet of 53 F-40 VIA passenger locomotives to be remanufactured by CADRI. Delivery of the second remanufactured locomotive is expected by the end of May 2009. CADRI is scheduled to deliver a total of 9 remanufactured locomotive units to VIA in 2009.

Bank Covenants

As at March 31, 2009, the Company was not in compliance with two of its banking covenants. The Lenders have not agreed to waive the covenant defaults at March 31, 2009; nor have the Lenders altered the terms and conditions of the credit facility. Company management is in discussions with the Lenders to amend the credit facility; however these discussions, and any resulting amendments to the credit facility, will not likely be completed until the end of the second quarter of 2009.

Financial Summary:

Summary Income Statement (unaudited)	Three months ending March 31, 2009	Three months ending March 31, 2008	Change
Revenues	\$14,677,013	\$15,519,107	(\$842,094)
Net earnings (loss)	(\$1,549,149)	\$641,598	(\$2,190,747)
Earnings (loss) per share (diluted)	(\$0.10)	\$0.04	(\$0.14)

At the May 12, 2009 Annual General Meeting, Global's Board was reduced from seven to six members. Two incumbents remain and four Board members were replaced. The new Board will be exploring all available strategic options to maximize shareholder value.

The Company's 2009 Q1 financial statements and Management's discussion and analysis will be posted later today in the investor information section of Global's web site at www.globalrailway.com and are also available on SEDAR at www.sedar.com.

THIS NEWS RELEASE MAY CONTAIN FORWARD LOOKING INFORMATION. ACTUAL FUTURE RESULTS MAY DIFFER MATERIALLY FROM THOSE CONTEMPLATED. THE RISKS, UNCERTAINTIES AND OTHER FACTORS, BOTH KNOWN AND UNKNOWN, THAT COULD INFLUENCE ACTUAL RESULTS MAY BE SUBSTANTIAL AND INCLUDE THOSE DESCRIBED IN DOCUMENTS FILED WITH REGULATORY AUTHORITIES, SUCH AS THE COMPANY'S MOST RECENTLY FILED ANNUAL REPORT AND ANNUAL INFORMATION FORM. ACCORDINGLY, NO ASSURANCES CAN BE GIVEN THAT ANY OF THE EVENTS ANTICIPATED BY THE FORWARD-LOOKING STATEMENTS WILL TRANSPIRE OR OCCUR, OR IF ANY OF THEM DO SO, WHAT BENEFITS THE COMPANY WILL DERIVE THEREFROM.

Investor Conference Call

Mr. Terry McManaman, Chairman, President & CEO of Global, Bill Sturtz CMO of Global and Brian McMullan, CFO of Global will speak on behalf of the Company. A question-and-answer forum will follow the review of the 2009 first quarter financial results and update on the Company's operations and growth strategies.

To listen and/or participate in this conference call, please dial 1-800-588-4490 (from Toronto: 416-644-3429) approximately 10 minutes prior to the beginning of the conference call, scheduled for Thursday, May 14, 2009 at 11:00 AM ET.

For those unable to participate in the conference call, a recording of the conference call will be available from 1:00 PM ET, Thursday May 14, 2009, until 11:59 PM ET, Thursday May 21, 2009. Please dial 1-877-289-8525 (from Toronto use: 416-640-1917) and enter the reservation number 21305163 followed by the "pound sign" to listen to the rebroadcast.

About Global Railway Industries: Global Railway Industries Ltd. is a diversified rail product company serving the railway industry in North America. Global Railway 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 or www.investorfile.com.

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