



## Press release

7 December 2022

# Regional Rail expands its network in the Midwest via the acquisition of several short-line freight railroads

3i-backed Regional Rail, a leading owner and operator of short-line freight railroads across North America, has agreed to acquire Agracel Rail Holdings' three railroads, the Effingham Railroad Company, South Point & Ohio Railroad, and Illinois Western Railroad Company, which are located in the Midwest region of the United States. The portfolio serves an attractive set of industrial customers across a variety of end-markets, including chemicals, aggregates, and lumber.

In October, Regional Rail also commenced freight rail operations at the Port of Indiana-Burns Harbor via its new Burns Harbor Railroad LLC subsidiary, which represented its first operation in the Midwest.

Al Sauer, President and CEO, Regional Rail, commented:

"We are excited to partner with the existing teams at the Effingham Railroad Company, South Point & Ohio Railroad, and Illinois Western Railroad Company to grow our operations in the Midwest, and look forward to building on the companies' track records of providing a high quality service to their customers."

Rob Collins, Managing Partner and Head of North American Infrastructure, 3i, commented:

"This is another great example of Regional Rail's philosophy of partnering with strong local operators to help grow their business over the long term. We believe that these assets have incredible potential and look forward to continuing to support Regional Rail."

Dean Bingham, CEO, Agracel, commented:

"We are proud of the work that has gone into establishing and building these railroads over many years and believe that Regional Rail is the right partner to support the local management teams well into the future."

Charlie Barenfanger, President, the Effingham Railroad Company and Illinois Western Railroad Company, commented:

"We look forward to the continuity of excellent service to our existing customers at the Effingham and Illinois Western Railroads, while expanding opportunities under the leadership of Regional Rail."

Since partnering in July 2019, 3i and Regional Rail will have more than tripled the number of railroads under Regional Rail's control, growing to thirteen freight railroad operations located across North America. The company provides freight transportation, car storage, and transloading services across the United States and western Canada. In addition to freight services, Regional Rail provides railroad crossing signal design, construction, inspection, and maintenance services to a diverse base

of short-line and industrial customers in 20 U.S. states via the company's Diamondback Signal subsidiary.

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**About 3i Group**

3i is a leading international investment manager focused on mid-market infrastructure and private equity, with core investment markets in North America and Europe. For further information, please visit: [www.3i.com](http://www.3i.com).

**About Regional Rail LLC**

Regional Rail LLC is a freight transportation holding company headquartered in Kennett Square, Pennsylvania. The company provides freight rail transportation, car storage, and transloading services across the U.S. and western Canada, in addition to railroad crossing signal design, construction, inspection, and maintenance services via the company's Diamondback Signal subsidiary. For further information, please visit: [www.regional-rail.com](http://www.regional-rail.com).