



Press release

10 November 2023

Regional Rail continues the expansion of its network in the Midwest via the acquisition of two 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 Indiana Eastern Railroad and Ohio South Central Railroad, which operate a combined 107 miles of mainline freight railroad across Indiana and Ohio. The rail lines serve an attractive set of industrial customers across a variety of end-markets, including food & agriculture and chemicals. The acquisition further expands Regional Rail's existing Midwest U.S. presence, which it built out through the acquisition of the Effingham Railroad Company, South Point & Ohio Railroad, and Illinois Western Railroad Company in December 2022, in addition to the company's freight rail operations at the Port of Indiana-Burns Harbor that commenced in October 2022.

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

"We are excited to partner with the existing teams at the Indiana Eastern Railroad and Ohio South Central Railroad to expand our operations in the Midwest and look forward to building on the companies' track records of providing a high-quality service to their customers and driving additional growth."

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

"We believe that these railroads are a great fit for Regional Rail's strategy of partnering with strong local operators to help grow their business over the long term. We look forward to continuing to support the Regional Rail platform."

George Andres, CEO of Indiana Eastern Railroad and Ohio South Central Railroad, commented:

"We are proud of what we have established and built with these railroads over many years and believe that Regional Rail is the perfect partner to continue our legacy and support our employees and customers going forward."

Since partnering in July 2019, 3i and Regional Rail will have more than quadrupled the number of railroads under Regional Rail's control, growing to 15 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.

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.