



## Press release

3 February 2020

# Regional Rail continues its growth with acquisition of Carolina Coastal Railway

3i-backed Regional Rail, a leading owner and operator of short-line freight railroads and rail-related businesses in the U.S., has agreed to acquire Carolina Coastal Railway, Inc. (“Carolina Coastal”) which operates 180 miles of freight railroad in North Carolina and South Carolina, subject to authorisation from the Surface Transportation Board.

Carolina Coastal provides freight transportation and car-storage services to over 45 blue-chip customers, operating across a variety of end markets (including aggregates, food & agriculture, chemicals and metals), primarily in eastern North Carolina.

Al Sauer, CEO, Regional Rail, commented:

“Carolina Coastal is a great fit with Regional Rail as it benefits from an attractive mix of industrial customers and further diversifies our existing freight-rail platform from an end-market and geographic perspective. We look forward to welcoming all of the Carolina Coastal employees to Regional Rail and working with them to continue the company’s successful growth.”

Doug Golden, President, Carolina Coastal, commented:

“I had been looking for the right partner to continue our legacy in North Carolina and am pleased that Carolina Coastal is becoming part of the Regional Rail family. I have known Al for many years. He and his team have been great to work with on this transaction, and I believe they will be good partners in supporting our employees, customers, and all future developments.”

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

“We’re delighted to announce a second acquisition for Regional Rail as the company continues to consolidate its position in the U.S. short-line railroad industry. Following this acquisition, Regional Rail will operate 25 line segments across five states, with almost 550 miles of track.”

3i invested in Regional Rail in July 2019 and subsequently expanded the platform in January 2020 with the acquisition of Pinsky Railroad Company’s Florida operations. Today, the company provides freight transportation, railcar storage and transloading services in New York, Pennsylvania, Delaware and Florida across six railroads with over 360 miles of track connecting into a diversified Class 1 railroad network. In 2018, the combined company moved over 29,000 carloads while serving over 140 customers across an extensive set of end-user markets including heating, fuel blending, food & beverage, agriculture, chemicals and metals. In addition to freight-rail transportation, the company also provides railroad-crossing signal design, construction, inspection and maintenance services to a diverse base of over 100 short-line and industrial customers across 20 states.

-Ends-

**For further information, contact:**

**3i Group plc**

Silvia Santoro  
Investor enquiries

Tel: +44 20 7975 3285  
Email: [silvia.santoro@3i.com](mailto:silvia.santoro@3i.com)

Kathryn van der Kroft  
Media enquiries

Tel: +44 20 7975 3021  
Email: [kathryn.vanderkroft@3i.com](mailto:kathryn.vanderkroft@3i.com)

**About 3i Group**

3i is a leading international investment manager focused on mid-market Private Equity and Infrastructure. Its core investment markets are northern Europe and North America. For further information, please visit: [www.3i.com](http://www.3i.com)

**About Regional Rail, LLC**

Regional Rail, LLC is a transportation-holding company headquartered in Kennett Square, PA. It is the parent company of East Penn Railroad LLC; Middletown & New Jersey Railroad, LLC ; Tyburn Railroad, LLC; Florida Central Railroad LLC; Florida Midland Railroad Company, Inc.; Florida Northern Railroad Company, Inc. and Diamondback Signal, LLC. For further information, please visit: [www.regional-rail.com](http://www.regional-rail.com)

**About Carolina Coastal Railway**

Carolina Coastal Railway operates a 142-mile line from Raleigh to Plymouth, NC, a 17-mile line between Belhaven and Pinetown, NC, a 20-mile line between Nashville and Rocky Mount, NC, and a 7-mile line between Blacksburg and Kings Creek, SC, which is currently out of service. Carolina Coastal also serves the Port of Morehead City, NC. CLNA serves agricultural facilities and industries throughout Eastern North Carolina, and connects at various locations with Norfolk Southern Railway and CSXT. The railroad has numerous sites available for industrial development and transloading.

**Regulatory information**

This transaction involved a recommendation of 3i Corporation, a US wholly owned subsidiary of 3i Group.