



EQUITY GROUP INVESTMENTS SPONSORS INTERNATIONAL RAIL PARTNERS IN THE FORMATION OF RAILUSA, LLC

--RailUSA to Pursue Additional Acquisitions of Short Line and Regional Railroads--

CHICAGO (October 24, 2018) -- Equity Group Investments (EGI), the private investment firm of Sam Zell, announced its sponsorship today of International Rail Partners (IRP), a Florida-based owner/operator of railroads and rail related businesses in North America. EGI led a group of co-investors, which includes IRP, in a \$200+ million commitment to RailUSA to pursue short line and regional railroad investment opportunities. Further terms of the transaction were not disclosed.

"The rail industry is a durable, recession-resistant sector with strong cash flow characteristics," commented Mark Sotir, Co-President of EGI. "With an increasing need for first- and last-mile solutions to the customer, we see ongoing opportunities in the space."

IRP is led by Gary Marino, a 35+ year railroad veteran who has previously stewarded successful rollups in this industry. Mr. Marino was formerly the founder, President & CEO of short line railroad holding companies RailAmerica, Inc. (formerly a NYSE listed company) and later, Patriot Rail Corp. His senior management team collectively has more than 200 years of railroad industry experience.

"We are very pleased to work with Gary and the IRP team which has proven expertise in acquiring and integrating new railroads, and in maximizing their potential through sales and marketing, and operational efficiencies," commented Evan Harwood, Managing Director at EGI and board member of RailUSA. "We believe we have an opportunity to build a preeminent platform in the rail space."

RailUSA made its first investment in August with the acquisition of Grenada Railroad LLC, a 206-mile rail line between Memphis, TN and Canton, MS. The railroad transports approximately 10,000 carloads of freight annually. In cooperation with the North Central Mississippi Regional Railroad Authority (NCMRRA), RailUSA plans to restore and re-open the 87-mile southern portion of the Grenada line which has been closed since 2011.

"All of us at International Rail Partners are very excited to be partnering with Equity Group Investments. Their past railroad industry experience coupled with their flexible capital approach to investing and IRP's robust rail acquisition pipeline positions us well to maximize the value of RailUSA. We hope to exceed our past rail acquisition accomplishments," commented Gary Marino.

Zell has a history in the rail industry. He was an owner of Santa Fe and Southern Pacific railroads through the conglomerate Itel in the 1980s, during which he also led an industry consolidation of railcars. Zell sold this railcar portfolio to GE Capital Railcar Services in 1992.

About Equity Group Investments

Equity Group Investments (EGI) is the private investment firm founded by Sam Zell 50 years ago. Based in Chicago, EGI invests opportunistically across industries and geographies and throughout the capital structure. Current portfolio investments are in waste and infrastructure, energy, transportation and logistics, manufacturing, communications, healthcare, agribusiness, insurance, and real estate. EGI provides flexible capital and employs an engaged ownership approach to maximize the potential of its investments. For more information on EGI, visit www.egizell.com.

About International Rail Partners

Based in Boca Raton, Florida, International Rail Partners is focused on acquiring and operating North American railroads, as well as rail related businesses throughout North America. Currently, short line and regional railroads in the U.S. operate approximately 50,000 miles, or 36 percent, of the nation's 140,000 miles of freight rail lines. More than 600 short line and regional railroads operate these lines and it results in one of the fastest growing and most economical modes of transportation in the country. For more information on IRP, visit www.irailpartners.com.