Pittsburg, KS, January 22, 2015 – Watco Companies, LLC (Watco), has reached a definitive agreement with Kinder Morgan Terminals (KMT) to purchase 31 Terminal operations in the U.S. that span from Stockton, California, to Brooklyn, New York. Watco Terminal and Port Services will be operating the 31 locations including 14 traditional rail to truck transload and switching facilities, 13 operations on inland waterways servicing bulk and break-bulk customers to and from barge, truck, and rail, 3 sites providing deepwater stevedoring with material handling activities and 1 inland river tank farm. Consideration for the terminals is provided through an equity interest exchange with closing occurring in multiple phases beginning in the first quarter of 2015.

“The Watco Team is excited to expand our outstanding relationship with KMT and to position operations in a manner that best benefits our mutual Customers,” said Watco President Rick Baden. “This is an expansion of Watco services that will bring several great connections between terminals, ports, and railroads. We think this has strong growth opportunities for each of these locations, their customers, and the communities they serve.”

“We see this portfolio of transload, rail switching, and terminal facilities as a tremendous growth opportunity for Watco,” said Watco Chief Operating Officer Dan Smith. “We have restructured our operations and marketing efforts, in anticipation of the transaction, to immediately begin work on expanding our service offerings to the Customer base of these facilities and see many opportunities to grow with our Customers at these locations.”

Watco has begun working with the locations and will transition Team Members to ensure uninterrupted service to the Customers. A series of meetings have been held and are scheduled to continue for Watco and KMT leaders to brief current Team Members on the transaction and explain the process for them to transition to the Watco Team.
About Watco Terminal and Port Services

Watco Terminal and Port Services is a division of Watco Companies, L.L.C., consisting of terminal facilities located throughout the United States, 2 significant port operations, and multiple warehouses. Watco Companies, LLC, is a Pittsburg, Kansas, based transportation company providing mechanical, transportation, and terminal and port services solutions for Customers throughout North America and Australia. Watco is the owner of Watco Transportation Services, LLC, one of the largest short line railroad holding companies in the U.S. with 32 short line railroads operating on more than 4,400 miles of track, as well as 28 industrial contract switching locations. Watco Companies is a 50/50 joint venture partner with The Greenbrier Companies, Inc., in GBW Railcar Services, LLC. GBW repairs and refurbishes freight cars at 38 locations across North America, including 14 tank car repair and maintenance facilities certified by the Association of American Railroads. More information about Watco and its subsidiaries can be found at www.watcocompanies.com.