



315 W. 3rd Street
Pittsburg, KS 66762
P 620-231-2230
F 620-231-0812

www.watcocompanies.com

MEDIA RELEASE • Watco Companies, L.L.C.

Date: April 9, 2012
From: Ed McKechnie
EVP Chief Commercial Officer
620-232-4184

WATCO COMPANIES, L.L.C. ACQUIRES CUDAHY CAR SHOP, INC.

PITTSBURG, KANSAS, April 9, 2012 –Watco Companies L.L.C. (Watco) announces that it has acquired the operations of Cudahy Car Shop, Inc. (CCS). The CCS serves the rail industry by providing comprehensive railcar repair and maintenance services in southeastern Wisconsin.

Gary Lundy, Watco executive vice president support services, said the CCS acquisition will positively supplement Watco's current operations. "The Cudahy shop is a great fit with our current mechanical portfolio. The mechanical services are a large part of our core business and we are excited about this acquisition. Our goal is to improve our business by providing quality service and value to our Customers, and one way we do that is to continue diversifying our services and strengthening our existing service offerings to our Customers. The CCS shop give us opportunities to expand our Customer reach in mechanical services and is a perfect fit with the Wisconsin & Southern Railroad, one of our newest short line acquisitions."

The CCS began operations in 1977 under the ownership of CNW and was purchased by CCS in 1995. The shop features 12 indoor car spots, 20 working positions and 40 total spots in the plant. More than 140 cars will go through the location each month. The shop is in the Milwaukee switching district on the Union Pacific Railroad and there are 22 team members providing service at the facility.

Andy Schaffer, mechanical services chief operating officer, said, "The team members are very excited to be part of the Watco family. We were fortunate to have a highly skilled work force prepared from day one to step up and continue providing the excellent service that attracted us to this shop in the beginning. They will be able to fulfill the Customer First Foundation Principles without missing a beat."

* * * *

Watco Companies, L.L.C., (Watco) is a Pittsburg, Kan., based transportation company serving transportation, mechanical, and terminal/port service needs of Customers throughout the U.S., Canada and Australia. Watco is the owner of Watco Transportation Services, L.L.C., (WTS), one of the largest short line railroad companies in the U.S. operating 26 short line railroads on more than 4,500 miles of track, as well as 24 industrial contract switching locations. Watco's Mechanical Services division operates 16 railcar repair shops, 8 locomotive shops and 23 railroad repair shops. The Terminal and Port Services division currently manages 17 terminal facilities, 10 warehouses and two port operations. More information about Watco and its subsidiaries can be found at www.watcocompanies.com.