



# NEWS

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## **Watco Companies acquires Reload Inc.**

**PITTSBURG, KS - January 9, 2008** - Watco Companies, Inc. (Watco) announced today that it acquired the operations of Reload Inc. (Reload). The acquisition was completed January 2. Reload is a wholly owned subsidiary of Watco.

Reload is a rail centric transloading and warehousing company with more than 25 years experience in the lumber, steel and bulk industries. Some of the services Reload provides are transloading, warehousing, trucking services, inventory management and single bill rail logistics. Reload has locations in Glendale/Phoenix, AZ; St. Louis, MO; La Crosse, WI; Rockton, IL and Mobile, AL. A new location will open in Oklahoma City, OK later this year.

Reload executives Chris Salek, Vice President of Sales, and Phil Penner, Vice President of Operations, will continue their responsibilities with Reload and manage the day-to-day operations. Their experience in the transloading industry is invaluable and will be a major part of the growth going forward.

Kevin Goins, Watco's Vice President of Distribution Services, said the addition of Reload is an exciting step forward and an excellent building platform for the future.

"Reload will provide Watco Customers with more rail options and the opportunity to expand their markets," he said. "This acquisition will also be a growth platform for Watco as the need to transload and forward position products by rail continue to grow."

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“Rail transloading & warehousing has long been a productive way to penetrate new markets but few companies in the rail and transloading industries have joined forces to market their services together. Reload is a highly respected company and with the backing of Watco we plan to offer a very strong value proposition to our Customers both online and offline.”

Salek said Watco’s people and core values are its strengths.

“This acquisition is a win for both companies and will afford Reload the ability to grow in ways that were not possible before,” he said. “Our goal is to grow and offer innovative rail logistics solutions to all of our customers. Reloads values are perfectly aligned with Watco’s and together we will continue to provide our Customers with the highest level of service possible.

Penner believes this joint effort is what the industry needs.

“Operationally Reload and Watco will be able to offer services not available in the industry today,” he said. “This combination will allow both companies to grow in many geographic areas on or off Watco’s lines.”

Watco Companies, Inc. (Watco), a Pittsburg, Kansas, based company, operates 17 railroads in 15 states. Watco operates the Alabama Southern, Austin Western, Arkansas Southern, Eastern Idaho, Great Northwest, Kansas and Oklahoma, Kaw River, Louisiana Southern, Mission Mountain, Mississippi Southern, Palouse River and Coulee City, Pennsylvania Southwestern, South Kansas and Oklahoma, Stillwater Central, Timber Rock, Vicksburg Southern and Yellowstone Valley Railroads. Watco also operates industrial switching locations and mechanical locomotive shops across the United States and is the owner of Millennium Rail, Inc. (MRI), a fully-integrated provider of repair and maintenance services to the rail industry. MRI operates eight car repair shops across the United States. More information about Watco and its subsidiaries can be found at [www.watcocompanies.com](http://www.watcocompanies.com).

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