

# C.H. Robinson to Acquire Prime Distribution Services

January 28, 2020





# SAFE HARBOR STATEMENT

Except for the historical information contained herein, the matters set forth in this release are forward-looking statements that represent our expectations, beliefs, intentions or strategies concerning future events. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience or our present expectations, including, but not limited to whether and when the required regulatory approvals will be obtained, whether and when the closing conditions will be satisfied, whether and when the transaction will close, whether and when the Company will be able to realize the expected financial results of the transaction, and how customers, competitors and employees will react to the transaction, as well as other risks and uncertainties detailed in our Annual and Quarterly Reports. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update such statements to reflect events or circumstances arising after such date.



# PRIME DISTRIBUTION SERVICES

**Headquartered in Plainfield, Indiana**

**140+ customers and 50+ carriers**

**Approximately 270 employees**

**Gross revenues of \$108.7 million for fiscal year ended December 31, 2019**

**Founded in 1990; wholly owned subsidiary of Roadrunner Transportation (NYSE: RRTS)**

**5 fulfillment and distribution facilities totaling 2.6 million square feet across the U.S.**

Leading provider of retail consolidation services in North America





# TRANSACTION SUMMARY

**Purchase Price: \$225 million cash**

**Expected Financing: Cash and funds drawn from existing credit facilities.**

**Impact to Earnings: Expected to be slightly accretive in 2020.**

**Expected Closing: Q1 2020; subject to regulatory approvals and customary closing conditions.**



# STRATEGIC RATIONALE

## Adds Scale



- Additional volumes and lane density within truckload and LTL
- Adds 2.6 million square feet of value-added warehousing to C.H. Robinson's current network of over 2.9 million square feet across the U.S.
- Over 140 customers and 50 carriers

## Talented Team



- Approximately 270 team members delivering excellent service to customers
- Strong leadership team
- Experienced in retail consolidation and warehouse operations

## Added Capabilities and Expertise



- Will strengthen our position in retail consolidation
- Adds fulfillment and distribution services to the C.H. Robinson portfolio