

# Investment Banking Update

## NOT DISCLOSED

December 31, 2019

### Caterpillar Inc.

has sold its subsidiary

### Progress Rail Equipment Leasing Corporation

to

### Paceline Equity Partners

The undersigned served as exclusive financial advisor to Caterpillar Inc.

**Stephens Inc.**

## Stephens Inc. served as exclusive financial advisor to Caterpillar Inc.

### Transaction Details

- On December 31, 2019, affiliates of Paceline Equity Partners, LLC ("Paceline"), a Dallas-based private equity manager, acquired Progress Rail Equipment Leasing Corporation ("PRELC"), a leading lessor of railroad maintenance-of-way ("MOW") equipment and services, from Progress Rail, a wholly owned subsidiary of Caterpillar Inc.
- "PRELC represents an ideal opportunity for Paceline to invest in an asset-rich operating platform with strong and stable cash flows," said Sam Loughlin, Chief Executive Officer of Paceline
- Terms of the transaction were not disclosed

## Company Information:

### Progress Rail Equipment Leasing Corporation

Headquartered outside of Detroit, MI with an office in the greater St. Louis, MO area, Progress Rail Equipment Leasing Corporation provides its customers with an expansive fleet of MOW equipment used to maintain vital railroad infrastructure. Equipment is utilized for a variety of critical maintenance-related tasks, including railroad tie replacement, ballast adjustments, rail grinding and resurfacing, railroad switch modifications and bridge inspection and test work. The Company serves a blue-chip customer base comprised of Fortune 500 railroad operators in North America.

### Paceline Equity Partners

Paceline is a Dallas-based private equity manager focused on value-oriented and special situations investments across real assets, corporate debt and private equity in all market environments. Paceline's investment focus is on situational and event-driven circumstances to identify idiosyncratic opportunities. Paceline's senior leadership team members average 20 years of professional experience.

Source: Paceline Press Release.

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