

STAR Capital acquires Rail Operations (UK) Limited

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STAR Capital Partnership LLP¹, a leading European fund manager has announced that it has made an investment in Rail Operations (UK) Limited² (ROUK or the Group), a leading provider of rolling stock movement and storage services to the UK rail industry through its subsidiaries Rail Operations Group Limited (ROG) and Rail Operations (Rolling Stock Management) Limited (Traxion).

In addition, ROUK has established a new subsidiary, Orion, to provide high speed logistics and express freight services, focused on accelerating modal shift from air/road to rail by offering a fast, cost effective and environmentally-friendly solution.

STAR will acquire a majority stake in the Group, alongside existing management. Additionally, STAR will provide significant growth capital to fuel the Group's ambitious expansion plans.

Neil Bennett, a highly-experienced rail industry professional, will be appointed Executive Chairman of ROUK as part of the transaction. STAR says it looks forward to working closely with ROUK's seasoned management on new opportunities to accelerate growth in each of the Group's subsidiaries, ROG, Traxion and Orion.

STAR has a successful track record in value generation and driving growth, typically investing in asset-based companies holding a strong strategic market position. STAR's investment in ROUK builds on its previous investments in rail-transport, Eversholt Rail Group in the UK and Abellio GmbH in Germany.

Paul Gough, Managing Partner of STAR said: "We are delighted to have acquired ROUK, which we believe exhibits several characteristics that STAR looks for in a platform investment, including a strong reputation as a high-quality, safety-conscious service provider, supporting critical rail operations across the UK.

"We are excited to partner with management to help ROUK continue to grow by providing innovative, cost-effective and increasingly environmentally-friendly solutions for its customers."

Commenting on the deal, Karl Watts, Chief Executive Officer of ROUK, said: "We are thrilled to partner with an investor of STAR's stature to accelerate our growth and expand into new activities.

"The growth capital from STAR will enable the Group to widen its service offering and cement further its reputation as a high-quality, safety-focused solutions provider to our customers. ROUK continues to innovate and challenge traditional thinking on rolling stock services and freight logistics. We look forward to playing a significant part in assisting the UK to meeting its net-zero carbon targets."

Neil Bennett, incoming Executive Chairman said: "I have enormous respect for what Karl Watts and Dave Burley have achieved in a relatively short space of time with ROUK. Working with Karl and Dave provides an excellent opportunity to combine our skills and networks as the business continues its rapid growth trajectory. STAR's pedigree in rail means that we can take the business to the next level, backed by an investor who understands the industry and shares our vision for ROUK."