



C.H. ROBINSON

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C.H. Robinson to Acquire Prime Distribution Services

Minneapolis, Minnesota, January 28, 2020 – C.H. Robinson (Nasdaq: CHRW) today announced it has entered into a definitive agreement to acquire Prime Distribution Services (“Prime”), a leading provider of retail consolidation services in North America, from Roadrunner Transportation (NYSE: RRTS). The agreement is subject to certain customary closing conditions, including regulatory approval.

Prime had \$108.7 million in total revenues for the fiscal year ended December 31, 2019. C.H. Robinson intends to purchase Prime for approximately \$225 million in cash. The acquisition is expected to be slightly accretive in 2020 and will be financed through cash on hand and funds drawn from C.H. Robinson’s existing credit facilities.

“Prime Distribution Services is a high-quality growth company that brings scale and value-added warehouse capabilities to our retail consolidation platform, adding to our global suite of services,” said Bob Biesterfeld, C.H. Robinson Chief Executive Officer. “Prime has an outstanding track record of success, a talented and experienced team and a focus on delivering great value to its customers and carriers.”

Prime Distribution Services provides a comprehensive suite of retail consolidation solutions, including distribution, fulfillment and inventory management, and currently operates as a wholly-owned subsidiary of Roadrunner Transportation. Founded in 1990 and headquartered in Plainfield, Indiana, Prime employs approximately 270 people and has five fulfillment and distribution facilities totaling approximately 2.6 million square feet across the United States. Prime currently serves approximately 140 customers.

“Prime Distribution brings capabilities and synergies to our North American Surface Transportation business and allows us to provide a strategic advantage for our customers delivering to retailers,” said Mac Pinkerton, President of North American Surface Transportation of C.H. Robinson. “We are excited to welcome the talented team at Prime to C.H. Robinson, and we will work hard to create even more value for our combined set of employees, customers and carriers.”

“In joining C.H. Robinson, Prime begins an exciting new chapter,” said Bill Vecchiarella, President of Prime Distribution Services. “We believe this combination will position us well to continue to provide excellent service to our customers and foster growth by leveraging C.H. Robinson’s scale, expertise and core service offerings.”

Once the deal closes, C.H. Robinson will integrate Prime Distribution Services into its North American Surface Transportation division and single global, multimodal technology platform, Navisphere®.

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About C.H. Robinson

C.H. Robinson solves logistics problems for companies across the globe and across industries, from the simple to the most complex. With nearly \$20 billion in freight under management and 18 million shipments annually, we are one of the world’s largest logistics platforms. Our global suite of services accelerates trade to seamlessly deliver the products and goods that drive the world’s economy. With the combination of our multimodal transportation management system and expertise, we use our information advantage to deliver smarter solutions for our more than 119,000 customers and 78,000 contract carriers. Our technology is built by and for supply chain experts to bring faster, more meaningful improvements to our customers’ businesses. As a responsible global citizen, we are also proud to contribute millions of dollars to support causes that matter to our company, our Foundation and our employees. For more information, visit us at www.chrobinson.com (Nasdaq: CHRW).

About Prime Distribution Services

Prime Distribution Services provides a comprehensive suite of Retail Consolidation solutions. With five food grade warehouse facilities strategically located across the nation and a team of retail supply chain experts, Prime is dedicated to helping its clients achieve compliance with large U.S. retailer delivery requirements while delivering transportation cost savings. For more information, please visit the Prime Distribution Services website at www.prime3pl.com.

Forward-Looking Statements

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.

Source: C.H. Robinson
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