GENESEE & WYOMING INC
Form 424B5
March 13, 2013
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Registration File No.: 333-183862

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Class A Common Stock, par value $0.01 per share	5,984,232	$90.58(1)	$542,051,734.56(1)	$73,935.86(2)

(1) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(c) of the Securities Act of 1933, as amended, based on the market value of Genesee & Wyoming Inc. Class A Common Stock being registered, as established by the average of the high and low prices of Genesee & Wyoming Inc. Class A Common Stock as reported on the New York Stock Exchange on March 7, 2013, which was $90.58.
(2) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

Prospectus Supplement

(To Prospectus dated September 12, 2012)

Genesee & Wyoming Inc.

CLASS A COMMON STOCK

This prospectus supplement relates to the possible resale from time to time of up to 5,984,232 shares of our Class A Common Stock, par value $0.01 per share (Class A Common Stock), by the selling stockholder named herein. For more information regarding the shares to be sold by the selling stockholder, see Summary of the Transaction. We will not receive proceeds from any sale of shares of Class A Common Stock by the selling stockholder, but we have agreed to pay certain registration expenses relating to such shares of Class A Common Stock. The selling stockholder from time to time may offer and sell the shares of Class A Common Stock held by it directly or through underwriters, broker-dealers or agents, who may receive compensation in the form of discounts, commissions or concessions. For further information regarding the possible methods by which shares of Class A Common Stock may be distributed, see Plan of Distribution beginning on page S-13 of this prospectus supplement.

Our Class A Common Stock is listed on the New York Stock Exchange under the symbol GWR. On March 12, 2013, the last reported sale price of our Class A Common Stock on the New York Stock Exchange was $92.27 per share.

Investing in our Class A Common Stock involves risks. See Risk Factors beginning on page S-6 of this prospectus supplement and in the documents incorporated by reference in this prospectus supplement.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these securities, or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

March 13, 2013.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part consists of the accompanying prospectus, which gives more general information, some of which may not be applicable to this offering.

If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus.

We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We and the selling stockholder are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

In this prospectus supplement, unless otherwise indicated the terms Genesee & Wyoming, GWI, the Company, we, our and us refer to Genesee & Wyoming Inc. and its subsidiaries, including RailAmerica, Inc. (RailAmerica) and its subsidiaries. GWI acquired RailAmerica on October 1, 2012. However, the shares of RailAmerica were held in a voting trust while the United States Surface Transportation Board (STB) considered our control application, which application was approved with an effective date of December 28, 2012. Accordingly, we accounted for the earnings of RailAmerica using the equity method of accounting while the shares were held in the voting trust and our preliminary allocation of the purchase price to the acquired assets and assumed liabilities is included in our consolidated balance sheet at December 31, 2012. Therefore, unless specifically identified to the contrary, references to income statement line items discussed within this prospectus supplement, such as revenues and expenses, do not include RailAmerica.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the documents incorporated herein by reference contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), regarding future events and future performance of Genesee & Wyoming Inc. Words such as anticipates, intends, plans, believes, seeks, expects, estimates, trends, outlook, variations of these words and similar expressions are intended to identify the forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to forecast. Actual results may differ materially from those expressed or forecasted in these forward-looking statements. Examples of factors that could cause actual results to vary from those expressed in forward-looking statements include all statements that are not historical in nature, including statements regarding:

- the industry and markets in which we operate, including their outlook, and our competitive position, growth strategy and prospects;
- the impact of political, social or economic conditions (including commodity demand associated with the industrialization of developing economies) on our results and our susceptibility to downturns in the general economy;
- our ability to complete, integrate and benefit from acquisitions, investments, joint ventures and strategic alliances and the challenges associated with managing rapid growth and operating a global business with decentralized management and operations;

our substantial indebtedness and our ability to fulfill our obligations under such indebtedness;

the imposition of operational restrictions as a result of covenants in our debt agreements;

our susceptibility to severe weather conditions, climate change and other natural occurrences, which could result in shutdowns, derailments, other substantial disruptions of operations or impacts on our customers;

governmental policies, legislative and regulatory developments affecting our railroad operations or the operations of our customers, including the passage of new legislation, rulings by the STB and the Federal Railroad Administration (FRA), as well as the actions of the Railroad Retirement Board in the United States and the actions of the governmental entities in the foreign jurisdictions where we operate;

our relationships with Class I railroads and other connecting carriers for our operations;

our ability to obtain rail cars and locomotives from other providers on which we are currently dependent;

competition from numerous sources, including those relating to geography, substitute products, other modes of transportation and other rail operators;

changes in foreign exchange policy or rates;

strikes, work stoppages or unionization efforts by our employees or in the rail network;

our ability to attract, retain and develop a sufficient number of skilled employees, including senior leadership in the various geographies in which we operate;

our obligation as a common carrier to transport hazardous materials by rail;

the occurrence of losses or other liabilities that are not covered by insurance or that exceed our insurance limits, or that cause our self-insured retentions or insurance premiums to rise;

rising fuel costs or constraints in fuel supply;

customer retention and contract continuation;

our exposure to the credit risk of customers and counterparties;

our ability to manage our growth effectively;

our funding needs and financing sources, including our ability to obtain government funding for capital projects;

acts of terrorism and anti-terrorism measures;

the effects of market and regulatory responses to environmental, health and safety law changes, as well as the effects of violations of, or liabilities under, new or existing environmental, health and safety laws, regulations and requirements;

our susceptibility to various legal claims and lawsuits;

our susceptibility to risks associated with doing business in foreign countries;

our ability to achieve anticipated cost savings from synergies and to utilize RailAmerica s tax benefits; and

the other risk factors set forth in Risk Factors in this prospectus supplement.

The areas in which there is risk and uncertainty are further described in documents that we file from time to time with the Securities and Exchange Commission (the SEC), which contain additional important factors that could cause actual results to differ from current expectations and from the forward-looking statements contained

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herein. Readers of this document are cautioned that our forward-looking statements are not guarantees of future performance and our actual results or developments may differ materially from the expectations expressed in the forward-looking statements.

In light of the risks, uncertainties and assumptions associated with forward-looking statements, you should not place undue reliance on any forward-looking statements. Additional risks that we may currently deem immaterial or that are not presently known to us could also cause the forward-looking events discussed or incorporated by reference in this prospectus supplement or the accompanying prospectus not to occur.

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements to encourage companies to provide prospective information about their companies without fear of litigation. We are taking advantage of the safe harbor provisions of the Private Securities Litigation Reform Act in connection with the forward-looking statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

Our forward-looking statements speak only as of the date of this prospectus supplement or as of the date they are made, and we undertake no obligation to update our forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this prospectus supplement.

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SUMMARY

This summary highlights selected information about us and the offering of shares of our Class A Common Stock. This summary is not complete and does not contain all of the information that may be important to you. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section, and the other documents that we refer to and incorporate by reference herein for a more complete understanding of us and this offering. In particular, we incorporate by reference important business and financial information into this prospectus supplement and the accompanying prospectus.

About Genesee & Wyoming Inc.

Overview

We own and operate short line and regional freight railroads and provide railcar switching and other rail-related services in the United States, Australia, Canada, the Netherlands and Belgium. In addition, we operate a longer-haul railroad that runs approximately 1,400 miles between Tarcoola in South Australia and Darwin in the Northern Territory of Australia. As of December 31, 2012, we operated in 39 states in the United States, four Australian states, one Australian territory and four Canadian provinces and provide rail service at 35 ports in North America, Australia and Europe. As of December 31, 2012, we operated over approximately 14,700 miles of owned, jointly owned or leased track (inclusive of the Tarcoola to Darwin rail line operated under a concession agreement) and 3,270 additional miles under other contractual track access arrangements.

On October 1, 2012, we acquired RailAmerica for approximately $2.0 billion (equity purchase price of approximately $1.4 billion plus net debt of $659.2 million), which is our largest acquisition to date. RailAmerica owned and operated 45 short line freight railroads in North America, with approximately 7,100 miles of track in 28 U.S. states and three Canadian provinces as of the acquisition date. Our acquisition of RailAmerica combined the two largest short line railroad operators in North America. The acquisition is expected to provide a wide national footprint for future industrial and commercial development along our 108 railroads in North America, and to allow us to realize significant cost savings. Following our acquisition of RailAmerica, we believe we are the largest operator of short line and regional freight railroads in North America.

Growth Strategy

Since our initial public offering in 1996 through December 31, 2012, our revenues increased at a compound annual growth rate of 16.3%, from $77.8 million in 1996 to $874.9 million in 2012. We have achieved these results primarily through the disciplined execution of our growth strategy. The two main drivers of our growth strategy are the execution of (1) our operating strategy and (2) our acquisition and investment strategy.

Operating Strategy

Our railroads operate under strong local management teams, with centralized administrative, commercial and operational support and oversight. As of January 1, 2013, our continuing operations were organized as 11 regions, which include one new region that we created following the acquisition of RailAmerica. In the United States, we have eight regions: Rail Link (which includes industrial switching and port operations), Pacific, Mountain West, Central, Southern, Midwest, Ohio Valley and Northeast. Outside the United States, we have three regions: Australia, Canada (which includes a contiguous railroad located in the United States) and Europe (which consists of operations in the Netherlands and Belgium).

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In each of our regions, we seek to encourage the entrepreneurial drive, local knowledge and customer service that we view as necessary to achieve our financial goals. Our regional managers continually focus on increasing our return on invested capital, earnings and cash flow through the disciplined execution of our operating strategy. At the regional level, our operating strategy consists of the following four principal elements:

Continuous Safety Improvement. We believe that a safe work environment is essential for our employees, our customers and the communities in which we conduct business. Each year, we establish stringent safety targets as part of our safety program. In 2012, GWI achieved a consolidated FRA reportable injury frequency rate of 0.48 per 200,000 man-hours worked, which does not include RailAmerica s 2012 safety results. Through the implementation of our safety program, we have reduced our injury frequency rate by 75% since 2006, when it was 1.95 injuries per 200,000 man-hours worked. In 2012, RailAmerica achieved a consolidated FRA reportable injury frequency rate of 1.75 per 200,000 man-hours worked. On a pro forma basis, GWI s reportable injury frequency rate combined with RailAmerica was 0.88 for the year ended December 31, 2012. For comparative purposes, in January through December 2012, the most recent month for which FRA data is publicly available, the United States short line average was 2.4 injuries per 200,000 man-hours worked, and the United States regional railroad average was 3.0 injuries per 200,000 man-hours worked. Based on these results, in 2012, GWI was five times safer than the short line railroad average, more than six times safer than the regional railroad average and safer than any U.S. Class I railroad.

Focused Regional Marketing. We generally build and operate each of our regions on a base of large industrial customers and seek to grow rail traffic through marketing efforts. As a result of the acquisition of RailAmerica, we expect our expanded North American footprint will provide us with greater visibility to new commercial and industrial development opportunities in North America and increase the success of our marketing efforts. We also pursue additional sources of revenue by marketing to new industrial customers and providing ancillary rail services. These ancillary rail services include railcar switching, repair, storage, cleaning, weighing and blocking and bulk transfer, which enable shippers and Class I carriers to move freight more easily and cost-effectively. Separately, in Australia and Europe, where there are open access regimes, we are able to compete for new business opportunities with customers anywhere on the open access rail network.

Lower Operating Costs. We focus on lowering operating costs and historically have been able to operate acquired rail lines more efficiently than they were operated before our acquisition. We typically achieve efficiencies by lowering administrative overhead, consolidating equipment and track maintenance contracts, reducing transportation costs and selling surplus assets.

Efficient Use of Capital. We invest in track and rolling stock to ensure that we operate safe railroads that meet the needs of customers. At the same time, we seek to maximize our return on invested capital by focusing on cost effective capital programs. For example, in our short haul and regional operations in North America, we typically rebuild older locomotives rather than purchase new ones and invest in track at levels appropriate for traffic type and density. In addition, because of the importance of certain customers and railroads to the regional economies, we are able, in some instances, to obtain state, provincial and/or federal grants to upgrade track. Typically, we seek government funds to support investments that otherwise would not be economically viable for us to fund on a stand-alone basis.

To assist our local management teams, we provide commercial and operational support from corporate staff groups where there are benefits to be gained from centralized expertise. Our commercial group assists local management by providing assistance with regional pricing, origin and destination offerings across the Company, managing real estate revenue (including from land leases and crossing and access rights), industrial development project expertise, 24/7 customer service and Class I relationship management. Our operations department assists with the implementation of our safety culture and training programs, manages a centralized purchasing staff to leverage our scale in purchasing rail and rail-related equipment, assists with efficient equipment utilization and

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service design, and provides mechanical, locomotive and bridge engineering expertise. In addition, we maintain other traditional, centralized functions, such as accounting, finance, legal, corporate development, government and industry affairs, human resources and information technology.

Acquisition and Investment Strategy

Our acquisition and investment strategy includes the acquisition or long-term lease of existing railroads, as well as investment in rail equipment and/or track infrastructure to serve new and existing customers. Since 1985, we have completed 37 acquisitions and made several significant rail equipment investments to serve customers that are developing natural resource projects, such as iron ore mines. Historically, our acquisition, investment and long-term lease opportunities have been from the following five sources:

- Acquisitions of other regional railroads or short line railroads in the United States and Canada, such as our acquisitions of RailAmerica in 2012, Arizona Eastern Railway Company in 2011, CAGY Industries, Inc. in 2008, the Ohio Central Railroad System in 2008 and Rail Management Corporation in 2005. Based on Association of American Railroads data, as of December 31, 2011, there were approximately 460 short line and regional railroads in the United States not owned by us;

- Investments in track and/or rolling stock to support new industrial or mineral development in new or existing areas of operations, such as our long-term rail services agreement with Labrador Iron Mines Limited (LIM) to haul unit trains of iron ore over LIM s six-kilometer railway, and our recently announced expansion of two existing rail haulage contracts to transport export iron ore in South Australia;

- Acquisitions of international railroads, such as our acquisitions of FreightLink Pty Ltd in Australia and Rotterdam Rail Feeding in the Netherlands. We believe that there are additional acquisition and investment opportunities in Australia, Europe and other international markets;

- Acquisitions or long-term leases of branch lines of Class I railroads, such as our recent lease from Norfolk Southern Railway Company (NS) of the Columbus & Chattahoochee Railroad, Inc., a 26-mile segment of NS track that runs from Girard, Alabama to Mahrt, Alabama; and

- Acquisitions of rail lines of industrial companies, such as our acquisition of railroads owned by Georgia-Pacific Corporation.

When we make acquisitions, we seek to derive revenues and cost synergies wherever possible and to implement best practices to increase the value of our investment, which is frequently accomplished through the elimination of duplicative overhead functions, implementation of our safety culture, improvements to operating plans and equipment utilization and enhanced customer service. For instance, with the acquisition of RailAmerica we have identified duplicative corporate overhead costs and general administrative expenses, which we believe are not necessary for the combined operations, and that we anticipate will result in ongoing annual cost savings of approximately $36 million, excluding implementation costs we expect to incur to realize these savings. In addition, we intend to leverage RailAmerica s real estate department and plan to implement best practices that are identified as part of the integration across all our railroads.

Following the RailAmerica acquisition, we are continuing to target these five sources of acquisition and investment opportunities. We also believe that our larger footprint of railroads in North America will increase the number of future opportunities to make contiguous short line acquisitions due to a higher number of touch points with other railroads. On a global basis, we believe that our increased scale and greater financial resources will improve our ability to invest in rail opportunities worldwide. We have played a significant role in the consolidation of the short line industry in North America and have made a number of important railroad investments in international markets, and we expect to continue to pursue our acquisition and investment strategy while adhering to our disciplined valuation approach.

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Corporate Information

Genesee & Wyoming Inc. is a Delaware corporation incorporated in 1977. Our executive offices are located at 66 Field Point Road, Greenwich, CT 06830. Our telephone number is (203) 629-3722. We expect to relocate our executive offices to a new location at 20 West Avenue, Darien, Connecticut on or about May 14, 2013. Our website address is http://www.gwrr.com. The information on or accessible from our website is not part of this prospectus supplement or the accompanying prospectus.

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The Offering

Issuer	Genesee & Wyoming Inc.
Selling Stockholder	For information concerning the shares of Class A Common Stock that may be offered from time to time by the selling stockholder pursuant to this prospectus supplement, see Selling Stockholder. Pursuant to the terms of the Investment Agreement, dated July 23, 2012, between GWI and Carlyle Partners V, L.P., the selling stockholder currently has one director and one non-voting observer on our Board of Directors. See Selling Stockholder.
New York Stock Exchange Symbol	GWR
Shares of Class A Common Stock Offered by the Selling Stockholder	5,984,232 shares
Use of Proceeds	We will not receive any of the proceeds from the sale by the selling stockholder of any shares of Class A Common Stock. See Use of Proceeds.
Risk Factors	You should carefully consider the information set forth in the Risk Factors section of this prospectus supplement and in the documents incorporated by reference herein as well as the other information included in or incorporated by reference in this prospectus supplement and the accompanying prospectus before deciding whether to invest in our Class A Common Stock.

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RISK FACTORS

An investment in our Class A Common Stock involves certain risks. You should carefully consider the risks described below, as well as the other risks and information included or incorporated by reference in this prospectus supplement and the accompanying prospectus before making an investment decision. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. The market or trading price of our Class A Common Stock could decline due to any of these risks, and you may lose all or part of your investment. In addition, please read Forward-Looking Statements in this prospectus supplement and the accompanying prospectus where we describe additional uncertainties associated with our business and the forward-looking statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus. Please note that additional risks not presently known to us or that we currently deem immaterial may also impair our business and operations.

Certain risks relating to us and our business are described under the heading Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this prospectus supplement, and which you should carefully review and consider. You should also carefully review and consider any risks described in our subsequently filed quarterly and annual reports.

Risks Relating to Our Class A Common Stock

Our directors and executive officers have the ability to significantly influence the vote of GWI s stockholders on significant corporate actions.

As of February 28, 2013, our directors and executive officers beneficially owned approximately 2.38% of the outstanding shares of our Class A Common Stock and approximately 67.62% of the outstanding shares of our Class B common stock, par value $0.01 per share (Class B Common Stock), which has ten votes per share, representing in the aggregate approximately 18.67% of our voting power, including approximately 15.57% of the voting power controlled by Mortimer B. Fuller III, our Chairman of the Board of Directors. As a result, Mr. Fuller and the other directors and executive officers will have the ability to significantly influence the vote of stockholders on important corporate actions requiring stockholder approval, including mergers, share exchanges or sales of all or substantially all of our assets. With this voting power, Mr. Fuller and the other directors and executive officers may also have the ability to delay or prevent a change in control.

We do not expect to pay dividends to holders of Class A Common Stock.

Our Senior Secured Syndicated Facility Agreement contains restrictions on the payment of cash dividends. We do not intend to pay cash dividends on Class A Common Stock or Class B Common Stock for the foreseeable future and we intend to retain earnings, if any, for the operation and expansion of our business. Any determination to pay dividends in the future will be at the discretion of the Board of Directors and subject to applicable law and will be dependent upon our results of operations, financial condition, contractual restrictions and other factors deemed relevant by the Board of Directors.

The market price of our Class A Common Stock may be volatile and you could lose all or part of your investment.

Volatility in the market price of the Class A Common Stock may prevent a holder from being able to sell its shares of Class A Common Stock at or above the price paid for them. During the period from January 1, 2011 to February 28, 2013, our Class A Common Stock has fluctuated from a high of $90.18 per share to a low of $45.19 per share. The market price of the Class A Common Stock has fluctuated significantly in the recent past and could fluctuate significantly in the future for various reasons, which include:

- actual or anticipated fluctuations in our quarterly or annual earnings or those of other companies in our industry;
- strategic actions by us or our competitors, such as acquisitions, restructurings, dispositions or financings;

changes in market valuations or operating performance of our competitors or companies similar to ours;

additions and departures of key personnel;

variance in our financial performance from the expectations of market analysts, including changes in earnings estimates or recommendations by research analysts who track our Class A Common Stock or the stocks of other companies in our industry;

changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;

changes in accounting standards, policies, guidance, interpretations or principles applicable to our business;

general global macroeconomic conditions;

economic, financial, geopolitical, regulatory or judicial events that affect us or financial markets generally; and

risks enumerated elsewhere in this section.

In addition, in recent years, the global equity markets have experienced substantial price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies including us and the companies in our industry. The price of Class A Common Stock could fluctuate based upon factors that have little or nothing to do with our company, and these fluctuations could materially reduce the stock price and a holder s ability to sell its shares.

Shares eligible for future sale could have adverse consequences for the market price of Class A Common Stock.

As of February 25, 2013, our outstanding shares of Class B Common Stock were freely convertible on a one-for-one basis into 1,728,952 shares of Class A Common Stock and, if so converted, will be eligible for sale subject to the volume and other limitations of Rule 144. In addition, shares of our Class A Common Stock will be issuable upon settlement of the purchase contracts that are components of our 5.00% Tangible Equity Units (the Units). In addition, we make grants of awards under our incentive compensation plans which will impact the amount of Class A Common Stock available for future sale. We cannot predict the effect, if any, that the availability of shares of Class A Common Stock for future sales will have on the market price of Class A Common Stock prevailing from time to time. Sales of substantial amounts of Class A Common Stock, including shares issued upon the conversion of Class B Common Stock or the settlement of the purchase contracts that are components of the Units, or under our equity incentive plans, or the perception that these sales could occur, could adversely affect prevailing market prices for Class A Common Stock.

A substantial amount of previously unregistered shares of our Class A Common Stock are being registered for sale hereunder, which may depress the market price of our Class A Common Stock.

Of the 51,412,303 shares of our Class A Common Stock issued and outstanding as of February 25, 2013, approximately 11.6% were held by the selling stockholder. The shares of Class A Common Stock that may be offered for resale under this prospectus supplement will not be freely tradable on the New York Stock Exchange prior to the completion of this offering. The resale by the selling stockholder of all of the shares of Class A Common Stock offered hereby would increase the number of shares of our Class A Common Stock traded on the New York Stock Exchange, which could depress the market price of our Class A Common Stock.

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Additional issuances of equity securities, including pursuant to settlement of the Units, would dilute the ownership of existing stockholders and could reduce our earnings per share, and may cause the Class A Common Stock price to decline, which may negatively impact a holder s investment.

We may issue equity securities in the future in connection with capital raisings, acquisitions, strategic transactions, settlement of the Units, our incentive plans or for other purposes. To the extent we issue substantial additional equity securities, the ownership of our existing stockholders would be diluted and our earnings per share could be reduced.

Issuances of substantial numbers of additional shares of Class A Common Stock, including in connection with future acquisitions, if any, or the perception that such issuances could occur, may cause prevailing market prices for our Class A Common Stock to decline, which may negatively impact a holder s investment. In addition, our Board of Directors is authorized to issue shares of preferred stock without any action on the part of our stockholders. Our Board of Directors also has the power, without stockholder approval, to set the terms of any such series of shares of preferred stock that may be issued, including voting rights, conversion rights, dividend rights, preferences over our Class A Common Stock with respect to dividends or if we liquidate, dissolve or wind up our business and other terms.

Our certificate of incorporation, by-laws, debt agreements and continuity agreements with our executive officers as well as Delaware corporate law contain provisions that may discourage a takeover attempt.

Certain provisions of our certificate of incorporation and by-laws may have the effect of discouraging a third party from making an acquisition proposal and may inhibit a change in control under circumstances that could give the stockholders the opportunity to realize a premium over the then-prevailing market prices. Specifically, mergers and certain other corporate actions require the approval of two-thirds of the total votes represented by all Class A Common Stock and Class B Common Stock unless we are the survivor of the merger or consolidation and no change of control has occurred as a result of the merger or consolidation. Our Board of Directors is divided into three classes, with the members of each class serving staggered three-year terms, and is expressly authorized to consider a variety of factors in determining our best interests. In addition, under certain circumstances, Section 203 of the Delaware General Corporation Law makes it more difficult for an interested stockholder, generally a 15% stockholder, to effect certain business combinations with a corporation for a three-year period.

Certain of our debt instruments have, and may in the future have, change in control features that may accelerate the maturity of amounts due under such instruments. In addition, we have entered into and may in the future enter into continuity agreements with each of our executive officers. Our current agreements provide that upon termination of the officer s employment without cause or for good reason in connection with or within two years after a defined change in control of us, the officer will receive a cash amount equal to up to three times the sum of the officer s base salary and target bonus. Certain of our executive officers with continuity agreements are entitled to either (1) a gross-up payment for any golden parachute excise tax payments if the parachute payments exceed 10% of the safe harbor limit, but if such parachute payments are less than 10% of the applicable safe harbor limit, the parachute payments will be reduced to the safe harbor limit, less one dollar, or (2) the greater of the after-tax parachute payment (including the payment by such executive officers of the golden parachute excise tax) or the after-tax safe harbor limit, less one dollar. In addition, certain employees who receive stock options and other equity-based awards under our equity compensation plans are entitled to have all unvested equity awards vest upon a defined change in control of us.

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USE OF PROCEEDS

We will not receive any of the proceeds from the sale by the selling stockholder of any shares of Class A Common Stock.

SUMMARY OF THE TRANSACTION

On February 13, 2013, GWI converted all of its outstanding Mandatorily Convertible Perpetual Preferred Stock, Series A-1, par value $0.01 per share (the Series A-1 Preferred Stock), which was issued to certain affiliates of Carlyle Partners V, L.P. (Carlyle) in connection with the RailAmerica acquisition, into shares of Class A Common Stock. GWI was permitted to convert the Series A-1 Preferred Stock into shares of Class A Common Stock because it had satisfied the conversion criteria set forth in the Certificate of Designations for the Series A-1 Preferred Stock, including that the closing price of the Class A Common Stock exceed 130% of the conversion price, or $76.03, for 30 consecutive trading days, which condition was satisfied as of the close of trading on February 12, 2013. Upon conversion on February 13, 2013, each share of Series A-1 Preferred Stock was converted into 17.0978166 shares of Class A Common Stock, resulting in the issuance of an aggregate of 5,984,232 shares of Class A Common Stock, plus cash in lieu of fractional shares. Pursuant to terms of the Registration Rights Agreement between GWI and affiliates of Carlyle, GWI is registering the resale of such shares of Class A Common Stock by the selling stockholder. See Selling Stockholder.

PRICE RANGE OF CLASS A COMMON STOCK

Our Class A Common Stock is traded on the New York Stock Exchange under the symbol GWR. On March 12, 2013, the last reported sale price for our Class A Common Stock was $92.27 per share, as reported on the New York Stock Exchange (exclusive of after hours trading). The following table sets forth, for the periods indicated, the high and low closing sales price per share of our Class A Common Stock on the New York Stock Exchange (exclusive of after hours trading).

	High	Low
2013		
First Quarter (through March 12, 2013)	$92.40	$ 79.72
2012		
Fourth Quarter	76.28	67.32
Third Quarter	67.92	52.27
Second Quarter	58.15	48.08
First Quarter	66.09	54.56
2011		
Fourth Quarter	61.81	45.47
Third Quarter	60.43	45.19
Second Quarter	61.98	53.86
First Quarter	58.45	50.80

As of February 25, 2013, there were approximately 273 holders of record of our Class A Common Stock and 18 holders of record of our Class B Common Stock. There is no established trading market for our Class B Common Stock and in order to trade Class B Common Stock, the shares must be converted into Class A Common Stock on a one-for-one basis.

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DIVIDEND POLICY

We did not pay cash dividends to our common stockholders in the years ended December 31, 2012 and 2011. We do not intend to pay cash dividends to our common stockholders for the foreseeable future and intend to retain earnings, if any, for future operation and expansion of our business. Any determination to pay dividends to our common stockholders in the future will be at the discretion of our Board of Directors, subject to applicable law and will be dependent upon our results of operations, financial condition, contractual restrictions and other factors deemed relevant by our Board of Directors. Any payments of dividends will also be subject to restrictions contained in our Senior Secured Syndicated Facility Agreement.

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SELLING STOCKHOLDER

The following table sets forth certain information as of February 25, 2013 concerning the shares of Class A Common Stock that may be offered from time to time by the selling stockholder pursuant to this prospectus supplement. The information is based on information provided by or on behalf of the selling stockholder and has not been independently verified by us.

The information contained in the table below regarding the beneficial ownership after sale of the Class A Common Stock is based on the assumption that the selling stockholder will sell all of the shares of Class A Common Stock that may be offered by it pursuant to this prospectus supplement and the accompanying prospectus and that any other shares of Class A Common Stock owned by the selling stockholder as of the date of this prospectus supplement will continue to be beneficially owned by the selling stockholder. However, because the selling stockholder may sell all or some portion of the Class A Common Stock, no estimate can be given as to the amount of the shares of Class A Common Stock that will be held by the selling stockholder upon termination of any sales. Information about the selling stockholder may change over time. In particular, the selling stockholder identified below may have sold, transferred or otherwise disposed of all or a portion of its Class A Common Stock since the date on which it provided to us information regarding its Class A Common Stock.

Beneficial ownership is determined in accordance with the rules of the SEC. The percentage of beneficial ownership set forth below is based upon 51,412,303 shares of Class A Common Stock issued and outstanding as of February 25, 2013. The percentage of beneficial ownership after the offering gives effect to the 5,984,232 shares of Class A Common Stock to be offered by the selling stockholder. In addition, as of February 25, 2013, there were 1,728,952 shares of Class B Common Stock issued and outstanding for which there is no established trading market, and in order to trade Class B Common Stock, the shares must be converted into Class A Common Stock on a one-for-one basis. The selling stockholder does not hold any options currently exercisable or exercisable within 60 days or beneficially own any shares of Class B Common Stock.

Except as set forth below, none of the selling stockholder nor any of the registered holders (as defined in Note (1) below) has held any position or office or has had any other material relationship with us (or our predecessors or affiliates) during the past three years. See also Incorporation by Reference.

Name	Shares of Class A Common Stock Beneficially Owned Prior to Offering	Percentage of Outstanding Shares of Class A Common Stock Beneficially Owned Prior to Offering	Share of Class A Common Stock that May be Offered Hereby	Number of Shares of Class A Common Stock Beneficially Owned After Offering	Percentage of Outstanding Shares of Class A Common Stock Beneficially Owned After Offering
TC Group V, L.P.(1)	5,984,232	11.6%	5,984,232		

(1) Consists of 3,550,409 shares owned by Carlyle Partners V GW, L.P., 553,658 shares owned by CP V GW AIV1, L.P., 540,740 shares owned by CP V GW AIV2, L.P., 540,933 shares owned by CP V GW AIV3, L.P., 559,829 shares owned by CP V GW AIV4, L.P., 212,402 shares owned by CP V Coinvestment A, L.P. and 26,261 shares owned by CP V Coinvestment B, L.P. (Carlyle Partners V GW, L.P., CP V GW AIV1, L.P., CP V GW AIV2, L.P., CP V GW AIV3, L.P., CP V GW AIV4, L.P., CP V Coinvestment A, L.P. and CP V Coinvestment B, L.P., collectively, the registered holders). Carlyle Group Management L.L.C. is the general partner of The Carlyle Group L.P., which is a publicly traded entity listed on NASDAQ. The Carlyle Group L.P. is the managing member of Carlyle Holdings II GP L.L.C., which is the general partner of Carlyle Holdings II L.P., which is the general partner of TC Group Cayman Investment Holdings, L.P., which is the general partner of TC Group Cayman Investment Holdings Sub L.P., which is the managing member of TC Group V, L.L.C., which is the general partner of TC Group V, L.P., which is the general

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partner of each of the registered holders. The business address of TC Group Cayman Investment Holdings, L.P. and TC Group Cayman Investment Holdings Sub L.P. is c/o Walker Corporate Services Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9001 Cayman Islands. The business address of each of the other entities listed herein is c/o The Carlyle Group, 1001 Pennsylvania Avenue, N.W., Suite 220 South, Washington, D.C. 20004-2505.

The registered holders are currently entitled to nominate one director and appoint one non-voting observer to our Board of Directors, which right will continue for so long as such registered holders (or their affiliates) (i) beneficially own at least 10% of the total number of outstanding shares of Class A Common Stock and Class B Common Stock or (ii) beneficially own at least 50% of the number of shares of Class A Common Stock beneficially owned by such registered holders (or their affiliates) following the purchase of the Series A-1 Preferred Stock pursuant to the Investment Agreement, dated July 23, 2012, between GWI and Carlyle. Currently, the registered holders have one director and one non-voting observer on our Board of Directors.

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PLAN OF DISTRIBUTION

The selling stockholder, including its transferees, pledgees or donees or their successors, may from time to time offer and sell some or all of the shares of our Class A Common Stock beneficially owned by them and offered hereby directly to purchasers or through underwriters, broker-dealers or agents, who may act as principal or agent and who may receive compensation in the form of discounts, commissions or concessions from