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MORGENTHALER ANNOUNCES ACQUISITION OF TRUFLO

Truflo becomes first add-on to Phillips & Temro

Cleveland, Ohio. August 10, 2005. Morgenthaler Partners today announced the acquisition of Truflo Air Movements by its wholly-owned company, Phillips & Temro.

“Truflo is an exceptional acquisition for Phillips & Temro,” said John Lutsi, general partner at Morgenthaler Partners. “They are leaders in their respective fields and both enjoy reputations for innovation and technical excellence. Truflo’s strong market presence in Europe and Japan will give the combined company greater global reach and growth potential.”

Based in Tipton, England, Truflo is the world’s leading manufacturer of engine cooling fans for the heavy duty off-road vehicle market. Truflo’s high-precision fans are critical for providing cooled air to a variety of industrial applications, including to engines used in machinery or vehicles in the construction and power-generation industries.

Truflo will continue to operate with its existing management team and maintain its facility in Tipton, England. Bob James will continue as managing director of Truflo, reporting to Gary Edwards, president and CEO of Phillips & Temro.

Gary Edwards, CEO of Phillips & Temro, said, “We look forward to serving our customers’ global requirements with an expanded product offering and an elevated level of service.”

Truflo and Phillips & Temro currently share a number of key customers in common, including: Case New Holland, Caterpillar, Cummins, Detroit Diesel, JCB, Mitsubishi, and Volvo.

According to Lutsi, Morgenthaler plans to look for additional acquisitions for the Phillips & Temro platform, with particular interest in companies that manufacture highly-engineered power train, electrical distribution, and emission control products.

Transaction Details

Comerica Incorporated provided transaction financing. Jones Day acted as legal advisor to Morgenthaler Partners. Terms of the deal were not disclosed.

About Truflo Air Movements

Founded in 1964, Truflo is a leader in the design and manufacture of engine cooling fans for the construction and power generation markets. Truflo sells its cooling fans to original equipment manufacturers that depend on the company's highly differentiated, highly engineered, and safety critical products. Truflo currently employs 100 people at the Tipton UK facility. Truflo distributes products on a global basis and has a strong market position in the US and Europe with a growing presence in the Asia Pacific region. For more information, please visit <http://www.truflo-airmovement.com/index.htm>

About Phillips & Temro

Phillips & Temro Industries (PTI) is a leading supplier of products for diesel-engine related markets. Headquartered in Eden Prairie, MN, Phillips & Temro operates two facilities in Winnipeg, Manitoba and Prior Lake, MN. It currently has more than 550 employees.

With industry-leading brands ZeroStart™, Temro™, EM Products™, Cowl™, and Cab Power™, PTI supplies cold start and emissions control products to both engine and motor vehicle original equipment manufacturers as well as to the motor vehicle aftermarket. The company also provides diesel engine intake and exhaust silencing products to the stationary power generation, marine engine and off-highway industries. PTI's newest product offering, Cab Power™, provides systems that allow truck drivers to use in-cab electrical equipment without needing to run the diesel engines, reducing both fuel consumption and exhaust emissions.

The company is a leader in its served industry segments. Its customers include Caterpillar, Cummins, Ford, Freightliner, General Motors, International, John Deere, Katolight, Kohler, PACCAR, and Volvo/Mack.

About Morgenthaler

Founded in 1968, Morgenthaler is a leading, national private-equity firm with a middle-market, management-led buyout group based in Cleveland, Ohio, and a venture capital group based in Menlo Park, California. The firm has funded more than 225 companies over its 37-year history. With its fund of \$850 million raised in July of 2001, Morgenthaler has a total of \$2 billion under management.

The firm's buyout group focuses on management buyouts and leveraged recapitalizations of middle-market companies, as well as, divisions or subsidiaries of larger corporations. Morgenthaler Partners has traditionally been strong in partnering with management teams to build industry-leading companies. For more information regarding the firm, visit www.morgenthaler.com.

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