



MORGENTHALER PRIVATE EQUITY ANNOUNCES THE ACQUISITION OF BOWLES FLUIDICS CORPORATION

Cleveland, OH and Boston, MA - December 23, 2014 - Morgenthaler Private Equity ("MPE") announced today the acquisition of Bowles Fluidics Corporation ("Bowles" or "the Company"), a leading designer and manufacturer of fluid distribution products. Specifically, the Company provides custom, highly engineered fluidic nozzles and hose assemblies to the automotive, consumer, and industrial markets.

MPE will partner in the transaction with the Bowles management team, led by CEO Eric Koehler and COO Sri Sridhara. Peter Taft, Partner at MPE, said, "On behalf of Karen Tuleta, Matt Yohe, and Michael Duffy from the MPE deal team, we are excited to be partnering with Eric, Sri, and the rest of the very talented Bowles organization. Since its founding in 1961, Bowles has built an excellent reputation due to its engineering expertise, customer service, and product innovation. We look forward to supporting the management team as they execute the Company's multi-faceted growth plan."

CEO Eric Koehler said, "MPE's experience with highly engineered component manufacturers, as well as their unique combination of strategic, financial, and operating perspective, make them an ideal partner for Bowles. This partnership will allow Bowles to accelerate our growth initiatives and reinforce our deep commitment to provide our customers with the highest levels of product quality, innovation, and service."

Madison Capital Funding LLC provided senior debt financing. Hancock Capital Management, LLC and Hartford Investment Management Company provided subordinated debt financing. BakerHostetler advised MPE on the transaction. SC&H Capital and Venable LLP served as financial and legal advisors, respectively, to Bowles.

About Bowles Fluidics Corporation

Headquartered in Columbia, Maryland, Bowles Fluidics Corporation is a world-class developer and manufacturer of fluid distribution products. For over 50 years, the Company has offered innovative products at low cost in both automotive and non-automotive markets.

About Morgenthaler Private Equity

Morgenthaler Private Equity ("MPE") is the private equity group of Morgenthaler. Based in Cleveland, Ohio, and Boston, Massachusetts, MPE focuses on the lower middle market with transaction values up to \$150 million and EBITDA between \$5 - \$20 million. MPE has two primary target investment areas: high-value manufacturing and proprietary business

services. Morgenthaler is a leading, national private equity and venture capital firm, with approximately \$3 billion under management and investments in more than 300 companies over its 46-year history. For more information, please visit www.morgenthaler.com/private-equity.

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