



MORGENTHALER PRIVATE EQUITY ANNOUNCES THE MERGER OF ITS PORTFOLIO COMPANY, BOWLES FLUIDICS CORPORATION, WITH DLH INDUSTRIES, INC.

Cleveland, OH and Boston, MA – July 14, 2015 - Morgenthaler Private Equity (“MPE”) announced today the acquisition of DLH Industries, Inc. (“DLH” or “the Company”), a leading designer and manufacturer of air and fluid management systems for the automotive industry. DLH has merged with MPE’s existing portfolio company, Bowles Fluidics Corporation (“Bowles”), to form dlhBOWLES, a vertically integrated engineered plastics and fluid flow solutions provider.

The Bowles and DLH management teams will join forces, with John Saxon of DLH assuming the role of CEO and Sri Sridhara of Bowles assuming the role of President. 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 bring together two companies with talented management teams, as well as complementary product offerings, manufacturing capabilities, and process knowledge.”

CEO John Saxon added, “Given both companies’ reputations for providing innovative and high quality engineered plastics and fluid flow solutions, as well as strong customer service and support, we believe our businesses are an excellent fit.” President Sri Sridhara added, “We believe the expanded scale and product offerings created by this merger will allow us to build on each company’s proud traditions of thrilling our customers with the best quality products and customer service.”

Madison Capital Funding LLC served as agent on the senior debt financing. Hancock Capital Management, LLC and Hartford Investment Management Company provided subordinated debt financing. BakerHostetler advised MPE on the transaction.

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 DLH Industries, Inc.

Headquartered in Canton, Ohio, DLH Industries, Inc. is a leading provider of engineered plastic solutions for the automotive industry. DLH offers customers a one-stop solution from tool design to finished assembly.

About Morgenthaler Private Equity

Morgenthaler Private Equity 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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