

# Capital Southwest Leads \$16 Million Subordinated Debt Financing in Winzer Corporation

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DALLAS, June 09, 2015 (GLOBE NEWSWIRE) -- Capital Southwest Corporation ("Capital Southwest") (Nasdaq:[CSWC](#)) announced today that it led a \$16 million placement of secured subordinated notes in Winzer Corporation ("Winzer"), a leading distributor of fasteners and industrial maintenance products to more than 35,000 customers across a diversified base of market sectors. Capital Southwest funded \$8.1 million of the facility and will act as administrative agent. Congruent Investment Partners, LLC ("Congruent") was its co-investor partner on the transaction.

"We are pleased to have the opportunity to partner with Winzer and with Congruent on this opportunity," said Douglas Kelley, Managing Director of Capital Southwest. "We were impressed by Winzer's management team and the unique go-to-market franchise model they have developed that provides a consistent high level of service to its broadly diversified customer base."

"Winzer represents an excellent example of Capital Southwest continuing its long history of providing capital to leading middle market companies, but with its new credit focus," added Bowen S. Diehl, Chief Investment Officer of Capital Southwest. "We have known the principals at Congruent for many years and know them to be highly astute investors and great partners. Further, we have been pleased thus far with the investment pipeline that we have been able to generate, as we are seeing some very interesting investment opportunities from our relationships with financial sponsors, intermediaries, banks and other lenders."

Founded in 1978 and headquartered in Plano, Texas, Winzer distributes fasteners, chemicals, tools and a wide variety of other products to customers in the industrial maintenance and repair, and automotive aftermarket sectors. Winzer's innovative franchise system, distribution hubs and warehouses in Texas, California, Nevada, and Michigan, combined with a growing network of FastServ Supply branch locations, deliver a national supplier presence.

SPP Capital Partners, LLC acted as financial advisor to Winzer.

## About Capital Southwest

Capital Southwest Corporation (Nasdaq:[CSWC](#)) is a Dallas, Texas-based publicly traded business development company, with approximately \$750 million in assets. On December 2, 2014, Capital Southwest announced its intent to separate into two public companies through the spinoff of certain of its control assets into a diversified industrial growth company and the refocus of the BDC on lending to strong middle market companies. As a result, our new investment activity is focused on senior "unitranche" debt, second lien, subordinated debt and equity co-investments to support the acquisition and growth of middle market companies. Our industrial companies are actively seeking growth through add-on acquisitions. Since Capital Southwest was formed in 1961, we have always sought to invest in companies with strong management teams and sound financial performance. As a public company, we are fortunate to have the flexibility to be creative in our financing structures and to invest to support the growth of our portfolio companies over long periods of time.

## Forward-Looking Statements

This press release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 relating to, among other things, the manner, tax-free nature and expected benefits associated with the proposed spin-off of certain of CSWC's control assets into a new, independent, publicly traded company ("Industrial Co."), the expected timing of the completion of the transaction and the

business, financial condition and results of operations of CSWC, including the businesses of Industrial Co. Any statements preceded or followed by or that include the words "believe," "expect," "intend," "plan," "should" or words, phrases or similar expressions or the negative thereof, are intended to identify forward-looking statements. These statements are made on the basis of the current beliefs, expectations and assumptions of the management of CSWC. There are a number of risks and uncertainties that could cause CSWC's actual results to differ materially from the forward-looking statements included in this communication. These risks and uncertainties include, but are not limited to, risks relating to CSWC's ability to obtain all necessary approvals to complete, and to otherwise complete, the proposed spin-off transaction and to achieve the expected benefits therefrom.

In light of these risks, uncertainties, assumptions, and other factors inherent in forward-looking statements, actual results may differ materially from those discussed in this communication. Other unknown or unpredictable factors could also have a material adverse effect on CSWC's actual future results, performance, or achievements. For a further discussion of these and other risks and uncertainties applicable to CSWC and its business, see CSWC's Annual Report on Form 10-K for the fiscal year ended March 31, 2015 and subsequent filings with the Securities and Exchange Commission (the "SEC"). As a result of the foregoing, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this communication. CSWC does not assume any obligation to update these forward-looking statements to reflect any new information, subsequent events or circumstances, or otherwise, except as may be required by law.

Read more: <http://www.nasdaq.com/press-release/capital-southwest-leads-16-million-subordinated-debt-financing-in-winzer-corporation-20150609-01162#ixzz3chJshQjl>