



CAPITAL SOUTHWEST

Capital Southwest Supports DFW Capital Partners' Acquisition of Vertex Business Services

August 1, 2019

DALLAS, Aug. 01, 2019 (GLOBE NEWSWIRE) -- Capital Southwest Corporation ("Capital Southwest") (Nasdaq:CSWC), an internally managed business development company focused on providing flexible financing solutions to support the acquisition and growth of middle market businesses, announced today that it supported DFW Capital Partners Inc.'s ("DFW") recent recapitalization of Vertex Business Services ("Vertex") with first lien financing and an equity co-investment. Capital Southwest led the financing transaction and serves as administrative agent on the credit facility. East West Bank is a first out lender in the term loan and provided a revolving credit facility.

"We are pleased to partner with DFW on its acquisition of Vertex. DFW has deep experience in the business services sector, and we believe their capabilities will enhance Vertex's growth opportunities." said Douglas Kelley, Managing Director of Capital Southwest. Matt Darrah, Principal of Capital Southwest Corporation said, "We look forward to supporting the continued growth of Vertex. The Company is well positioned to bring a high level of service and functionality to the mid-sized utility market as customers upgrade their aging IT systems."

"We are pleased with Capital Southwest as our partner in leading this financing transaction. Capital Southwest delivered an attractive financing solution that provided enhanced certainty to close and the flexibility to help Vertex achieve its growth potential." said Keith Pennell, Managing Partner at DFW Capital Partners.

Founded in 1996, Vertex provides software and managed services to electric, water, and gas utilities throughout the United States and Canada. Vertex's Customer Information System ("CIS") manages account information, consumption, and billing data, providing a single point solution for tracking all customer interactions. Vertex's offering also includes CRM, customer engagement, meter data management, and workforce management modules designed specifically for utilities. In 2013, the Company developed VertexOne, a SaaS offering that targets mid to large utilities companies with 50 thousand to 2+ million meters in operation.

About Capital Southwest

Capital Southwest Corporation (Nasdaq: CSWC) is a Dallas, Texas-based, internally managed business development company, with approximately \$326 million in net assets as of March 31, 2019. Capital Southwest is a middle market lending firm focused on supporting the acquisition and growth of middle market businesses with \$5 to \$25 million investments across the capital structure, including first lien, unitranche, second lien, subordinated debt and non-control equity co-investments. As a public company with a permanent capital base, Capital Southwest has the flexibility to be creative in its financing solutions and to invest to support the growth of its portfolio companies over long periods of time.

About DFW Capital Partners

DFW Capital Partners is a private equity investment firm focused on lower middle-market companies. The firm concentrates on service companies, with an emphasis on healthcare and outsourced business and industrial support services. DFW has established a 20+ year track record of success in both building leading companies and recognizing attractive returns for its investors. DFW is headquartered in Teaneck, New Jersey and maintains an office in Chevy Chase, Maryland. For more information visit www.dfwcapital.com.

Forward-Looking Statements

This press release contains historical information and forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 with respect to future dividends, market conditions, and the business and investments of Capital Southwest. Forward-looking statements are statements that are not historical statements and can often be identified by words such as "will," "believe," "expect" and similar expressions and variations or negatives of these words. These statements are based on management's current expectations, assumptions and beliefs. They are not guarantees of future results and are subject to numerous risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statement. These risks include risks related to changes in the markets in which Capital Southwest invests, changes in the financial and lending markets, regulatory changes, tax treatment and general economic and business conditions.

Readers should not place undue reliance on any forward-looking statements and are encouraged to review Capital Southwest's Annual Report on Form 10-K for the year ended March 31, 2019 and subsequent filings with the Securities and Exchange Commission for a more complete discussion of the risks and other factors that could affect any forward-looking statements. Except as required by the federal securities laws, Capital Southwest does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changing circumstances or any other reason after the date of this press release.

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Source: Capital Southwest Corporation