

January 14, 2014

Media Recovery, Inc., a Portfolio Company of Dallas-Based Capital Southwest Corporation, Acquires Manufacturer of Equipment to Monitor Shipping of Specialized Products

Equipment Monitors Handling of Food, Electronic, Medical and Other Products

DALLAS, Jan. 14, 2014 (GLOBE NEWSWIRE) -- Media Recovery, Inc. (MRI), a portfolio company of Capital Southwest Corporation (Nasdaq:CSWC), recently completed two transformative strategic transactions: (1) the acquisition by its ShockWatch subsidiary of the ShockLog Impact and Environmental Recorders from The IMC Group, a manufacturer of electronic and mechanical instrumentation headquartered in Letchworth, United Kingdom; and (2) the divestiture of DPC, a regional manufacturer of load securement products, to Boise, Inc., a leading industry consolidator. Terms of the transactions were not disclosed.

Equipment and products manufactured by ShockWatch provide customers and end users with data regarding the proper handling of goods used in the energy, transportation, aerospace, defense, food, pharmaceutical, medical device, consumer goods and manufacturing sectors.

"Through these transactions, MRI has transformed the business, captured value and positioned the company for significant value creation going forward. ShockWatch products provide value and peace of mind for manufacturers, customers and end users of specialized products," said Joseph B. Armes, President and Chief Executive Officer of Capital Southwest. "Capital Southwest greatly values its 16 year relationship with MRI and we are enthusiastic about the potential for the transformed company," Armes added.

"The acquisition of ShockLog represents a significant shift in our strategic direction," said Media Recovery Chairman and CEO Gerard Smith. "The sale of DPC allowed us to capture the value created by this business and to sharpen the strategic focus of MRI to two lines of business — DataSpan and ShockWatch. This sale provided MRI with financial flexibility to aggressively invest in ShockWatch, a business with significant long-term growth potential. The acquisition of ShockLog impact recorders will be transformative for ShockWatch and deliver significant benefits to our shareholders, customers and employees."

"This acquisition makes perfect strategic sense for ShockWatch," said Angela Kerr, ShockWatch Vice President of Product Management and Marketing. "ShockWatch has led the industry in impact detection for almost 40 years. Acquiring this recorder impact technology will allow ShockWatch to broaden its customer base, extend its technical capabilities and introduce important new products currently under development."

About ShockWatch/Media Recovery, Inc.

ShockWatch, a subsidiary of Media Recovery, Inc., provides solutions that currently enable over 3,000 customers and some 200 partners in 62 countries to detect mishandling that causes product damage and spoilage during transport and storage. The robust ShockWatch product portfolio includes impact, tilt, temperature, vibration, and humidity detection systems and is widely used in the energy, transportation, aerospace, defense, food, pharmaceutical, medical device, consumer goods and manufacturing sectors. For more information, visit www.shockwatch.com.

Founded in 1976 and based in Dallas, Texas, Media Recovery, Inc. (MRI) is a global leader in creating innovative solutions for safeguarding clients' assets. The MRI companies - DataSpan and ShockWatch - focus on providing technology resources and exceptional customer service to a broad, global client base that includes two-thirds of the Fortune 100 and over half the Fortune 1000. MRI has been owned by Capital Southwest Corporation since 1997.

About Capital Southwest Corporation

Capital Southwest is a Dallas, Texas based investment company with over \$700.0 million in assets. 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 hold investments indefinitely. It is our dedication to this patient investment strategy that enables our portfolio companies to achieve their full potential. Visit our website www.capitalsouthwest.com to learn about our investment criteria and how our capital can enhance your company's growth.

CONTACT: Media contacts:

Lisa LeMaster or

Rick Ericson

The LeMaster Group

(214) 706-6000