

PITTSBURGH – JULY 9, 2014

# INVESTMENT OF JUNIOR CAPITAL IN CAPE ELECTRIC SUPPLY, LLC ANNOUNCED

**PNC Mezzanine Capital ("PNC MC") announced today a junior capital investment to support the acquisition of Utility Power, Inc. ("Utility Power") by Cape Electric Supply, LLC ("Cape"), a PNC MC portfolio company. In November 2007, PNC MC provided subordinated debt and an equity co-investment to support Svoboda Capital Partners, LLC's ("SC") acquisition of the Cape platform, and has subsequently supported six add-on acquisitions by Cape Electric.**

## **ABOUT PNC MEZZANINE CAPITAL**

PNC Mezzanine Capital is focused on financing buyouts, recapitalizations and consolidation strategies for companies in a wide range of industries, including business services, niche manufacturing and value-added distribution. Since 1989, PNC Mezzanine Capital has been a stable, thoughtful mezzanine partner for sponsor groups, entrepreneurs and management teams. Our approach has been to underwrite the long-term business strategy of our portfolio companies allowing us to respond constructively to the opportunities and challenges of the changing business environment. As a result, PNC Mezzanine Capital has made 112 investments in 65 companies, in support of 189 transactions. We seek to invest \$10 million to \$40 million in subordinated debt and equity in companies with strong management teams, proven business models and stable cash flows with a clear avenue for growth.

## **ABOUT CAPE ELECTRICAL SUPPLY, LLC**

Cape Electrical Supply, LLC, headquartered in Cape Girardeau, MO, is a regional distributor of electrical and communication products serving commercial, industrial, and residential contractors, as well as industrial, utility, and retail customers. The Company offers one of the broadest and most extensive portfolios of electrical supplies and equipment, consisting of over 25,000 stocked products that represent many of the top-tier suppliers in the industry. The Company currently operates 20 distribution and retail locations in Missouri, Illinois, Tennessee, Alabama, Arkansas, Texas, and Kentucky.

## **ABOUT UTILITY POWER, INC**

Based in Decatur, Alabama and founded in 2002, Utility Power specializes in providing electrical utility products for municipalities, electrical service cooperatives, and utility companies. Post-transaction, Utility Power will continue to operate from its Decatur location, and will become a dedicated distributor among Cape's existing branch and distribution network. Utility Power former owners, Jim Shipp, Mike Kennedy, and Charlie Douthit will remain active with their numerous utility customers.

PNC is a registered mark of The PNC Financial Services Group, Inc. ("PNC"). PNC Mezzanine is a pending service mark of The PNC Financial Services Group, Inc. Direct equity investing and mezzanine financing are conducted by PNC Capital Finance, LLC through its PNC Mezzanine division.

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