



## **BÖWE BELL + HOWELL Reaches Asset Purchase Agreement with Versa Capital Management**

### **Expects to Complete Process Through Section 363 Sale Under Chapter 11**

#### **Company to Continue All Regular Operations Without Interruption During Expedited Sale**

**WHEELING, Ill. – April 18, 2011** – BÖWE BELL + HOWELL (BBH) today announced that it has entered into an asset purchase agreement with Versa Capital Management, Inc. (Versa) under which Versa and its co-investment partner Access Value Investors, Inc. (AVI) would acquire substantially all of BBH's assets. Versa holds the majority of BBH's outstanding secured debt, which will be resolved through the sale.

To facilitate these transactions, Böwe Systec, Inc. and its affiliates, which include BBH and its Canadian subsidiary Böwe Bell + Howell International Ltd. ("BBH Canada"), filed voluntary petitions under chapter 11 with the U.S. Bankruptcy Court for the District of Delaware in Wilmington. BBH Canada will also request that the Ontario Superior Court of Justice (Commercial List) in Toronto recognize the U.S. proceeding as a foreign main proceeding and from time to time will seek certain ancillary relief from the Canadian Court as required. The expedited sale process should be completed within 90 days or less.

"We are very pleased that firms with Versa and AVI's expertise and financial strength have chosen to acquire our company's assets, recognizing our strong brand and compelling future prospects," said George Marton, BBH chief executive officer. "While the past few years have been challenging for most businesses, they have been especially so for BBH due to a variety of legacy factors that will now be behind us. Our management and the rest of BBH's 1,600 employees have been working diligently for some time to implement a number of positive actions to strengthen our competitive capabilities, including enhancing our product offerings, while also reducing operating costs, and these efforts are beginning to yield results.

"Following the sale, we look forward to partnering with our new owners to take additional measures to further advance our growth strategy and demonstrate to customers that we are well positioned to continue serving their global document management needs in the years to come. Our future looks very promising indeed."

Marton continued, "As we move through this process, we will continue to operate in the ordinary course of business. Our offices and plants will be open, and employees will continue to provide exceptional quality products and the highest level of service to our customers. While we have sufficient cash flow to maintain normal business operations, we have also received commitments from Versa to provide new financing, which will offer additional financial support to meet the needs of the business."

The company has filed the customary "first-day" motions to support operations without interruption. For vendors, the law provides suppliers with a priority basis for goods and services going forward.

Philadelphia-based Versa Capital Management, Inc. is a private equity investment firm with \$950 million of committed capital under management that is focused on control investments in special situations involving middle market companies where value and performance growth can be achieved through enhanced operational and financial management. AVI is a Chicago-based private equity firm that is also affiliated with AEG Partners LLC, a restructuring management firm that will provide restructuring services to Versa and AVI.

BBH is being advised by McDermott Will & Emery LLP and Richards, Layton & Finger as legal counsel; Lazard Middle Market LLC as investment banker; Focus Management Group as financial advisor. For additional information, please visit [www.bowebellhowell.com](http://www.bowebellhowell.com).

**About BÖWE BELL + HOWELL**

Headquartered in Wheeling, Ill., BÖWE BELL + HOWELL is a leading provider of high-performance document management solutions and services. In 1936, the company pioneered gripper arm mail-inserting systems and has one of the world's largest installed bases of such inserters as a result of the technology's flexibility, performance and reliability. The company's complete portfolio of inserting, sorting, plastic card, integrity, cutting, packaging, print-on-demand and software solutions is one of the most comprehensive product offerings for paper-based communications. These solutions are supported by one of the largest dedicated service organizations in the industry. In addition to its headquarters offices, the company maintains major manufacturing and service locations in Durham, N.C. and Bethlehem, Penn. For further information on BÖWE BELL + HOWELL, please visit [www.bowebellhowell.com](http://www.bowebellhowell.com).

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