



## **DXP Enterprises Announces Acquisition of Cortech Engineering**

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HOUSTON--(BUSINESS WIRE)-- **DXP Enterprises, Inc. (NASDAQ:DXPE)** today announced the completion of the acquisition of Cortech Engineering, LLC ("Cortech"), a premier distributor of pumps and related process equipment for Southern and Central, California and Southern Nevada.

Founded in 1987, Cortech is headquartered in Yorba Linda, California and operates out of three locations: Yorba Linda, Bakersfield and National City, California. Cortech is focused on serving customers in the municipal, water and waste-water, general industrial, chemical and marine markets with approximately 55 employees.

Financial terms of the transactions were not disclosed. Signing of the definitive agreements occurred on September 1, 2015. Sales and adjusted EBITDA for the last twelve months ending July 31, 2015 were approximately \$26.2 million and \$3.0 million, respectively. Adjusted EBITDA was calculated as income before tax, plus interest, depreciation and amortization, and non-recurring items that will not continue after the completion of the acquisition.

David Little, Chief Executive Officer, stated, "We are pleased to welcome the Cortech employees to the DXP team. Cortech is a premier, well-run business focused on providing rotating equipment solutions to its customers. We are excited to utilize Cortech's experience to bolster our market share in the municipal waste-water treatment, water treatment and desalination markets for California, the West Coast and throughout the United States. With Cortech, we continue to build on our strategy of providing a breadth of technical products and services on a regional and local level. Cortech provides us immediate access to the U.S. Western seaboard, while allowing us to continue to serve our customers evolving needs. Cortech is a great company with key differentiators and provides us with high caliber people."

"Cortech Engineering is pleased to be part of the dynamic DXP family. This is a great opportunity for our employees and customers. DXP is the perfect partner to expand our business in our present and future markets. We are aligned in our core belief that solving customers' problems and offering cost effective solutions should be our top priority. DXP has a great legacy of growth and we plan to continue that growth. We are excited for the next stage of Cortech and helping DXP become a dominant force on the Western side of the United States," stated John Pugh, President of Cortech.

Kent Yee, Senior Vice President Corporate Development, added further, "We are excited to welcome the talented and hardworking employees of Cortech to the DXP team. Cortech is another exciting addition to DXP and our efforts to be a premier distributor. Cortech provides us with immediate access into a geographic region we have not historically served. Cortech complements and diversifies DXP's products and end markets. Cortech's local market expertise combined with DXP's size and scale will help us provide better customer solutions and additional expansion opportunities. This transaction will be positive for Cortech and DXP's customers, employees and shareholders."

### **About DXP Enterprises, Inc.**

DXP Enterprises, Inc. is a leading products and service distributor that adds value and total cost savings solutions to industrial customers throughout the United States, Canada, Dubai and Mexico. DXP provides innovative pumping solutions, supply chain services and maintenance, repair, operating and production ("MROP") services that emphasize and utilize DXP's vast product knowledge and technical expertise in rotating equipment, bearings, power transmission, cutting tools, industrial supplies and safety products and services. DXP's breadth of MROP products and service solutions allows DXP to be flexible and customer driven, creating competitive advantages for our customers. DXP's business segments include Service Centers, Innovative Pumping Solutions and Supply Chain Services. For more information, go to [www.dxpe.com](http://www.dxpe.com).

*The Private Securities Litigation Reform Act of 1995 provides a "safe-harbor" for forward-looking statements. Certain information included in this press release (as well as information included in oral statements or other written statements made by or to be made by the Company) contains statements that are forward-looking. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future; and accordingly, such results may differ from those expressed in any forward-looking statement made by or on behalf of the Company. These risks and uncertainties include, but are not limited to: ability to obtain needed capital, dependence on existing management,*

*leverage and debt service, domestic or global economic conditions, and changes in customer preferences and attitudes. For more information, review the Company's filings with the Securities and Exchange Commission.*

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