

## **Engaged Capital Responds To Retirement Of Benchmark Electronics Chairman**

Newport Beach, CA, March 1, 2016 /Business Wire/ - [Engaged Capital, LLC](#) (together with its affiliates, “Engaged Capital”), an investment firm specializing in enhancing the value of small and mid-cap North American equities and a 4.8% shareholder of [Benchmark Electronics, Inc.](#) (“Benchmark” or the “Company”) (NYSE: BHE), responded today to the announced retirement of Chairman Peter G. Dorflinger from the Benchmark Board of Directors (the “Board”) and the subsequent appointment of Paul Tufano in the resulting vacancy on the Board.

Engaged Capital is pleased that the Board has begun to publicly acknowledge its desperate need for directors with financial, operational and capital allocation expertise and for fresh perspective on the Board.

Engaged Capital wants to set the record straight regarding interviewing Mr. Tufano. Contrary to the Company’s latest mischaracterization, Engaged Capital was interested in interviewing Mr. Tufano as part of a settlement process that would have also considered Engaged Capital’s four nominees in connection with the Company’s upcoming 2016 Annual Meeting of Stockholders (the “2016 Annual Meeting”). The Board refused to enter into settlement discussions.

“The retirement of Mr. Dorflinger after 26 years on the Company’s Board, and the appointment of Mr. Tufano are positive initial steps. However, these changes only materialized after significant pressure from shareholders. We continue to be frustrated by the Board’s apparent misrepresentation of our discussions and their continuing refusal to engage in meaningful settlement discussions that would avoid a costly and distracting proxy contest,” said Glenn W. Welling, Chief Investment Officer.

### **About Engaged Capital:**

[Engaged Capital, LLC](#) (“Engaged Capital”) was established in 2012 by a group of professionals with significant experience in activist investing in North America and was seeded by Grosvenor Capital Management, L.P., one of the oldest and largest global alternative investment managers. Engaged Capital is a limited liability company owned by its principals and formed to create long-term shareholder value by bringing an owner’s perspective to the managements and boards of undervalued public companies. Engaged Capital manages both a long-only and long/short North American equity fund. Engaged Capital’s efforts and resources are dedicated to a single investment style, “Constructive Activism” with a focus on delivering superior, long-term, risk-adjusted returns for investors. Engaged Capital is based in Newport Beach, California.

## **CERTAIN INFORMATION CONCERNING THE PARTICIPANTS**

Engaged Capital, LLC (“Engaged Capital”), together with the other participants named herein, intends to file a preliminary proxy statement and accompanying proxy card with the Securities and Exchange Commission (“SEC”) to be used to solicit votes for the election of its slate of highly-qualified director nominees at the 2016 annual meeting of stockholders of Benchmark Electronics, Inc., a Texas corporation (the “Company”).

ENGAGED CAPITAL STRONGLY ADVISES ALL STOCKHOLDERS OF THE COMPANY TO READ THE PROXY STATEMENT AND OTHER PROXY MATERIALS AS THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. SUCH PROXY MATERIALS WILL BE AVAILABLE AT NO CHARGE ON THE SEC’S WEB SITE AT

HTTP://WWW.SEC.GOV. IN ADDITION, THE PARTICIPANTS IN THIS PROXY SOLICITATION WILL PROVIDE COPIES OF THE PROXY STATEMENT WITHOUT CHARGE, WHEN AVAILABLE, UPON REQUEST. REQUESTS FOR COPIES SHOULD BE DIRECTED TO THE PARTICIPANTS' PROXY SOLICITOR.

The participants in the proxy solicitation are Engaged Capital, Engaged Capital Master Feeder I, LP ("Engaged Capital Master I"), Engaged Capital Master Feeder II, LP ("Engaged Capital Master II"), Engaged Capital Co-Invest II L.P. ("Engaged Capital Co-Invest II"), Engaged Capital I, LP ("Engaged Capital I"), Engaged Capital I Offshore, Ltd. ("Engaged Capital Offshore"), Engaged Capital II, LP ("Engaged Capital II"), Engaged Capital II Offshore Ltd. ("Engaged Capital Offshore II"), Engaged Capital Holdings, LLC ("Engaged Holdings"), Glenn W. Welling, Jeffrey S. McCreary, Robert K. Gifford, and Brendan B. Springstubb (collectively, the "Participants").

As of the date hereof, Engaged Capital Master I beneficially owned 297,924 shares of Common Stock. As of the date hereof, Engaged Capital Master II beneficially owned 741,298 shares of Common Stock. As of the date hereof, Engaged Capital Co-Invest II beneficially owned 1,271,450 shares of Common Stock. As of the date hereof, 117,549 shares of Common Stock were held in an account managed by Engaged Capital (the "Engaged Capital Account"). Engaged Capital I, as a feeder fund of Engaged Capital Master I, may be deemed the beneficial owner of the 297,924 shares of Common Stock beneficially owned by Engaged Capital Master I. Engaged Capital Offshore, as a feeder fund of Engaged Capital Master I, may be deemed the beneficial owner of the 297,924 shares of Common Stock beneficially owned by Engaged Capital Master I. Engaged Capital II, as a feeder fund of Engaged Capital Master II, may be deemed the beneficial owner of the 741,298 shares of Common Stock beneficially owned by Engaged Capital Master II. Engaged Capital Offshore II, as a feeder fund of Engaged Capital Master II, may be deemed the beneficial owner of the 741,298 shares of Common Stock beneficially owned by Engaged Capital Master II. Engaged Capital, as the general partner and investment adviser to each of Engaged Capital Master I, Engaged Capital Master II, and Engaged Capital Co-Invest II and the investment adviser of the Engaged Capital Account, may be deemed to beneficially own the 2,428,221 shares of Common Stock owned in the aggregate by Engaged Capital Master I, Engaged Capital Master II, and Engaged Capital Co-Invest II and held in the Engaged Capital Account. Engaged Holdings, as the managing member of Engaged Capital, may be deemed to beneficially own the 2,428,221 shares of Common Stock owned in the aggregate by Engaged Capital Master I, Engaged Capital Master II, and Engaged Capital Co-Invest II and held in the Engaged Capital Account. Mr. Welling, as the founder and chief investment officer of Engaged Capital and the sole member of Engaged Holdings, may be deemed to beneficially own the 2,428,221 shares of Common Stock owned in the aggregate by Engaged Capital Master I, Engaged Capital Master II, and Engaged Capital Co-Invest II and held in the Engaged Capital Account. As of the date hereof, Mr. McCreary directly owns 10,000 shares of Common Stock. As of the date hereof, Messrs. Gifford and Springstubb do not beneficially own any shares of Common Stock.

**Investor Contact:**

**Morrow & Co., LLC**  
Tom Ball, 203-658-9400  
[tomball@morrowco.com](mailto:tomball@morrowco.com)

John Ferguson, 203-658-9400  
[jferguson@morrowco.com](mailto:jferguson@morrowco.com)

**Media Contact:**

Bayfield Strategy, Inc.  
Riyaz Lalani, 416-907-9365  
[rlalani@bayfieldstrategy.com](mailto:rlalani@bayfieldstrategy.com)

**SOURCE:** Engaged Capital, LLC