



N e w s R e l e a s e

FOR IMMEDIATE RELEASE

CONTACT:

Michael T. Shaw, CEO
Interface Security Systems Holdings, Inc.
314.595.0101
mshaw@interfacesys.com

INTERFACE SECURITY EXPANDS OPERATIONS IN TEXAS WITH ACQUISITION OF HAWK SECURITY SERVICES

St. Louis, MO., October 14, 2005 – Interface Security Systems Holdings, Inc., the parent company of Interface Security Systems LLC, a Midwest regional electronic security company based in St. Louis, Missouri, announced that it has completed a transaction in which its subsidiary Interface Security Systems LLC acquired the assets of Hawk Security Services from its parent, Progressive Concepts, Inc. Hawk Security is one of the largest independent security companies in Texas with offices in Dallas/Fort Worth, San Antonio and Tyler. Hawk Security provides a full range of monitored electronic security services to more than 12,500 subscribers, of which approximately 75% are residential and 25% are commercial. Hawk is also the leading Texas provider of specialized infant location monitoring, identification and protection systems, sold under the trademark Hawk Healthcare, to hospitals throughout Texas.

While details of the transaction are confidential, Interface's investors, lead by Dallas-based equity sponsor SunTx Capital Partners, provided equity financing for the transaction and CapitalSource LLC arranged the debt financing.

Interface Holdings, currently ranked #13 in the most recent SDM Top 100 list, provides installation, maintenance and monitoring services to both commercial and residential customers in Illinois, Indiana, Missouri, Arkansas, Tennessee, Louisiana, Mississippi and Texas, as well as in California through its subsidiary, The Greater Alarm Company. The Company also provides fully integrated intrusion, fire, managed access control and interactive video surveillance systems to large commercial customers.

“The acquisition of Hawk Security Services represents the 9th transaction completed by Interface so far in 2005,” said Michael Shaw, Chief Executive Officer, in expressing his excitement about the recently completed transaction. “During the first half of 2005 we completed 8 smaller in-market acquisitions that added significant scale to our existing operations in Mississippi, Louisiana and California.”

Shaw added, “Hawk Security not only gives us a major presence in the vibrant and fast growing Dallas/Fort Worth area, but also adds market share to our existing branch operations in East Texas as well as a new office in San Antonio. We plan to expand upon Hawk's highly successful residential sales and marketing channels as well as bring Interface's resources and skills in high-end commercial systems to bear in the market.”

Mike McLeod, Interface Chief Operating Officer also expressed enthusiasm over the company's expansion in Texas. "All of the approximately 80 Hawk Security employees have been hired by Interface and I am looking forward to working with their team to take the business to the next level. There are tremendous growth opportunities in the Texas market and we expect to take advantage of the increasing demand for high quality products combined with outstanding levels of customer service in both the residential and commercial sectors."

Mike Shirley, General Manager of Hawk Security Services, commenting on the recent transaction stated, "In order to remain competitive in today's security conscious society, we [Hawk Security] must position ourselves to take advantage of new alarm technologies and an expanded level of products and services to enhance the safety and protection of our customers' lives and property. In order to accomplish this goal, we decided that joining forces with a much larger regional security company like Interface with strong financial and human resources would be most beneficial to our employees and our valued customers. I am very pleased to become part of the Interface management team."

Craig Jennings is Vice President and Partner of SunTx Capital Management Corp., the general partner to SunTx Capital Partners, LP, who's Dallas based private equity firm sponsors Interface Security Holdings. Mr. Jennings commented, "We were very excited when Mike Shaw approached us about this transaction. Not only is Hawk Security right in our own back yard, but the company has an excellent reputation in the market and has consistently shown double digit growth from year to year. Adding a

strong residential growth channel to the Company's already dynamic commercial business profile is a solid move for Interface. The management team has been highly selective with their acquisition program and Hawk Security clearly represents an outstanding opportunity for Interface investors to support the company's continued growth strategy."

Bill Polk, Managing Director with CapitalSource, commented that "Interface Systems has consistently demonstrated its ability to grow effectively both through internal operations and well-targeted acquisitions. Having previously financed Hawk Security, we are very familiar with Hawk's high quality customer base and strong service culture. We at CapitalSource view this as an excellent acquisition for Interface."

About Interface Security Systems

Interface Security Systems, ranked #13 in the most recent SDM Top 100 list, provides installation, maintenance and monitoring services to both commercial and residential customers in Illinois, Indiana, Missouri, Arkansas, Tennessee, Louisiana, Mississippi and Texas. The company also provides fully integrated intrusion, fire, managed access control and interactive video surveillance systems to large commercial customers. The Greater Alarm Company, an Interface subsidiary with 5 branch offices in Northern and Southern California, provides similar services and is one of the largest systems integrators in the state.

More information can be found at the company's Web site: www.interfacesys.com.

About CapitalSource

CapitalSource is a specialized commercial finance company offering asset-based, senior, cash flow and mezzanine financing to small and mid-sized borrowers through three focused lending businesses: Corporate Finance, Healthcare and Specialty Finance, and Structured Finance. By offering a broad array of financial products, we had outstanding more than \$7.6 billion in loan commitments as of June 30, 2005. Headquartered in Chevy Chase, MD, we have a national network of offices in cities including Atlanta, Boston, Buffalo, Chicago, Dallas, Los Angeles, Nashville, New York, Philadelphia, San Francisco and St. Louis. As of June 30, 2005, we had 436 employees. Middle market lending involves a certain degree of credit risk which we believe will result in credit losses in our portfolio. For more information, visit <http://www.capitalsource.com> or call toll free at (866) 876-8723.

About SunTx Capital Partners

SunTx Capital Partners is a private investment firm that invests in middle-market manufacturing, distribution and service companies based in, or with significant operations in, the Sunbelt region of the United States. SunTx focuses on supporting exceptional management teams in industries where the firm can apply its operational and financial experience and expertise to build value in leading middle-market companies. Further information is available at www.suntx.com.