DPMS Panther Arms Acquired By Cerberus Capital Management

December 14, 2007

St. Cloud, Minnesota, DPMS, a leading supplier of AR15 based rifles, parts and accessories announced today that its assets have been acquired by an affiliate of Cerberus Capital Management, L.P. Randy Luth, DPMS founder and President, remarked, "We were looking for a partner that could enhance our expertise in operations and further develop our sales and marketing capabilities. Cerberus is a partner that can help us in those areas and provide the financial and operational resources required to expand our business. We look forward to working with them. After starting this business 21 years ago, I couldn't be more excited about our prospects for the future, both in terms of the growth we believe we can achieve and the level of satisfaction and value we can provide to our customers." In connection with the transaction, Mr. Luth will remain President of the newly formed DPMS Firearms, LLC and will continue to oversee the strategic and operational aspects of DPMS. Added Mr. Luth, "I would like to thank our employees, first and foremost. Their hard work, and the support of our dedicated customers, has brought us to where we are today. As we look forward, we see increased interest in our new calibers, based on the proven DPMS 'LR' rifle platform. With our technical expertise and the commitment of our new owners, we intend to broaden the breadth and depth of our rifle and accessories offerings to current and new markets. We will continue toprovide not only great value to our loyal customers, but also the high level of customer service we are known for." The March Group, a private investment banking firm based in Nashville, TN, acted as financial advisor to DPMS. Principal Brantley Kemp was responsible for managing the transaction and advising DPMS on its strategic alternatives.