

**For Immediate Release**  
**April 3, 2008**

**DIAMOND GLASS WINS APPROVAL FROM BANKRUPTCY COURT FOR  
\$7 MILLION IN NEW FINANCING**

*Court Also Approves Motions to Pay Employees and Critical Vendors*

KINGSTON, PA, – DIAMOND GLASS announced today that the United States Bankruptcy Court Judge presiding over its chapter 11 case in Delaware yesterday approved all of the initial motions presented at its first hearings important to the continued normal operations of the Company, including the interim approval of a new \$7 million loan facility with Guggenheim Corporate Funding LLC (as agent for the senior secured lenders), and authority to borrow up to \$3.1 million from that facility over the next three weeks. The Company also won important approvals to pay its employees and continue their benefit programs, to continue various customer programs, including the ability to honor customer warranties, and in the case of the Company's critical vendors to negotiate agreements with them to assure that the supply of product to the Company continues uninterrupted during the chapter 11 case.

"We are extremely pleased with the Court's rulings yesterday," said President Bill Cogswell. "With approval of our new financing and cash receipts from continuing operations, we have more than sufficient resources and liquidity to continue operating as normal during our chapter 11 case. Our employees, our suppliers, our customers and everyone else who deals with us should see no difference in our day-to-day business."

The Court rulings assure that payroll will be met regularly, paychecks will be honored as always, and that the Company will maintain all its employee benefit programs.

As previously announced, the Company filed for chapter 11 protection on April 1 to continue a sale and restructuring process to address a heavy debt burden it had acquired over the years. The Company intends to ask the Court to approve an auction sale process to assure that the Company receives the highest values for the benefit of its creditors in a sale of the Company's business. The Company has already signed a purchase agreement with Guggenheim, as agent acting on behalf of the Company's pre-petition and post-petition senior secured lenders. The auction sale process will subject Guggenheim's offer to competitive bidding by all interested parties. An important element of the proposed procedures is the additional offer by Guggenheim to provide (subject to certain conditions) up to \$25 million of senior secured financing to bonafide purchasers to support competing bids at any auction to acquire the Company's business and to provide additional working capital upon a closing of the sale to the successful bidder. Cogswell stated: "The Company expects that if Guggenheim is the successful purchaser, Guggenheim would continue the business in substantially the same manner as before." A hearing for court approval of the auction process has been scheduled for April 24. The auction is proposed to be held in early June.

DIAMOND GLASS is one of the nation's oldest and leading providers of automotive glass replacement and repair services. Founded in 1923 by the Levine family and headquartered in Kingston, Pennsylvania, this business grew into a network of 217 service centers and 900 mobile installation vehicles in 42 states, serviced by three distribution facilities located in Kingston, Pennsylvania; Columbus, Ohio; and Atlanta, Georgia. Approximately 1,600 people are employed by the Company, including field technicians, customer service representatives, sales associates and corporate associates.

**CONTACT:**

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