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DIRECT FOCUS, INC. COMPLETES ACQUISITION OF NAUTILUS

VANCOUVER, WASHINGTON...January 6, 1999...Direct Focus, Inc. (Toronto: DFX), a direct marketing company, has finalized the acquisition of substantially all the assets of Nautilus International, Inc. from Delta Woodside Industries, Inc. (NYSE: DLW). With the acquisition completed, Direct Focus said it plans to extend the Nautilus brand name into broader markets.

"This acquisition opens up a vast new opportunity to fuel future sales growth," said Brian Cook, president and chief executive officer of Direct Focus. "We will continue to build the brand awareness of the Nautilus name, which is well known in the fitness industry and leverage the name in our direct marketing business with the addition of new products."

"We intend to aggressively expand Nautilus' core business of selling fitness equipment to health clubs, health care and other commercial facilities," Cook said. In addition, the company intends to add a new line of products carrying the Nautilus name for home fitness use. The company expects to start adding the new home fitness products in late 1999 and plans to sell the majority of them through the Internet and specialty retail, while others will be sold through direct marketing. "Our existing line of Bowflex fitness equipment is primarily aimed at the home user and we have a proven track record of successfully penetrating this market," he said.

Direct Focus paid \$16 million in cash and assumed \$2.8 million in liabilities, subject to the final adjustments of working capital items, for substantially all of the assets of Nautilus, including existing manufacturing, warehousing and office facilities located in Virginia, manufacturing equipment, intellectual property, the Nautilus name, inventory and accounts receivable. Cook pointed out that Nautilus' existing manufacturing facility offers an immediate benefit to the company. With a distribution center on the East Coast, Direct Focus can deliver its current products to customers in the eastern half of the United States faster and at a lower cost.

Direct Focus, Inc. currently markets two lines of products -- Bowflex home fitness equipment and Instant Comfort sleep systems -- directly to customers via advertising on national cable television networks, printed media and the World Wide Web. For year ended December 31, 1998, Direct Focus generated sales of \$57.3 million, up 188 percent from fiscal 1997.