



K2 Inc. Completes Merger With Brass Eagle

CARLSBAD, CALIFORNIA — (BUSINESS WIRE) — December 16, 2003 — K2 Inc. (NYSE:KTO - News) announced today the consummation of the merger of Brass Eagle Inc. (XTRM) with a wholly-owned subsidiary of K2. As a result of the merger, Brass Eagle is now a wholly-owned subsidiary of K2.

In the merger, each outstanding share of Brass Eagle common stock (other than shares owned by K2 as a result of its exchange offer and shares for which appraisal is sought under applicable Delaware law) was converted into the right to receive 0.6036 of a share of K2 common stock (including the associated preferred share purchase rights). The merger allowed K2 to acquire the remaining shares of Brass Eagle common stock that were not tendered into K2's exchange offer. The merger consideration is the same as paid per share of Brass Eagle common stock in the exchange offer. On December 9, 2003, K2 accepted for exchange 7,167,751 shares of Brass Eagle common stock that were tendered into the exchange offer and, as a result, K2 became the owner of approximately 95.7% of the outstanding shares of Brass Eagle common stock.

Within the next few days, Computershare Trust Company, Inc. will mail to former Brass Eagle stockholders that did not tender in the exchange offer materials to be used for exchanging their Brass Eagle stock certificates for the merger consideration. Former Brass Eagle stockholders are urged to read these materials in full, as they will contain important information regarding their rights and the merger.

About K2 Inc.

K2 Inc. is a premier, branded consumer products company with a primary focus on sporting goods and other recreational products as well as certain niche industrial products. K2's portfolio of leading brands includes Rawlings, Worth, Shakespeare, Pflueger, Stearns, K2, Ride, Olin, Morrow, Brass Eagle, Tubbs and Atlas. K2's diversified mix of products is used primarily in team and individual sports activities such as baseball, softball, fishing, watersports activities, alpine skiing, snowboarding, paintball, snowshoeing, in-line skating, snowshoeing and mountain biking. Among K2's other recreational products are Dana Design backpacks, Planet Earth apparel, and Adio and Hawk skateboard shoes. K2 also manufactures and markets Shakespeare extruded fishing lines and monofilaments, and marine antennas and marine accessories.

About Brass Eagle Inc.

Brass Eagle, the worldwide leader in the manufacturing, marketing, and distribution of paintball products, reported sales of \$104.9 million for its fiscal year ended December 31, 2002, and earnings of \$9.7 million, or \$1.30 per share. Brass Eagle markets and manufactures markers, loaders, masks, paintballs and accessories under several brand names including Brass Eagle, Viewloader, and JT.

FORWARD LOOKING STATEMENTS:

This news release includes forward-looking statements. K2 cautions that these statements are qualified by important factors that could cause actual results to differ materially from those in the forward-looking statements, including but not limited to the company's ability to complete the merger and successfully integrate the two companies, global economic conditions, product demand, financial market performance and other risks described in K2's and Brass Eagle's annual reports on Form 10-K for the year ended December 31, 2002 and other filings with the Securities and Exchange Commission. Any forward-looking statements speak only as of the date hereof and K2 and Brass Eagle disclaim any intent or obligation to update such statements.

Mercanti Securities, LLC, member NASD and a subsidiary of The Mercanti Group acted as financial advisor to K2 in this transaction.

About The Mercanti Group

The Mercanti Group is a results-oriented boutique financial advisory firm that embraces a fierce commitment to client service and provides creative Merger & Acquisition, Capital Raising and Strategic Advisory solutions to small and middle market companies, private equity firms and individual business owners in the consumer, health care, technology, software, business services and manufacturing industries. Over the last three decades, the professionals of Mercanti gained a wealth of Wall Street experience while they were partners together at a few of the largest and most admired multi-national investment banks. Mercanti offers companies that are increasingly ignored by Wall Street the expertise and capabilities of a large investment bank with the focus, attention and energy of a small entrepreneurial firm. Mercanti Securities, LLC, member NASD/SIPC and a subsidiary of The Mercanti Group, enables Mercanti to compete with larger investment banks and provide a broad range of customized financial advisory services and transaction structures. Mercanti has offices in Minneapolis and Los Angeles. If you would like more information on The Mercanti Group, please visit the Web at www.mercantigroup.com, or contact a Mercanti professional at 612.333.0130 (Minneapolis) or 310.444.0130 (Los Angeles).