

Press release

FOR IMMEDIATE RELEASE

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DEJANA TRUCK & UTILITY EQUIPMENT ACQUIRES ARROWHEAD EQUIPMENT, INC.

Deal Strengthens Dejana's Position as a Premier Upfitter of Vehicle Attachments and Equipment in the North East United States

May 1, 2017 — Kings Park, NY— Dejana Truck and Utility Equipment (Dejana), a premier upfitter and manufacturer of vehicle attachments and equipment and a subsidiary of Douglas Dynamics, Inc. (NYSE: PLOW), today announced it has acquired Arrowhead Equipment, Inc. The deal is a natural extension of Dejana's ongoing growth strategy that it has been successfully executing for several years. The deal adds two manufacturing facilities that will improve service to Dejana's customer base in the region.

Arrowhead Equipment has grown organically to become a leading up fitter in the upstate New York market, with two upfit facilities located in Albany and Queensbury that have a combined 31,000 square feet of space. Arrowhead Equipment is a well-run family-owned business that currently employs approximately 50 people. Acquiring Arrowhead Equipment allows Dejana to further leverage its relationship with truck and van OEMs and augment its position as a leading bailment pool upfitter. Arrowhead Equipment's customer portfolio includes a diverse base of commercial truck users, ranging from commercial snow contractors, municipalities, and emergency response entities. The two additional locations will be Dejana's eighth and ninth manufacturing locations, each with truck equipment showrooms for retail sales.

"We are pleased to welcome the Arrowhead Equipment team into the Dejana family," said Andrew Dejana, President of Dejana Truck & Utility Equipment Company. "As the logical next step in our ongoing expansion strategy, we believe that adding Arrowhead Equipment will magnify our reach and improve our ability to serve current and potential customers. Bill Ehlert and his team have a solid track record of growth, with a leading presence in the Albany market, and there are ample opportunities to continue to expand the business in the coming years."

The Arrowhead Equipment team, will continue to lead the business, reporting to Andrew Dejana, President of Dejana Truck & Utility Equipment Company. The acquisition is not expected to have a material impact on Douglas Dynamics' 2017 results and terms of the deal were not disclosed.

About Dejana Truck & Utility Equipment

Based in Kings Park, NY, Dejana Truck & Utility Company (Dejana) focuses on the up-fit of market leading attachments and storage solutions for commercial work vehicles under the DEJANA[®] brand and its related sub-brands. Dejana employs approximately 550 people at nine manufacturing and up fit facilities in five states across the North East and Mid-Atlantic regions. Current customers include leading utility, energy, telecommunications and transportation companies, as well as large municipal entities. Dejana is a subsidiary of Douglas Dynamics.

About Douglas Dynamics

Home to the most trusted brands in the industry, Douglas Dynamics is North America's premier manufacturer and up-fitter of commercial Work Truck Attachments and equipment. For more than 65 years, the Company has been innovating products that not only enable people to perform their jobs more efficiently and effectively, but also enable businesses to increase profitability. Through its proprietary Douglas Dynamics Management System (DDMS), the Company is committed to continuous improvement aimed at consistently producing the highest quality products, at industry-leading levels of service and delivery that ultimately drive shareholder value. The Douglas Dynamics portfolio of products and services is separated into two segments: First, the Work Truck Attachments segment, which includes manufactured snow and ice control attachments sold under the FISHER[®], HENDERSON[®], SNOWEX[®] and WESTERN[®] brands. Second, the Work Truck Solutions segment, which includes the up-fit of market leading attachments and storage solutions for commercial work vehicles under the DEJANA[®] brand and its related sub-brands.

Forward Looking Statements

This press release contains certain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. These statements include information relating to future events, future financial performance, strategies, expectations, competitive environment, regulation, product demand, the payment of dividends, and availability of financial resources. These statements are often identified by use of words such as "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will" and similar expressions and include references to assumptions and relate to our future prospects, developments and business strategies. Such statements involve known and unknown risks, uncertainties and other factors that could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, the potential for Arrowhead Equipment not to achieve projected financial performance, unanticipated challenges related to the integration of the Arrowhead Equipment business and unexpected costs or liabilities related to the acquisition of Arrowhead Equipment. Given these risks and uncertainties, you should not place undue reliance on these forward-looking statements. In addition, the forward-looking statements in this release speak only as of the date hereof and we undertake no obligation, except as required by law, to update or release any revisions to any forward-looking statement, even if new information becomes available in the future.