

September 06, 1996

***President of Fund Manager Buys Diana Stock Privately at \$20 Per Share While His Funds Pay Almost \$32 Per Share In The Open Market.***

Dawson-Samberg Capital Management, Inc.'s Schedule 13D filed with the Securities and Exchange Commission dated September 5, 1996 disclosed the purchase of 323,000 shares of Diana's stock by investment funds under its control at an average price of \$31.73 per share. The Schedule 13D also discloses the fact that Arthur J. Samberg, a principal shareholder of Dawson-Samberg Capital Management, Inc., purchased in a privately negotiated transaction 20,000 shares of Diana's stock for his own account at a cost of \$20.50 per share. Mr. Samberg further disclosed that he retained the right to dispose and direct the disposition of his 20,000 shares independently of the Fund's actions. Furthermore, the filing revealed that the funds were short 57,200 shares of Diana prior to their recent purchase and only discloses the purchase date and price of 99,000 shares not 323,000.

Asensio & Company, Inc. today reconfirmed its Strong Sell Recommendation on The Diana Corporation (NYSE Symbol "DNA") (Price: \$33.75).

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.