

For Immediate Release

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**DENON EMBODIES “BOUNDLESS ENTERTAINMENT” WITH EXCITING NEW
PRODUCTS AND FEATURES, PLUS MAJOR EDUCATION INITIATIVES**

-- Debuts Ten New A/V Receivers, New Noise-Cancelling Headphones, Blu-ray Player, Plus Enhanced Training Programs for Custom and Retail Dealers and More --

Mahwah, NJ, May 20, 2008 — Denon Electronics, one of the world’s premier manufacturers of high-quality home entertainment components, is embodying “Boundless Entertainment” with an exciting new lineup of products and lifestyle-enhancing features, all with a clear focus on providing simple yet elegant solutions for enjoying the ultimate home entertainment experience. To support its line of 21st century home entertainment products at retail, the company is launching a, multi-level trade and consumer marketing and communications initiative that includes an expanded training program for both custom installers and on-the-floor retail salespeople, a high-impact, one-stop “POP Demo Station” for whole-home networking, as well as key logistical improvements.

Joe Stinziano, Denon Senior Vice President for Sales and Marketing, noted: “Denon’s commitment to ‘Boundless Entertainment’ is reflected in every aspect of our corporate culture in 2008. Our new products not only offer superior audio and video performance but a host of innovative features designed to truly enhance a consumer’s lifestyle, with powerful yet simple solutions for multiple applications. Our goal is to allow users to get maximum enjoyment out of all their entertainment content, regardless of its source, anywhere and everywhere, whether it’s packaged media, streamed content from inside or outside the home, or even Internet radio. And to support our new lineup, we’re redoubling our efforts in both retailer and consumer education, ensuring that our message of ‘boundless entertainment’ comes through loud and clear.”

New and Enhanced Product Lineup...

The cornerstone to Denon®’s vigorous commitment to “Boundless Entertainment” is a variety of new and enhanced products that feature a host of consumer benefits, offering Denon customers

exciting new ways to enjoy high-quality entertainment throughout the home. Here's a brief look at Denon's new and upcoming products:

- **Ten New A/V Receivers:** Denon has incorporated leading-edge image- and sound-enhancing technologies in all ten of its new high-performance receivers. These features include HDMI 1.3a capability with support for Deep Color, **Audyssey Dynamic EQ**, **Audyssey MultEQ** and **Audyssey Dynamic Volume** in all. The new receivers include the multi-zone Models **AVR-2809CI** (SRP: \$1,199), **AVR-2309CI** (SRP:\$849), **AVR-1909** (SRP: \$649), **AVR-1709** (SRP: \$449) and **AVR-1609** (SRP: \$349), as well as five new high-performance, high-value receivers in its Retail Home Theater Series line, including the models **AVR-989** (SRP: \$1,199), **AVR-889** (SRP: \$749), **AVR-789** (SRP: \$599), **AVR-689** (SRP: \$399), and **AVR-589** (SRP: \$299).
- **DVD-1800BD** – Denon is introducing its third entry in its very successful and critically acclaimed Blu-ray DVD line. The Model DVD-1800BD (SRP: \$749) features HDMI 1.3a with Deep Color and Bonus View support (BD Profile 1.1), Full bitstream output of Dolby and DTS-HD audio formats, 1080p scaling from SD DVDs, and 2-channel analog audio output.
- **Noise-Cancelling Headphones:** Denon is giving its music loving customers an opportunity to “escape to quality sound” with the introduction of its high-end luxury Model **AHNC732 On-Ear Noise Cancelling Headphones** (SRP: \$299).
- **Reference Grade CX Series:** The three new CX Series products, including the Model **DRA-CX3** Stereo Receiver (SRP: \$1,200), **DCD CX3** SACD/CD Player (SRP: \$1,200), and **SC-CX303** 2-Channel Loudspeaker System (SRP: \$1,200) are all currently available. Created with audio specifications, style and details inspired by the company's legendary S-Series of Hi-Fi components, Denon's elegant new reference audio components are designed for the audiophile purist who harkens back with nostalgia to the heyday of two-channel stereo.

Ramped-Up Commitment to CI Community

Denon has added even more to its commitment to the professional custom integration market. Launched last year, Denon's CI Certification program now offers valuable CEDIA CEUs (Continuing Education Units) for attendees of the regionally conducted, highly specialized trainings for professional integrators. These training sessions focus on all aspects of integrating, controlling and troubleshooting of all Denon CI products, with added attention to Denon's network home entertainment components. In addition, CI Certified integrators gain access to the recently launched 'CI Portal', which is a specially designated web site offering product news, technical data, FAQs and more, but also the ability to gain contact with Denon's CI technical support group.

In addition to specialized training for custom integrators, Denon is also stepping up its training program for retail salespeople who work on the sales floor. The company's enhanced on-line training program will help educate retail salespeople how to demonstrate and communicate key features that provide lifestyle benefits including whole-home networking.

New POP Demo Station: A “One-Stop Education” in Whole-Home Entertainment

One of the key elements that will drive Denon's retail and consumer education initiative for networked products is a unique, high-impact Point-of-Purchase (POP) Networking Demo Station display that will feature an intuitive “one-stop” demonstration to communicate the lifestyle benefits inherent in company's “Boundless Entertainment” message. The easy-to-use POP demo Station will spotlight the simplicity, fun and lifestyle-enhancing nature of Denon's new networking-capable products, including its new line of multi-zone A/V receivers. These units will roll out in the summer to approximately 100 store-fronts.

Improved Logistics for More Efficient Product Distribution and Ordering

To help streamline the entire distribution and ordering process for its high-performance products to retailers, Denon will move into a new state-of-the-art distribution facility in Carson, CA. The new facility will feature a computerized ordering system and other high-efficiency operational protocols to make it easier and faster for custom integrators and retailers to obtain precisely the Denon products they need when they need them.

About Denon Electronics

Denon is a world leader in the manufacture of the highest quality home theater, audio and software products. Denon is recognized internationally for innovative and groundbreaking products and has a long history of technical innovations, including the development and first commercialization of PCM digital audio. Denon Electronics is owned by D&M Holdings Inc.

About D&M Holdings Inc.

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