

DENON

For Immediate Release

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**DENON TO LAUNCH LINEUP OF INNOVATIVE PRODUCTS WITH FOCUS
ON WHOLE-HOME NETWORKING FOR “BOUNDLESS ENTERTAINMENT”**

*-- Products Emphasize Connectivity and Bridging Applications in
Integrated Home Entertainment Systems --*

Mahwah, NJ – July 24, 2007 — Denon Electronics, a world leader in high-performance home entertainment, today announced that it will introduce an extensive range of products, demonstrating its strong commitment to providing solutions for enhancing and expanding the home entertainment experience. With a focus on whole-home networking, Denon’s new products include a wide range of custom-integration friendly solutions, from the groundbreaking Profile 1 version 1.1 Blu-ray Disc player and transport to multi-channel audio/video receivers and a Fully Programmable RF/IR Remote Control System. Other high-performance introductions will include new compact networked home entertainment systems, Network-Enabled A/V clients with iPod® functionality and a surround sound enhancement system for flat-panel TVs.

Joe Stinziano, Denon Senior Vice President for Sales and Marketing, noted, “Denon’s vision for 2008 and beyond is one of ‘Boundless Entertainment’ for consumers, and we’re committed to taking the bold steps necessary to lead the way into a new era of home entertainment connectivity and networking applications. By combining tried-and-true Denon audio and video performance with a host of innovative networking technologies, we’ve created a product line that provides powerful yet simple solutions for multiple applications. These new products allow users to enjoy 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. Most importantly, we’ve addressed key consumer concerns throughout the line, such as ease-of-use and installation, in order to remove any remaining barriers that might prevent our customers from enjoying ‘boundless entertainment’”.

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New Audio/Video Receivers: Unprecedented Quality and Networking Capabilities

For the first time in nearly ten years, Denon is introducing a completely redesigned lineup of new A/V receivers, with emphasis on both audio/video performance and whole-home, multi-zone entertainment. The new lineup of thirteen advanced A/V receivers features leading-edge technologies such as HDMI™ 1.3a capability with support for Deep Color, expanded Ethernet connectivity, advanced networking and specially designed custom integration features at attractive new prices. Led by the flagship **AVR-5308CI** (SRP: \$5,199), the line also includes the feature-packed multi-zone distribution models **AVR-4308CI** (SRP: \$2,499) and **AVR-3808CI** (SRP: \$1,599), as well as five new entry and mid-tier models and five high-performance receivers in the Retail Home Theater Series line.

Groundbreaking BD-ROM Profile 1 version 1.1 Blu-ray Disc Player and More...

Denon's new Blu-ray product provides users with no-compromise solutions for enjoying next-generation high-definition media and exemplify the highest level of home theater quality. Most notable is the company's upcoming introduction of the groundbreaking BD-ROM Profile 1 version 1.1 Blu-ray Disc player, the reference-standard **DVD-3800BDCl** (SRP: \$1,999), as well as the groundbreaking BD-ROM Profile 1 version 1.1 Blu-ray Disc transport, the **DVD-2500BTCl** (SRP: \$1,199).

Both products provide users with pristine 1080P high-definition video via HDMI connection. The DVD-3800BDCl will also deliver the ultimate in audio performance, including high-definition audio decoding and DDSC-HD audio output. The DVD-2500BTCl will natively output an HD audio bit-stream to a connected receiver via HDMI, where it will then be decoded into its native high-definition audio format. Both units offer simultaneous playback of a secondary audio and video track which may be used for interactive audio and commentary and for picture-in-picture capability (respectively). Additional information (subtitles, audio streams, camera angles, trailers, games, etc.) can be downloaded from the Internet via computer and stored on a SD card that either player will accept. Both units are slated to ship this fall.

In addition to its Blu-ray Disc product introductions, Denon is updating its advanced lineup of DVD players and changers with six additional models, which output video at stunning 1080p resolution

via HDMI, making them ideal for use with the advanced digital display devices of today (and tomorrow). New DVD entries include the **DVD-1940CI** (SRP: \$349) and **DVD-1740** (SRP: \$169), as well as the new **DVM-1845** (SRP: \$269) 5-disc DVD changer. With the new additions, all DVD players in Denon's current lineup now feature advanced HDMI output capability for the ultimate in audio and video performance. Three new players in the company's Retail Home Theater line have also been added including models, **DVD-758** (SRP: \$349) and **DVD-558** (SRP: \$169), as well as the new **DVM-745** (SRP: \$269) 5-disc changer.

Two New Network-Enabled Clients

Denon's two new Network-Enabled A/V Clients, models **ASD-3N** (SRP: \$179.99) and **ASD-3W** (SRP: \$229.99), both with iPod command and control, allow consumers to add network connectivity to many A/V components, including A/V receivers, video display products and single speaker solutions*. Once connected to an A/V receiver/stereo, TV or single speaker solution (and not just from Denon), they provide instant access to existing home networks, letting users stream audio files, pictures and Internet radio stations from connected devices. Both models include a remote control and feature a screen saver and a newly designed GUI for displaying meta-data, full-color album artwork and user photos. For additional networking flexibility, both units feature an Ethernet port, while the ASD-3W adds wireless capability as well. The ASD-3N and ASD-3W will be available in August and September (respectively).

DHT-FS3: Active Surround Sound System

Denon is also introducing the **DHT-FS3** Active Surround Sound System, a stylish solution for adding great surround sound to flat-panel TVs. The system uses X-Space Surround technology in an innovative bar-shaped design that lets users wall or shelf-mount the unit inconspicuously either underneath or above their flat-panel TV. The DHT-FS3 is elegantly styled in a gloss piano black finish to match many of today's flat panel displays.

In addition to the sleek main bar speaker system, a super-slim subwoofer provides the deep bass response needed for great home theater audio. The system features a 5-channel built-in amplifier (25W/channel) as well as a 50W amplifier for the subwoofer. The DHT-FS3 will be available in July 2007 for \$1,199.

Fully Programmable RF/IR Remote Control System

In keeping with its vision of “Boundless Home Entertainment,” Denon is also announcing two innovative devices – the **RC-7000CI** – Infrared (IR) / Radio Frequency (RF) Remote Control (SRP: \$299.99) and **RC-7001RCI** – RF/IR Remote Base (SRP: \$199.99). These two new products allow consumers to expand control of their home entertainment system to multiple rooms, without adding expensive components or networking devices. The RC-7000CI/RC-7001RCI is a fully programmable remote control system that can operate multiple A/V devices from Denon and other manufacturers and can be expanded to numerous rooms in a house as an alternative to more costly control systems. When used by itself, the RC-7000CI allows for universal command and control of all Denon products including A/V Receivers, DVD players and upcoming next-generation DVD players as well as many products from other manufacturers. Users can simply connect the remote to a PC via USB and program functionality for the other products in their system via one of the world’s largest IR database. When combined with one or more of the RC-7001RCI Remote Bases, the RC-7000CI turns into a powerful multi-room remote control system that allows for both two-way communication and IR functionality.

New S-Series Products: Compact 2.1 Systems; Networked Audio Systems

Denon is expanding its popular S-Series of home entertainment products with two new compact 2.1 systems, models **S-302** (SRP: \$1,699), and **S-102** (SRP: \$999), both of which mark a major leap forward in compact home entertainment connectivity and convenience. The company is also adding its first two Networked Audio Systems to the S-Series lineup, models **S-52** (\$ 699) and **S-32** (SRP: \$499). The S-302 and S-102 maintain the same compact form factor as previous S-Series compact systems, with minor cosmetic differences to the speakers, with significant feature and convenience enhancements. Notably, the S-102 will scale content from its built-in DVD player up to 1080p, outputting it via HDMI, and the S-302 will upconvert all analog sources to HDMI, with scaling to a crystal clear 1080p image. Additionally, both will perform I/P conversion from interlaced to progressive scan.

Denon’s **S-52** and **S-32** Networked Audio Systems feature the ability to stream music wirelessly from Internet Radio sources and other network attached storage devices, PC or Mac computers on the network and even the Rhapsody™ Music Service (subscription required). Both units also feature a built-in iPod dock for easy drop-in functionality. Like the other models in the S-Series,

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these new units deliver crisp, clean sound with powerful bass response, made possible by Audyssey Bass-XT and Dynamic EQ software. They also have the ability to decode popular MP3 and WMA formats but also AAC, WAV and those encoded in FLAC (Free Lossless Audio Codec).

**A home network is required for network related functions.*

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.

D&M Holdings Inc. (TSE I: 6735) is based in Kawasaki, Japan and owns the Denon, Marantz, McIntosh Laboratory, Boston Acoustics, Snell Acoustics, D&M Professional, D&M Premium Sound Solutions, Denon DJ, ReplayTV® and Escient® brands. Denon, Marantz, McIntosh and D&M Professional are global industry leaders in the specialist home theater, audio/video consumer electronics or professional audio markets, with a strong and long-standing heritage of manufacturing and marketing high-performance audio and video components. Boston Acoustics, with its signature The Boston Sound, is a leader in premium loudspeakers for home and automotive audio markets. Snell is a super premium speaker brand. The ReplayTV and Escient brands represent award-winning technologies in digital home entertainment. D&M Premium Sound Solutions manufactures high-quality, Hi-Fi audio products for the B2B automotive and consumer electronics markets. Additional information is available at www.dm-holdings.com.

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