DENON

For Immediate Release

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DENON TO INTRODUCE GROUNDBREAKING BD-ROM PROFILE 1 version 1.1

BLU-RAY DISC PLAYER AND TRANSPORT

-- New Products Represent the Pinnacle of High-Definition DVD Video and Audio Performance; Offer Exciting Interactive Capabilities --

Mahwah, NJ – July 24, 2007 — Denon Electronics, a world leader in high-performance home entertainment products, today announced the upcoming introduction of two groundbreaking DVD products, the new reference-standard **DVD-3800BDCI** BD-ROM Profile 1 version 1.1 Blu-ray Disc Player and the **DVD-2500BTC** (SRP: $1,199) BD-ROM Profile 1 version 1.1 Blu-ray Disc Transport. The **DVD-3800BDCI** (SRP: $1,999) is the world's first BD-ROM Profile 1 version 1.1 Blu-ray Disc Player from a Blu-Ray Disc Association member featuring the acclaimed 10-bit Silicon Optix Realta chipset. It provides users with the highest resolution high-definition video available today via HDMI™ connection, as well as the ultimate in audio performance, including high-definition audio decoding and DDSC-HD audio output. The DVD-2500BTCI outputs audio and video signals and requires a connected audio/video receiver to do the decoding. Both BD-ROM Profile 1 version 1.1 Blu-ray units are slated to ship this fall.

In addition to its Blu-ray Disc introductions, Denon is updating its advanced lineup of DVD players and changers with six additional models, including 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, Denon's current line of DVD players now feature advanced HDMI output capability for the ultimate in audio and video performance. Three new models in the company's Retail Home Theater DVD lineup have also been added, including the **DVD-758** (SRP: $349) and **DVD-558** (SRP: $169) DVD players, as well as the new **DVM-745** (SRP: $269) 5-disc changer.

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Joe Stinziano, Denon's Senior Vice President for Sales and Marketing, noted: "Denon is committed to providing our discriminating customers with a no-compromise high-end solution for enjoying next-generation high resolution media. Our new products exemplify the highest level of home theater quality. As a member of the Blu-ray Disc Association, we brought all of our design and engineering expertise to bear in the creation of these groundbreaking Blu-ray products, setting new performance standards for the format. Denon remains committed to offering our customers the most options in ultimate-quality home entertainment products and to this end, our future plans do not preclude the introduction of high-definition products in other formats."

Reference-Standard DVD-3800BDCI: "Boundless" Home Entertainment

Denon's new DVD-3800BDCI BD-ROM Profile 1 version 1.1 Blu-ray Disc Player sets new standards in high-performance, interactive DVD playback. In addition to delivering the pinnacle of high-quality audio and video performance, both the DVD-3800BDCI and DVD-2500BTCI feature SD card readers that offer users a new level of full interactivity with multiple opportunities for content providers to add enhanced content such as movie trailers, games and more.

The Ultimate in Video Performance…

In addition to being in the forefront of BD-ROM Profile 1 version 1.1 Blu-ray Disc Player technology, Denon's **DVD-3800BDCI** is also the world's first to feature the acclaimed 10-bit Silicon Optix Realta chipset, providing enhanced video performance with upconversion and IP scaling to 1080p. The pixel-by-pixel and Digital Noise Reduction feature afforded by this technology allows the player to remove image-degrading artifacts, resulting in astoundingly clear, high-resolution image quality.

The Ultimate in Audio Performance…

Denon's new DVD-3800BDCI also utilizes a variety of the world's most advanced audio technologies, including Advanced AL24 processing, to deliver the ultimate in audio performance. The player offers HD Audio and DDSC-HD, with decoding of Dolby Digital Plus, Dolby TrueHD and DTS-HD Master Audio and is capable of outputting both 7.1-channel analog signals and PCM audio via HDMI output.

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DVD-2500BTCI Blu-ray Transport: High-Performance Connection to A/V Receivers

The DVD-2500BTCI is a leading edge Blu-ray Disc Transport that allows owners of advanced A/V receivers to add Blu-ray capability to their system and enjoy high definition video. The DVD-2500BTCI will natively output an HD audio bit-stream to a connected receiver via HDMI. Once this signal is accepted in the receiver, it can then be decoded into its native format including Dolby Digital Plus, Dolby TrueHD and DTS HD Master Audio.

Secondary Video and Audio Decoders

In keeping with the guidelines mandated by the Blu-ray Association for BD-ROM Profile 1 version 1.1 players, both Denon Models **DVD-3800BDCI** and **DVD-2500BTCI** incorporate a secondary audio and video decoder. This allows for 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. This content can be played with the original content of Blu-ray Discs.

Denon's DVD Lineup offers More Models with HDMI Output

In addition to the new Blu-ray Disc products, Denon has significantly upgraded its DVD player line. Denon's new DVD-1940CI and DVD-1740 DVD players, for example, output video at stunning 1080p resolution via HDMI, making them ideal for use with the advanced digital display devices of today (and tomorrow). The superior image quality of the DVD-1940CI is achieved through the use of the advanced Faroudja FLi2301 DCDi chipset, providing an improved Film Mode, 3:2 pulldown detection and de-interlacing, as well as five Progressive Mode memory settings that enable viewers to fine-tune picture quality to their particular preference. The result is remarkably clear, high-resolution image quality, free from picture artifacts. Additional audio/video enhancements in the DVD-1940CI include HDMI 1.1 output compatibility, SACD / DVD-Audio playback, discrete interlaced and progressive video D/A converters. For enhanced

audio playback, both the DVD-1940CI and DVD-1740 use discrete high performance Burr Brown Audio DACs – models PCM-1738 and PCM-1756 respectively. The DVD-1940CI and DVD-1740 will also interchangeably convert video standards; NTSC and PAL and the DVD-1940CI will now support the popular DivX Ultra standard.

The DVD-1740 and the DVD-1940CI are both currently available.

NEW 5-Disc DVD-Changer Added to Lineup

To provide additional flexibility, Denon is also introducing a new 5-disc DVD changer, with HDMI 1.0 and selectable scaling output to 1080p. Model, DVM-1845 is a progressive scan changer with DVD-Video, DVD-R/RW, DVD+R/RW, CD and CD-R/RW playback compatibility, Kodak Picture, FujiColor, and JPEG Photo File Viewer for total convenience and utility. For enhanced image quality, the DVM-1845 also includes an advanced 12-Bit Video DAC (108MHz, 480i/480p) and 3:2 Pull-Down detection. The DVM-1845 is currently available.

In addition to the new models announced today, Denon's DVD line includes: the flagship **DVD-5910CI** (SRP: $3,800), **DVD-3930CI** (SRP: $1,499) and **DVD-2930CI** (SRP: $849).

New Retail Home Theater Series Models: High-Value, High-Performance

Denon's new Retail Home Theater Series line of advanced DVD players, includes the DVD-758, DVD-558 and DVM-745 5-disc changer, and offers many of the same high-quality features found in Denon's companion models. Features include HDMI output with upscaling to 1080p, Burr Brown 24/192 Audio DACs, playback of CDs and DVDs with MP3 and WMA 9 audio files as well as CD-R/CD-RW, DVD-R/RW and DVD+R/RW. Additionally, the DVD-758 will play discs encoded with DivX Ultra. All three models are currently available.

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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