

DENON

For Immediate Release

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INNOVATIVE NEW DENON “ENHANCEMENT” PRODUCTS

FOCUS ON NETWORKING AND WHOLE-HOME CONNECTIVITY

*-- Two New Network-Enabled A/V Clients with iPod® Command and Control
and Active Surround Speaker System --*

Mahwah, NJ – July 24, 2007 — Denon Electronics, one of the world’s premier manufacturers of high-quality home entertainment components, is demonstrating its broad-based commitment to advanced home entertainment and connectivity with the introduction of two advanced Network-Enabled A/V Clients, models **ASD-3N** and **ASD-3W**, both with iPod command and control. Denon is also introducing the **DHT-FS3** Active Surround Sound System, a stylish solution for adding great surround sound to flat-panel TVs. Denon’s new products stress convenience and ease of installation and use, and provide custom integrators with new ways to expand the home entertainment environment for their clients.

Joe Stinziano, Denon’s Senior Vice President of Sales and Marketing noted, “Denon has always been about creating products that allow consumers to enhance and expand their enjoyment of home entertainment. With our new product introductions, we’re expanding into entirely new product categories, offering a variety of new solutions that offer ‘boundless’ opportunities for enjoying high quality audio, video and interactivity throughout the home. Our new generation of Network Enabled A/V Clients and the DHT-FS3 speaker system offer quick and easy options for users to enjoy a wide variety of features and networking capabilities.”

Network Connectivity With On-Screen Display

Denon’s model ASD-3N and ASD-3W 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 (that don’t have to be Denon’s),

- more -

they provide instant access to existing home networks, letting users stream audio files, pictures and Internet radio stations through the 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. The GUI will support English, German, French and Spanish languages for both GUI text as well as meta-data from the iPod and other streaming media.

Additionally, both models are PlaysForSure (Audio) certified, DLNA CERTIFIED™ and will play both MP3 and non-protected AAC files. For additional networking flexibility, both units feature an Ethernet port, while the ASD-3W adds wireless capability as well. For added convenience, the ASD-3N and ASD-3W allow users the ability to connect an iPod via integrated dock and will recharge it while cradled.

Notably, both Network-Enabled A/V Clients connect to any Denon receiver released in 2007 or beyond using the dock control port and give users command and control of their iPod via the receiver's remote control rather than the remote provided with the ASD-3N/3W, minimizing "remote control clutter." Whether connected to a current Denon receiver or other product, audio and video signals are sent via analog audio output and S-Video to the respective inputs on a connected device in order to view the GUI and hear the audio.

Both the **ASD-3N** and **ASD-3W** will be available in August and September for SRPs of \$179.99 and \$229.99 (respectively).

DHT-FS3: An Easy Way to Add Surround Sound to Flat-Panel TV

Denon's new **DHT-FS3** Active Surround Sound System is an innovative and compact solution that dramatically enhances the enjoyment of flat-panel TV by using X-Space Surround technology. Ideal for consumers with limited space – or those who simply don't want to deal with "speaker clutter." The bar-shaped design of the DHT-FS3 Active Speaker 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.

For maximum flexibility and use with multiple types of flat-panel TVs, the system features 3 digital and 1 analog input for easy connection with DVD players, cable boxes or satellite receivers. In addition, users may easily connect the system to an iPod dock to expand their enjoyment of personal music.

For total user convenience, a digital display is built into the bar unit, “disappearing” behind the grill until a button on the unit or remote control is pressed. The DHT-FS3 comes complete with a remote control, cable connectors, “feet” for shelf placement as well as a wall-mounting bracket.

The **DHT-FS3** is currently available for \$1,199.

**A home network is required for networking.*

About DLNA

Members of Digital Living Network Alliance (DLNA) share a vision of an interoperable network of personal computers (PC), consumer electronics (CE) and mobile devices in and beyond the home, enabling a seamless environment for sharing and growing new digital media and content services. Founded in 2003, the group established and maintains a platform of interoperability based on open industry standards that, when used by manufacturers, will support the sharing of media through wired or wireless networks. More than 220 multi-industry companies from around the world have joined DLNA, committing the time and resources necessary to achieve their vision. Additional information about the alliance, its participating companies and membership information is available at www.dlna.org.

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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