

DENON

For Immediate Release

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DENON INTRODUCES THREE HIGH-PERFORMANCE, 2-CHANNEL RECEIVERS

-- Stereo Models Include Unique State-of-the-Art Features For Custom Integration ---

Mahwah, NJ – September 14, 2006 — Denon Electronics, one of the world’s premier manufacturers of high-quality home entertainment components, recently introduced three 2-channel (stereo only) receivers, including the **DRA-697CI** (SRP: \$599), **DRA-397** (SRP: \$399), and **DRA-297** (SRP: \$299). With the release of these high-performance products, Denon is demonstrating its longstanding heritage as a premier audio manufacturer leader in 2-channel music reproduction. To emphasize the inclusion of special features and capabilities geared toward professional custom installers, Denon has added the initials “CI” (for Custom Integration) in the model number of the DRA-697CI. Like all Denon’s new AV Receivers, each stereo model includes a special dedicated port for connecting Denon’s new Apple® iPod® docking station (Model ASD-1R) and XM Satellite Radio’s “Connect-and-Play” antenna or the XM Mini-Tuner with XM Mini-Tuner Home Dock from XM Satellite Radio.

Jeff Talmadge, Denon’s Director, Product Development and Systems Integration, noted: “Custom installers often turn to two-channel receivers as a way to provide their customers with secondary stereo systems, or as a ‘bridge’ component for adding multi-room functionality to existing home entertainment systems. Our new stereo receivers are designed with many of today’s most advanced connectivity features, as well as superb sonic reproduction capabilities, giving installers added flexibility and convenience, while at the same time providing consumers with great sounding stereo receivers that carry on the Denon tradition of audio excellence.”

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DRA-697CI: Custom Install Features for Audio Enthusiast

For added flexibility and performance, the flagship 100-watt, 2-channel Denon DRA-697CI receiver includes many advanced features from Denon's advanced multichannel A/V receiver line, such as 2-source/3-zone output capability. The receiver will also provide upgradeability for HD Radio reception (scheduled for availability this Fall).

The DRA-697CI includes additional functions targeted to the custom installation market such as a RS-232C port for connectivity with 3rd party controllers (AMX or Crestron), 12-volt (25mA) trigger and detachable power cord. A second zone remote control is also included.

DRA-397 & DRA-297: Traditional Denon Sound and Quality, New Features

Denon is meeting consumer demand for an upgraded line of great-sounding affordable, 2-channel stereo receivers with the introduction of the DRA-397 and DRA-297. The DRA-397 includes 2-Source/3-Zone capability including a pre-programmed remote control that can be used in Zone 2. And with 80 watts/channel on each of its two channels (2 x 2), there's plenty of power for aficionados who want to enjoy the most challenging musical passages with superb sonic clarity.

Both the DRA-397 and DRA-297 are rated at 0.08% total harmonic distortion (THD) for all channels. They both also feature 3 composite video inputs for users who wish to connect the receiver to a DVD, VCR and cable box/satellite box, but don't have either the inclination or the room for a full-fledged home theater system.

The DRA-297 features 50 watts/channel on each of its two channels (2 x 2) and will also feature compatibility with both the Denon iPod Docking Station and XM Satellite Radio's "Connect-and-Play" antennas.

Denon's Models DRA-397 and DRA-297 are currently shipping and the DRA-697 is slated to ship to dealers this month.

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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 II: 6735) is based in Kawasaki and owns the Denon®, Marantz®, McIntosh® Laboratory, Boston Acoustics®, Snell Acoustics, D&M Professional, 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 audio markets. Snell is a super premium speaker brand. The ReplayTV and Escient brands represent award-winning technologies in digital home entertainment. Additional information is available at www.dm-holdings.com.

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