

DENON

For Immediate Release

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**DENON' S EXPANDED A/V RECEIVER LINE FOCUSES
ON CONNECTIVITY AND APPLICATIONS**

-- New Flagship Model, Four New Mid-Tier and Entry-Level Models Are Added, with New Features and Capabilities Geared Toward the Custom Installation Marketplace ---

Mahwah, NJ – September 14, 2006 — Denon Electronics, one of the world's premier manufacturers of high-quality home entertainment components, is setting new price/performance benchmarks in home theater surround sound as it expands its line of advanced A/V receivers with the new flagship **AVR-5805CI** (SRP: \$TBD), along with four new entry level and mid-tier models, including the **AVR-2307CI** (SRP: \$799), **AVR-1907** (SRP: \$549), **AVR-1707** (SRP: \$449) and **AVR-1507** (SRP: \$329). The initials "CI" (for Custom Integration) in the AVR-5805CI and AVR-2307CI emphasize the inclusion of special features and capabilities geared toward professional custom installers.

Denon's five new A/V receivers include a host of advanced features and the ability to decode XM Radio's new XM-HD 5.1 channels using Neural Surround Technology. These five receivers will join Denon's current line of renowned A/V receivers – 10 models in all.

AVR-5805CI: New Flagship Receiver Adds Custom Installation-Friendly Features

Denon is replacing its award-winning flagship AVR-5805MkII receiver with the new AVR-5805CI, a single-component home entertainment distribution solution that builds on the unprecedented technological capabilities of its predecessor and adds several new features that are particularly beneficial for professional custom installers. For instance, the AVR-5805CI makes it easy to add XM Satellite Radio functionality with the addition of an optional "Connect-and-Play" antenna or the XM Mini-Tuner with XM Mini-Tuner Home Dock from XM Satellite Radio. The AVR-5805CI will include a recently re-designed programmable remote control that provides the ultimate in total system integration flexibility.

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The AVR-5805CI is Denon's first fully compatible A/V Receiver with the new Audyssey MultEQ Pro setup and calibration package, which measures ideal sonic performance in up to 32 different positions, allowing installers to define the ultimate sound quality for virtually any size or shape room.

The AVR-5805CI offers a no-compromise four-zone home theater experience with the finest audio and video performance available. It features 22-channels of output capability with 10 fully assignable 170-watt THX Ultra2 certified amplifiers, providing dual 5.1 system capability and much more. In addition, for maximum enjoyment and image quality from all digital video sources, the AVR-5805CI has a total of 5 HDMI inputs that provide support for 1080p sources including current and future Blu-Ray and HD-DVD products. The AVR-5805CI, also allows for upconversion from analog and digital video sources to HDMI, with scaling up to 1080p. This technology makes it ideal for use with today's HDTV display devices.

Adding functionality, the AVR-5805CI includes an Ethernet port for networking capability that allows Internet radio access, web browser setup and a control function as well as connectivity to a 3rd party controller. Additionally, the Ethernet port lets users access and listen to music stored on a Windows PC and the on board web browser allows for installers to setup and configure the AVR-5805CI from any PC on the end user's network, while also providing for multi-zone control of the unit.

The AVR-5805CI is slated to ship to dealers in November.

AVR-2307CI: High-Value, High-Performance, New Custom Install-Friendly Features

The high-performance 7-channel Denon AVR-2307CI receiver includes many of the same features that distinguish Denon's higher-priced units. Among its advanced technologies are HDMI digital video source switching, plus a variety of new capabilities geared specifically toward the custom installation market. For total flexibility and superior performance, it offers two HDMI 1.1 inputs and one output; both inputs accept and decode multi-channel uncompressed PCM audio (24-bit/192-kHz 2 channel and 24-bit/96-Hz 7.1 compatible).

In addition, for maximum performance from all video sources, the AVR-2307CI upconverts all incoming analog video signals (composite, component and S-Video) to HDMI output and provides a simple one-cable connection between receiver and display. Ensuring its “future-readiness,” the AVR-2307CI also features 8-channel analog input capability for new high-definition sources including Blu-Ray and HD-DVD, as well as coaxial and optical audio inputs.

NEW: Full Apple iPod Command and Control Option

Most notably, the AVR-2307CI (along with all four new Denon receivers) features a dedicated Apple iPod control port, first introduced in the AVR-2807 earlier this year. By connecting the optional Denon iPod docking station (SRP: \$129), users can enjoy complete command and control of their iPods via their remote control and main on-screen display, and can stream music, photos and video from their iPods through their home entertainment system. The iPod docking station is available in a black or white finish.

NEW: Expanded System Setup

Among the features that make the AVR-2307CI especially suited for custom installers (along with the AVR-5805CI, AVR-4806CI, AVR-4306, AVR-3806 and AVR-2807) is Denon’s expanded system setup, which gives installers additional functions not available on standard receivers. A front-panel system set-up control option adds to the AVR-2307CI’s utility for custom installation professionals. And for added convenience, a special Input Source Renaming function allows installers to re-name components in an integrated system (for example, instead of calling a connected component simply “DVD player,” installers may re-name it “Denon DVD-2930CI”).

Like all new Denon receivers, the 100-watt/channel AVR-2307CI features XM Satellite Radio’s “Connect-and-Play” technology, which lets users add XM Satellite Radio functionality with the addition of an optional “Connect-and-Play” XM Satellite Radio antenna or the XM Mini tuner with XM Mini-Tuner Home Dock. The AVR-2307CI also decodes the recently introduced XM-HD 5.1 content via Neural Surround decoding for multi-channel enjoyment of XM Radio stations.

The AVR-2307CI is currently available.

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AVR-1907, AVR-1707, AVR-1507: Exceptional Performance, High-Value

The new Denon AVR-1907, AVR-1707, and AVR-1507 are advanced 7-channel receivers (85 watts/channel, 75 watts/channel, 75 watts/channel, respectively) that provide custom installers with more flexibility while giving consumers a simple and affordable way to bring the enjoyment of cinema-like surround sound audio into their lives. The AVR-1507, for instance, is truly the epitome of a surround sound audio “starter” solution. Like Denon’s higher-priced units, it features 8-channel analog input for future-readiness, as well as a host of features such as Dolby and dts surround decoding and Analog Devices ADAU-1328 Audio DACs to ensure optimum audio performance.

The AVR-1907, AVR-1707, and AVR-1507 are all currently available.

The five new receivers join Denon’s current lineup, which includes the **AVR-4806CI** (SRP: \$4,000), **AVR-4306** (SRP: \$1,999), **AVR-3806** (SRP: \$1,299), **AVR-2807** (SRP: \$1,099), and the **AVR-2106** (SRP: \$699), which are all currently shipping.

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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