

**For Immediate Release**

**D&M Holdings Inc. Completes Acquisition of McIntosh Laboratory, Inc.**

TOKYO –May 27, 2003 -- D&M Holdings Inc. (TSE II: 6735) announced today that it has completed the acquisition of McIntosh Laboratory, Inc., an ultra premium brand in home entertainment systems. D&M Holdings announced on March 11<sup>th</sup> plans to acquire McIntosh from Clarion Co. Ltd., a leading manufacturer of car audio and electronics.

McIntosh, based in Binghamton, N.Y., designs and manufactures high-end audio, home theater, multi-room, loudspeakers and car audio products. The McIntosh brand has a well-known reputation for quality, high performance, hand craftsmanship and stellar customer support and service.

The McIntosh brand, along with its sales and marketing operations, will be maintained as a stand-alone operation.

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**About D&M Holdings Inc.**

D&M Holdings Inc. (TSE II: 6735) is based in Tokyo and is the parent company of wholly owned subsidiaries Denon Ltd. and Marantz Japan, Inc. Denon and Marantz are global industry leaders in the specialist home theater, audio/video consumer electronics and professional audio markets, with a strong and long-standing heritage of manufacturing and marketing high-performance audio and video components. Through Digital Networks North America, Inc. (DNNA), D&M Holdings owns the ReplayTV®, Rio® and Escient brands—all representing award-winning technologies in digital home entertainment. Additional information is available at [www.dm-holdings.com](http://www.dm-holdings.com).

*Statements in this news release regarding D&M Holdings Inc. that are not statements of historical fact may include forward looking statements regarding future events or the future financial performance of the company. We wish to caution you that such statements are just predictions and that actual events or results may differ materially. Forward looking statements involve a number of risks and uncertainties surrounding the ability of D&M Holdings Inc. to successfully integrate the McIntosh business into its global operations and other factors related to the company's businesses.*