

April 19, 2004

Reference information

Groundbreaking ceremony of a new factory in Xiaolan Town, China

TOKYO --April 19, 2004 -- D&Holdings Inc. (TSE II: 6735), parent company of Denon Ltd., Marantz Japan, Inc., McIntosh Laboratory, Inc. and Digital Networks North America, Inc. (DNNA), announced that it had a groundbreaking ceremony of a new factory in Xiaolan Town, Zhongshan City, Guandong, China on April 18, 2004.

This new factory will be the company's global production hub following D&M Manufacturing in Shirakara, Fukushima, Japan. It will support D&M in providing high quality product to our customer, also plays a part in strengthening the brand power for business expansion in China

< D&M (Zhong Shan) Co, Ltd. > -----

- Location: Xiaolan Town, Zhongshan City, Guandong, China
- Establishment: October, 2004(expected date)
- Business: Manufacturing and export of Audio and Visual equipment
- Lot area: 48,000m2
- Production start: Fall, 2004