

D&M Holdings Inc. Names President of D&M Sales & Marketing, Europe

-- Philips Executive Nick Isbouts joins D&M Holdings, parent company of leading premium consumer electronics brands--

TOKYO—August 23, 2004—D&M Holdings Inc. (TSE II: 6735) today named Nick Isbouts President of D&M Sales and Marketing, Europe.

D&M Holdings owns the Denon, Marantz, McIntosh Laboratory, D&M Professional, ReplayTV®, Rio® and Escient® brands. All are established brands in premium home theater, audio-video consumer electronics, professional audio or networked digital entertainment markets.

Mr. Isbouts, who served as an executive with business units of Royal Philips Electronics of the Netherlands for more than two decades, most recently was senior vice president of Philips Division Consumer Electronics, where he was responsible for the creation and marketing of liquid crystal display (LCD) projectors. Mr. Isbouts also served as a marketing executive with Philips Design and Philips Sound and Vision Division, Europe as well as chief executive officer of the business unit “Audio Systems.” Mr. Isbouts also held numerous senior sales and marketing positions with Marantz Japan Inc. and Marantz Europe B.V.

In addition to having considerable experience in manufacturing, product planning and financial sales and marketing management, Mr. Isbouts also earned a reputation as a turn-around and start-up specialist for smaller strategic units within Philips. His units were quickly associated with fast-growth objectives resulting in consistent achievements of double-digit growth rates.

“Nick has extraordinary managerial experience in both audio and video as well as a dynamic personal style. He will be a powerful addition to our D&M management team,” said Victor J. Pacor, President and Chief Operating Officer of D&M Holdings. “We now have in place our executive leaders in our four global trading areas--Japan, Asia/Pacific, North America and Europe. Nick will build upon our success in delivering unique and market-relevant products to our customers.”

Commenting on joining D&M Holdings, Mr. Isbouts said: “D&M already has built a solid and successful portfolio of premium brands that draw upon a strong technology base. My agenda is to align our premium brands, product development and retailer relationships with fast-paced growth in Europe. I am excited to join D&M Holdings at a time when the marketplace is ready for a powerful strategic alternative to the big brands,” he said.

Mr. Isbouts, who is fluent in four languages and has a B.B.A. from Nijenrode University, The Netherlands Business School.

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About D&M Holdings Inc.

D&M Holdings Inc. (TSE II: 6735) is based in Tokyo and owns the Denon, Marantz, McIntosh Laboratory, D&M Professional, ReplayTV®, Rio® 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. The ReplayTV, Rio and Escient brands represent award-winning technologies in digital home entertainment. Additional information is available at 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 integration of the company's acquisitions, competitive and industry conditions, targeted cost savings programs, market acceptance for the company's products, technological changes, developing industry standards and other factors related to the company's businesses.

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