

D&M

D&M Holdings Inc.

For Immediate Release

**D&M Holdings Holds Opening Ceremony for New Manufacturing Plant in Xiaolan Town,
Zhongshan City, Guandong, China**

-- Announces production start and plans for business expansion in China --

TOKYO –March 4, 2005 -- D&M Holdings Inc. (TSE II: 6735), parent company of Denon Ltd., Marantz Japan, Inc., McIntosh Laboratory, Inc. and the D&M Professional, ReplayTV[®], Rio[®] and Escient[®] brands, announced today that it held the opening ceremony of its new production base in Xiaolan Town, Zhongshan City, Guandong, China. In attendance were the Deputy Mayor of ZhongShan City, Xiaolan Town officials and guests from partner companies.

This new manufacturing plant has been established as the company's global production hub to yield a cost advantage in parts purchasing and production and also to expand business into the Chinese market.

Construction was completed in December 2004, following the groundbreaking ceremony in April. The first shipment, a Denon system component for the European market, was made February 1. Other products that will be shipped from this plant include a Denon amplifier, a Marantz amplifier and a Marantz CD player. The shipment of a Denon system component for the Chinese market will begin in May.

D&M will continue to operate a production site in Shirakawa, Fukushima, Japan, focusing on the production of higher-end products. The new plant in Xiaolan, currently operating with two production lines and 100 employees, will follow the same high-quality production standards used in the Shirakawa factory. The number of production lines in Xiaolan will be increased to four in July.

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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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