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For Immediate Release

D&M Holdings Acquires Calrec Audio of UK, Expands Commercial AV Business

Tokyo, Japan, August 21, 2007 -- D&M Holdings Inc. (TSE 1:6735) announced today the completion of the acquisition of Calrec Audio Limited. Based in Hebden Bridge, West Yorkshire, England, Calrec is a leading designer and manufacturer of premium audio products and live-to-air consoles for the broadcast market.

“The acquisition of Calrec is an important step in our stated growth strategy to expand into new markets, specifically commercial audio/visual,” said Chairman and Chief Executive Officer Eric C. Evans. “With Calrec, we’re adding another premium brand to the D&M family – one that places us firmly in the broadcast market and serves the most prominent customers throughout the world such as the BBC, ITV, NBC, CBS, Fox, MBS and Asahi.”

Calrec’s primary products are digital audio mixing consoles, analog consoles and audio networking equipment for live production and live-to-air broadcast. Their success is fostered by proprietary technology used in products that can process a large number of 5.1 surround sound channels for HD production. In addition to broadcast, a particularly demanding market where audio quality and performance reliability are critical, D&M Holdings also has targeted expansion in other commercial AV markets such as recording, live music performance venues,

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film production and public spaces. Commercial AV businesses, including automotive, will account for approximately 25 percent of D&M's worldwide revenue in FY2007.

Financial terms of the acquisition were not disclosed. The acquisition is expected to be accretive to D&M earnings per share from FY2008 onwards. D&M's current forecast for FY2007 does not reflect the impact of Calrec and will be updated to include the acquisition when the first half results are announced.

“As it has with our other premium brands, the D&M business platform will allow Calrec to continue to perform at the highest levels while staying true to the uniqueness that has led to its past success. By becoming part of D&M, Calrec is better positioned to further develop their technology and expand its global reach,” said Evans. “We’re taking action today with the acquisition of Calrec and will continue to seek additional opportunities in support of our growth strategy.”

About D&M Holdings Inc.

D&M Holdings Inc. is a global operating company providing worldwide management and distribution platforms for premium consumer, automotive, commercial and professional audio and video businesses including Denon[®], Marantz[®], McIntosh[®] Laboratory, Boston Acoustics[®], Snell Acoustics, Escient[®], ReplayTV[®], Denon DJ, D&M Professional and D&M Premium Sound Solutions. Our technologies improve the quality of any audio and visual experience. All product and brand names with a trademark symbol are trademarks or registered trademarks of D&M Holdings, Inc. or its subsidiaries. For more information, visit www.dm-holdings.com.

Forward Looking Statement

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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