

D&M

D&M Holdings Inc.

2-1 Nisshin-cho
Kawasaki-ku, Kawasaki-shi
Kanagawa 210-8569 Japan
www.dm-holdings.com

Contacts for D&M Holdings:

Yoshiyuki Honda (Japan)
81.44.670.1111
Gail Petersen (US)
1.201.762.6635

Contact for Bain Capital Partners:

Alex Stanton
Stanton Crenshaw Communications
1.212.780.0701
alex@stantoncrenshaw.com

For Immediate Release

D&M Holdings Announces Tender Offer Agreement with Bain Capital

Tender Offer of 510 Yen per Share to Shareholders to Follow

Tokyo, Japan, June 20, 2008 -- D&M Holdings Inc. (TSE 1:6735) and Bain Capital Partners LLC today announced that they have entered into an agreement, under which an acquisition corporation owned by investment funds advised by Bain Capital Partners LLC will launch a tender offer for all of the shares of D&M Holdings at a price of 510 yen per share of common stock. This price represents a premium of 37.1% over the average closing share price in the six months prior to June 19, 2008, and a premium of 68.9% over the unaffected closing share price on January 23, 2008, the day prior to the emergence of press speculation regarding a potential transaction involving the company. Following the completion of the tender offer process, the shares of D&M Holdings would be delisted from the Tokyo Stock Exchange.

“After an exhaustive review of strategic options, we have determined that this offer from Bain Capital represents the best overall value for our shareholders. The next few years should be an exciting time for D&M as we enter another phase in our development,” said Chairman and Chief Executive Officer Eric C. Evans. “If Bain Capital acquires D&M through the tender offer, we believe we will be better positioned as a privately held company to be more flexible in the fast-paced changing markets in which we compete. We will also have wider latitude to invest for medium- and long-term growth.”

During the past six years, D&M Holdings has become a leading provider of products and solutions to the premium consumer and commercial audio-visual electronics

markets. Through a series of successful acquisitions and integrations, D&M Holdings has built a global portfolio of premium brands and has established an efficiently managed, scalable, and integrated operating platform. Going forward, the Company intends to continue its active pursuit of acquisitions and growth in the consumer, commercial and automotive audio video businesses.

D&M Holdings' Board of Directors has agreed that the Bain Capital tender offer is in the best interests of the company. The Board of Directors will formally consider a resolution to recommend the tender offer to shareholders at the time the offer is launched.

The tender offer by Bain Capital is scheduled to be launched following the signing of the tender offer agreement. Bain Capital intends to purchase 100% of the shares of D&M Holdings. Any remaining outstanding shares would be obtained through subsequent the stages of the acquisition process. The entire process is subject to various legal conditions and clearances.

In addition, Bain Capital entered into an agreement today with RHJ International, S.A. (RHJI), D&M Holdings' largest shareholder, under which RHJI has agreed to tender all its shares (45,323,160 shares or approximately 48.5% of fully diluted shares outstanding) of D&M Holdings to Bain Capital.

Morgan Stanley Japan Securities Co., Ltd. is acting as financial advisor to D&M Holdings in this transaction. Additional information regarding the tender offer will be released when the details have been determined.

About D&M Holdings

D&M Holdings 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[®], Calrec Audio, Denon DJ, Allen & Heath, 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 or its subsidiaries. For more information visit www.dm-holdings.com.

About Bain Capital

Bain Capital is a global private investment firm that manages several pools of capital, including private equity, venture capital, and public equity and leveraged debt assets with more than \$78 billion in assets under management. Since its inception in 1984, Bain Capital has made private equity investments and add-on acquisitions in more than 300 companies in a variety of industries around the world, including Burger King, Dunkin' Brands, AMC Theaters, MEI Conlux, NXP, Sun Telephone, Toys "R" Us, Warner Music Group, Sensata Technologies and FCI. The firm has a team of over 300 professionals dedicated to investing in and supporting its portfolio companies. Headquartered in Boston, Bain Capital has offices in Tokyo, Hong Kong, Shanghai, New York, London, and Munich.

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.

###

June 20, 2008

To whom it may concern:

Company Name : D&M Holdings Inc.
Representative : Eric C. Evans
Representative Executive Officer, CEO
Ticker : 6735 First Section of the Tokyo Stock Exchange
Contact : Yoshiyuki Honda
Director and Executive Officer, CFO
Tel. No. : 044-670-1111

Announcement of Agreement regarding TOB

D&M Holdings Inc. (“D&M Holdings” or “the Company”) hereby announces that it and K.K. BCJ-2 (“Bidco”), a corporation wholly-owned by investment funds advised by Bain Capital Partners, LLC (“Bain Capital”), entered into an agreement (“Agreement”) today under which Bidco, subject to conditions described in (5) below being satisfied, will launch a public tender offer (“TOB”) for all shares of common stock of D&M Holdings (except treasury shares, and the same shall apply hereinafter) at a price of 510 Yen per share. The TOB by Bidco is scheduled to be formally launched by July 25, 2008. The tender offer price of 510 Yen per share of common stock represents a 37.1 % premium over 372 Yen, which is the average closing price of shares of common stock in D&M Holdings on the First Section of the Tokyo Stock Exchange, Inc. for the six-month period ended June 19, 2008 (a 8.5% premium over 470 Yen, which is the closing price on June 19, 2008).

The TOB by Bidco, which is scheduled to be formally launched by July 25, 2008, is subject to the satisfaction of certain conditions listed in Section 5 of the Outline of the TOB presented below. As the result of an extensive review of the Company's financial condition and business prospects, and to further grow the Company's value through expedited execution of business strategies, Bidco has decided to acquire 100% of the shares of the Company. Bain Capital believes that through its global reach and experience, it is well-positioned to help the Company's management team realize further growth.

Following the completion of the TOB, if Bidco has not acquired all of the outstanding shares of common stock of the Company, Bidco intends to take steps to make D&M Holdings a wholly-owned subsidiary and to delist D&M Holdings' shares from the Tokyo Stock Exchange. The details of the procedure are not yet determined at this stage.

Over the last six years, D&M Holdings has developed into a leading provider of products and solutions to the premium consumer and commercial audio-visual electronics market. Through a series of successful acquisitions and integrations, D&M Holdings has built a global portfolio of premium brands, including Denon, Marantz, Boston Acoustic and McIntosh, and has established an efficiently managed, scalable, and integrated operating platform. Building on this progress, D&M Holdings has completed a process of evaluating strategic options to its success, to increase the value for its shareholders and to further strengthen the Company for its next phase of growth. As a result of this process, the Board of Directors of D&M has concluded that Bidco acquiring all of D&M Holdings' shares of common stock through the TOB and taking any subsequent steps to make D&M Holdings a wholly-owned subsidiary is the most attractive alternative to further strengthen the corporate value of the Company.

Having considered multiple options available for the Company and taken into account appropriate advice, the Board of Directors of D&M Holdings consider the TOB by Bidco to be in the best interest of the Company and are supportive of the TOB. Subject to its fiduciary duties of the Directors, the Board of

Directors will formally consider a resolution to recommend the TOB to shareholders at the time of the launch of the TOB.

In the Agreement, D&M Holdings has agreed to pay to Bidco (1) 2.5 billion Yen in the event that a public tender offer is made by a third party for the shares of common stock of D&M Holdings at a price higher than the TOB Price, the TOB is not completed, such public tender offer by a third party is successful and certain other conditions are met, or (2) 1.5 billion Yen in the event that the Agreement is terminated by Bidco due to (a) a material breach of representations and warranties or covenants made by D&M Holdings in the Agreement, (b) the Board of Directors of D&M Holdings does not recommend the TOB, or certain other reasons (provided that if the 1.5 billion Yen is payable under (2), such amount will be deducted from the amount which becomes payable under (1)).

Bidco is a company wholly-owned by investment funds advised by Bain Capital and was incorporated for the purpose of executing this acquisition.

Bain Capital is a global private investment firm that manages several pools of capital, including private equity, venture capital, public equity and leveraged debt assets with more than \$78 billion in assets under management. Since its inception in 1984, Bain Capital has made private equity investments and add-on acquisitions in more than 300 companies in a variety of industries around the world, including Burger King, Dunkin' Brands, AMC Theaters, MEI Conlux, NXP, Sun Telephone, Toys "R" Us, Sensata Technologies and FCI. The firm has a team of over 300 professionals dedicated to investing in and supporting its portfolio companies. Headquartered in Boston, Bain Capital has offices in New York, London, Munich, Hong Kong, Shanghai and Tokyo.

Bidco also entered into an agreement today with RHJ International, S.A. ("RHJI"), D&M Holdings' largest shareholder, under which RHJI has agreed, subject to certain terms and conditions, to tender all of the D&M Holdings shares it owns (45,323,160 shares) in the TOB.

Morgan Stanley Japan Securities Co., Ltd. is acting as financial advisor to D&M Holdings, and Goldman Sachs Japan Co., Ltd and Lehman Brothers Japan Inc. are acting as financial advisors to Bain Capital in this transaction.

The outline of the TOB is as follows. A further announcement regarding the TOB will be made at the time of the launch.

Outline of the TOB

- (1) TOB Price:
510 Yen per share of common stock
- (2) Upper limit on the number of shares to be purchased:
None.
- (3) Lower limit on the number of shares to be purchased:
80% of the outstanding shares of D&M Holdings, however if certain conditions set forth in the Agreement are met, the lower limit on the number of shares to be purchased shall be 75% of the outstanding shares of D&M Holdings.
- (4) Expected launch date:
By July 25, 2008

- (5) Conditions to the launch of TOB:
- (a) No material breach by D&M Holdings of certain provisions of the Agreement
 - (b) No material breach by RHJI of certain provisions of Agreement to Tender
 - (c) After the date of the Agreement, no change, circumstance, effect, event or occurrence that is, or would reasonably likely to be, materially adverse to the current or future assets, liabilities, business, financial condition or results of operations of D&M Holdings and its subsidiaries taken as a whole will have occurred and be continuing, other than any change or effect resulting from, among others, (i) changes in interest rates, etc., (ii) changes in general economic or political conditions, (iii) the announcement and pendency of the Agreement, the Agreement to Tender, etc.
- (6) Regulatory filings or clearances required to be obtained on or before the last day of the TOB period:
USA, European Union and South Africa

Attachment:

“Notice of TOB for the ordinary shares and stock options of D&M Holdings Inc.”

June 20, 2008

To whom it may concern:

Company Name : K.K. BCJ-2
Representative : Yuji Sugimoto
Representative Director

Announcement of tender offer for common stock and share purchase warrants of D&M Holdings Inc.

K.K. BCJ-2 ("BCJ") a corporation owned by investment funds advised by Bain Capital Partners, LLC, hereby announces that it intends to commence a tender offer ("the Tender Offer") for all of the outstanding shares (except treasury shares) and share purchase warrants of D&M Holdings, Inc. ("D&M").

The price of the Tender Offer will be 510 Yen per share (the price for the share purchase warrants has currently not been decided), and the Tender Offer will be commenced by July 25, 2008 with an expected tender offer period of 30 business days. The minimum number of shares to be purchased shall be 80% (except treasury shares) of the outstanding shares (provided however, if certain conditions set forth in the agreement concerning the Tender Offer entered into with D&M are met, 75% of the outstanding shares).

If the Tender Offer is successful, following completion of the Tender Offer, BCJ intends to take steps to make D&M its wholly-owned subsidiary and to delist the shares of D&M's common stock from the Tokyo Stock Exchange.

*Please be advised that any person who has had access to the information contained in this document may be prohibited, under Section 167, Paragraph 3 of the Financial Instruments and Exchange Law and Section 30 of the Enforcement Order thereof, from purchasing or otherwise dealing with shares, etc. of D&M as a primary recipient of information under the regulations on insider trading until 12 hours after BCJ's disclosure thereof to news organizations including two or more news organizations as referred to in Section 30, Paragraph 1, Subparagraph 1 of the Enforcement Order of the Financial Instruments and Exchange Law. Please note that BCJ shall not be responsible for any criminal, civil or administrative penalty of such person arising out of or in connection with such purchases or dealings.