



Wednesday, April 7, 2010

**Statement from D&M Holdings Regarding:
End of Fiscal Year 2009, Looking Ahead to 2010, Strategic Focus**

D&M Holdings Inc. finished its fiscal year on March 31st, 2010 and we're pleased to announce a significant improvement in profitability. Across our regions, we have won awards for our new products, seen increased market share, strengthened relationships with channel partners, and improved our inventory management and operations, and we are now well positioned for further growth in fiscal year 2010.

As we start this fiscal year 2010, we are excited to celebrate the 100th anniversary of Denon, and will be sharing our celebration plans soon. We are also further enhancing our brands through investment in marketing programs and we will once again bring a D&M presence to CEDIA in September. 2010 will also see our company continue to invest in R&D, as we integrate new technologies in areas like streaming, networking, ease of use, and integration.

We continue to have a well-developed portfolio within D&M. Our Professional brands-- Calrec, Allen and Heath, and D&M Pro-- serve the professional markets, ranging from DJs to large broadcasters. Our OEM business supplies speaker and audio technologies to many leading automotive and consumer customers. Our Consumer business continues to be our largest segment with products such as receivers, Blu-ray players, and speakers.

Regarding the Consumer business, going forward, we will be focusing on our core consumer brands—Denon, Marantz, McIntosh, and Boston Acoustics—and we will be rolling out new products throughout the year. As part of the focus on these four core brands, we will be repositioning our Escient business model, discontinuing Escient branded products in order to utilize all of the company's expertise toward incorporating its innovative technologies into our core D&M brands. During this transition, Escient will deliver necessary software upgrades for its existing products and will continue to support its dealers and customers by honoring warranty repairs and maintaining customer service. Additionally, in order to keep the focus on our core brands, we will be discontinuing the operation of Snell Acoustics. The changing landscape of the speaker industry has made it extremely difficult for Snell to remain a viable business. The advanced loudspeaker technologies developed at Snell, however, will be leveraged by other D&M brands.

D&M is well positioned for the new fiscal year, and we look forward to working closely with our loyal channel partners to deliver the best premium audio and video experience to end consumers, and to drive even more growth together in 2010, this 100th year anniversary of Denon.

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[®], 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, Inc. or its subsidiaries. For more information visit www.dm-holdings.com.