

DENON

For Immediate Release

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DENON BEGINS SHIPPING NEXT GENERATION REFERENCE AVR-5308CI A/V RECEIVER

-- Includes HDMI1.3a Capability, Silicon Optix Realta Video Processing, Multi-Zone Home Entertainment Capabilities, Plus a Host of Custom-Integration Features and More --

Mahwah, NJ – January 7, 2008 — Denon Electronics, one of the world's premier manufacturers of high-quality, home entertainment components, today announced its THX Ultra2/Surround EX Certified flagship audio/video receiver, Model **AVR-5308CI** (SRP: \$5,199) is now available to consumers. The AVR-5308CI is designed to provide discerning customers with a single-component that offers the ultimate high-definition audio and video performance from all analog and digital sources, as well as advanced multi-zone distribution capability.

For ultimate-quality video performance, the AVR-5308CI includes six HDMI inputs/two HDMI outputs, all certified for HDMI1.3a with support for xvYCC and 36-bit Deep Color. Most notably, following its success in Denon's renowned DVD players, Denon® has added the Silicon Optix Realta HQV chipset to the AVR-5308CI, providing enhanced video with upconversion and scaling to 1080p from all analog sources as well as processing and scaling of HDMI sources. This is the first receiver in Denon's line as well as one of the first in the industry to include the Realta HQV chipset.

The AVR-5308CI includes support for Dolby TrueHD and dts-HD Master Audio decoding, and features a new user-friendly GUI. It allows for second zone video output via component with onscreen display for meta-data from iPod/XM/HD Radio/Streaming Audio. Three discrete tuners (AM/FM, HD Radio (multicast) and XM Ready (via optional XM Radio Mini-Tuner & XM Radio subscription) provide for multi-zone distribution. The AVR-5308CI also features Audyssey Laboratory's MultEQ XT setup and calibration package, which measures ideal sonic performance in up to 8 different positions, allowing installers to define the ultimate sound quality for virtually any size or shape room.

For added flexibility and utility, the AVR-5308CI features USB ports on both the front and back of the unit (only one active at a time) for connection to other digital media players and USB hard drives. With command and control of these drives users may enjoy access to huge libraries of digital music and photos on today's 1- and even 2-Terabyte drives.

Jeff Talmadge, Denon's Director of Product Development and Systems Integration, noted, "With its ultimate-quality audio and video processing, our new Reference receiver was built to provide discerning home entertainment consumers and professional custom integrators with the finest possible performance from all content sources, along with an extensive list of advanced connectivity and expandability features like streaming capability via Ethernet and Wi-Fi, with access to the Rhapsody music service. The AVR-5308CI was engineered with virtually every type of connection to ensure smooth compatibility with all current and future home entertainment components. We're very excited to have our valued custom integrator customers begin using this product in the field, and we're looking forward to the many creative uses to which they're sure to put it."

Streaming Rhapsody's Digital Music Service

Using either the Wi-Fi or Ethernet connection, users can easily access Rhapsody's® extensive music catalog, exclusive content from MTV, VH1 and CMT and professionally programmed Rhapsody Channels in any room of the home. To showcase the power of the AVR-5308CI and its integration with the Rhapsody digital music service, the unit will come with a no credit card required, free 30-day trial subscription to the service.

Following the 30-day free trial, users who would like to continue listening to content from Rhapsody will need to subscribe to the Rhapsody service available via the website (www.rhapsody.com) for \$12.99/month.

Newly Designed Graphical User Interface

The AVR-5308CI, as well as Denon's popular AVR-4308CI and AVR-3808CI receivers, features the company's newly designed Graphical User Interface (GUI) that makes accessing all the advanced features simpler and more intuitive than ever. Additionally, it allows users to view album art from connected media including iPods, XM Radio stations and other streaming music over a connected home network.

Special Custom Integration-Friendly Features

Among the AVR-5308CI's many features geared toward the professional custom integration market are two advanced network protocols, Ethernet and Wi-Fi connectivity, which allow custom integrators to diagnose, correct, update and remotely perform maintenance on the unit without the need to travel to their customer's home. In case of error or lost settings, the custom integrator can remotely restore all of a customer's settings from their office through a secure website hosted by Denon.

Joined by Denon's Broad A/V Receiver Line...

The new Denon AVR-5308CI stands at the top of Denon's broad line of 13 A/V receivers, all currently available to consumers, including Models **AVR-4308CI** (SRP: \$2,499); **AVR-3808CI** (SRP: \$1,599); **AVR-2808CI** (SRP: \$1,199); **AVR-2308CI** (SRP: \$849); **AVR-1908** (SRP: \$599); **AVR-1708** (SRP: \$499); and **AVR-1508** (SRP: \$349), as well as five high-performance receivers in the Retail Home Theater Series line, the **AVR-988** (SRP: \$1,199); **AVR-888** (SRP: \$749); **AVR-788** (SRP: \$549); **AVR-688** (SRP: \$449) and **AVR-588** (SRP: \$349).

**A home network is required for networking functionality.*

About Denon Electronics

Denon is a world leader in the manufacture of the highest quality home theater, audio and software products. Denon is recognized internationally for innovative and groundbreaking products and has a long history of technical innovations, including the development and first commercialization of PCM digital audio. Denon Electronics is owned by D&M Holdings Inc.

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, 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 in the body of this press release are trademarks or registered trademarks of D&M Holdings, Inc. or its subsidiaries. For more information visit www.dm-holdings.com.

About XM

XM (NASDAQ: XMSR) is America's number one satellite radio company with more than 8.2 million subscribers. Broadcasting live daily from studios in Washington, DC, New York City, Chicago, the Country Music Hall of Fame in Nashville, Toronto and Montreal, XM's 2007 lineup includes more than 170 digital channels of choice from coast to coast: commercial-free music, premier sports, news, talk radio, comedy, children's and entertainment programming; and the most advanced traffic and weather information.

XM, the leader in satellite-delivered entertainment and data services for the automobile market through partnerships with Ferrari, General Motors, Honda, Hyundai, Nissan, Porsche, Subaru, Suzuki and Toyota is available in 140 different vehicle models for 2007. XM's industry-leading products are available at consumer electronics retailers nationwide. For more information about XM hardware, programming and partnerships, please visit <http://www.xmradio.com>

About Rhapsody

Rhapsody® offers an integrated and immersive digital music experience accessible to consumers via their computer, portable music device and soon their mobile phone. Rhapsody is the exclusive digital music service for RealNetworks®, Inc., and for MTV Networks' music and pop-culture brands in the United States. Rhapsody is a service of Rhapsody America LLC, a joint venture between and MTV Networks, a unit of Viacom (NYSE:VIA) (NYSE:VIA.B) and RealNetworks (Nasdaq RNWK).

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