



**Digital Video Systems, Inc.**

## **DVS Electronics Value-Priced DVD Player Receives Four-Star Rating from India's Leading A/V Journal**

**Palo Alto, CA – February 26, 2004** -- Digital Video Systems, Inc. (DVS/Nasdaq DVID) today announced that its Indian subsidiary, DVS Electronics Pvt. Ltd, (DVSE) has been awarded a four-star rating for its entry-level DVD-520A player. The rating was given by **AV Max**, a leading electronics magazine read by millions of Indian consumers.

In his article reviewing the DVD-520A, for the January issue of **AV Max**, Nishant Padhiar commented, "We were mighty surprised by what the DVD-520A could do with the video of the DVDs we played. Using even the most rudimentary composite connection, the colours literally jumped out of the TV we had hooked up with this DVD player. The colour palette was rich and lush, with just the right amount of sharpness and crispness; it was never edgy or coarse, like on other players."

He concluded: "This is a superb video player at its price point." The only higher-rated player was seven times more expensive (at the Rupee equivalent of US\$1,250) than the DVSE product.

Commenting on the review, Mr Lalit Ahuja, Managing Director of DVS, Electronics Pvt. Ltd, said: "This is a terrific vote of confidence in our strategy of providing the highest-quality electronic products at a price point that offers the best value. We have completed product launches in Bangalore, Chennai, Mumbai, Delhi, Cochin and Hyderabad and we think that prospects are great for nationwide acceptance."

### **About DVS**

Established in 1992, DVS is a publicly held company specializing in the development and application of digital video technologies enabling the convergence of data, digital audio, digital video and high-end graphics. DVS is headquartered in Palo Alto, California, with subsidiaries and manufacturing facilities in South Korea, China and India. For further information access [www.dvsystems.com](http://www.dvsystems.com)

### **About DVSE**

Headquartered in Bangalore, India, DVSE is a wholly owned subsidiary of U.S. based Digital Video Systems, Inc. For further information access [www.dvs.co.in/](http://www.dvs.co.in/)

### **About AV Max**

AV Max is India's premier Audio/Video magazine catering to enthusiasts as well as the industry with its conclusive and incisive reviews on audio/video hardware and software.

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*Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Any statements made in this release that are not historical facts contain forward-looking information that involves risks and uncertainties. These forward-looking statements include, but are not limited to, statements regarding the strategic direction of DVS and its subsidiary in India, DVS's product performance, quality and pricing, the acceptance of its products by consumers in India and its market position and strategy. Important factors that may cause actual results to differ include, but are not limited to, the timely availability of components, sufficiency of working capital, the impact of competitive products and services, the Company's ability to manage growth and acquisitions of technology or businesses, risks attendant to strategic agreements involving other companies, the effect of economic and business conditions, the risks of conducting business in foreign countries and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission. Digital Video Systems, Inc. assumes no obligation to update these forward-looking statements, and does not intend to do so.*

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