



**Digital Video Systems, Inc.**

*For Immediate Release*

## **DVS Korea Receives Key ISO/TS 16949:2002 Automotive Supplier Quality Certification**

PALO ALTO, Calif., March 8, 2004 /PRNewswire--- Digital Video Systems, Inc. (Nasdaq: DVID - News), a global leader in DVD technologies, today announced that its subsidiary, DVS Korea, is now certified to the latest world-wide automotive supplier quality standard ISO/TS 16949:2002, having successfully completed an independent quality audit in December, 2003.

Evolved from ISO 9001 and other world standards, this new ISO/TS 16949:2002 standard defines quality system requirements for use in the automotive supply chain. Certification under this new standard, which is adopted or being adopted by the major automotive OEMs around the world, establishes the Company as a participant in the automotive industry and paves the way for the planned growth of the Company's new line of automotive DVD products.

Acknowledging the importance of this certification, DVS Korea CEO Dr. Song Sim said, "Receiving the ISO/TS 16949:2002 certification demonstrates that our company's quality management system is globally accepted and approved. This will enable us to accelerate our sales and marketing efforts with the major worldwide suppliers for automotive DVD/AV products."

In January, 2004, DVS Korea received a contract from Visteon Corporation, one of the largest developers and producers of automotive parts and systems in the world, to supply DVD sub-systems for Visteon's automotive Family Entertainment Systems.

Additional information about the ISO/TS 16949:2002 standard may be obtained at the IAOB (International Automotive Oversight Bureau) web site: <http://www.iaob.org/>.

### **About DVS Korea**

DVS Korea Co., Ltd. was established in 1998 following the acquisition by DVS of the DVD operations of Hyundai Electronics. Assets acquired included the management and R&D team, manufacturing equipment and capabilities, patents, and a perpetual, worldwide, royalty-free, exclusive license to all DVD-related intellectual properties of Hyundai Electronics. In 2002, DVS Korea began trading on the Korean Stock Exchange (KOSDAQ) as DVS. DVS Korea is currently a leading provider in the worldwide external DVD loader market with an estimated 20% market share.

## About Digital Video Systems, Inc.

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. Additional information may be obtained at [www.dvsystems.com](http://www.dvsystems.com).

**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 progress in the markets for DVD car players and the introduction of new technologies. Other 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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