



Digital Video Systems, Inc.

For Immediate Release

Tom Spanier's Election as CEO of DVS Is Now Effective: Announces Top Priorities

PALO ALTO, Calif., April 15, 2004 -- Digital Video Systems (Nasdaq: DVID - News) announced that Thomas A. Spanier has become the Company's Chairman and CEO. Former CEO Douglas T. Watson continues to serve the Company as President and Chief Operating Officer and has now also added Chief Financial Officer responsibilities while the Company conducts a search for a suitable candidate to replace Bob Baker, whose retirement as CFO now takes effect.

Chairman and CEO Thomas A. Spanier commented, "In my time with Digital Video Systems so far, my fellow management team members and I have discussed the Company's short-term priorities, and we are in the process of implementing them. We are in agreement that we must evaluate new opportunities in the automotive DVD and rewriteable/recordable technology arenas, revisit our new product road map, and improve coordination between the DVS-related companies. We believe these initial steps can leverage our strong engineering capabilities to key our operations to the rapidly changing markets in which we compete. We are also inquiring into the relationship between our Korean subsidiary DVSK and Ellion, a Korean DVD player manufacturer that was apparently started and owned by DVSK employees during B.H. Lee's tenure as CEO of DVSK."

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.

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, the anticipated growth of the Company, Mr. Spanier's contribution to such growth and his business building skills. 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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