



Digital Video Systems, Inc.

Digital Video Systems Announces New Management and Restructuring of Board of Directors

PALO ALTO, CA. June 7, 2005 /PRNewswire-FirstCall/ -- Digital Video Systems, Inc., or DVS, (Nasdaq: DVIDE - News) has named former CEO and Co-Chairman, Ms. Mali Kuo, to once again lead the company. Ms. Kuo has been elected as its new CEO and Chairman of the Board. The Company has also appointed Mr. Dean Clarke Seniff as its CFO and Mr. Shaun Kang as its President. DVS has also added three new members to its Board of Directors.

Ms. Kuo and her investors had previously invested approximately \$15 million in the Company between the end of 1998 and 2001, and had turned the Company profitable in 2000 and 2001. As previously announced, Ms. Kuo has settled her \$3.42 Million dollar judgment against the Company and pledged to raise an additional \$25 Million in equity financing. Discussing her near-term goals Ms. Kuo stated, "As CEO and Chairman of Digital Video Systems, Inc., I will work with our restructured Board of Directors and new executives to properly capitalize DVS and return to profitability."

Dean Clarke Seniff has over 25 years international business experience, including Asian operations. Since 2002 he has served in interim chief financial officer positions and as a consultant to both public and private companies. Mr. Seniff's experience includes merger and acquisitions, supply chain, demand planning and forecasting, product life cycle management, and debt and equity financing. In addition, he has held various corporate positions with such companies as PepsiCo, Amerada Hess and Schlumberger Ltd. Mr. Seniff graduated from George Washington University with a degree in accounting and started his career with Ernst & Whinney in 1980.

Shaun Kang brings over 23 years of international sales and marketing experience of electronic products to DVS. During the last 5 years while serving as the President of the Company's U.S. sales organization, DVS Sales, Inc., Mr. Kang has been instrumental in developing the Company's growing automotive business, having brought in a number of Tier 1 automotive accounts to DVS. Ms Kuo noted that "Mr. Kang has previously been involved in the launching of a number of successful products for Hyundai Electronics. Over the years, he has developed business relationships with many of the world's best known companies such as Toshiba, Compaq, Bull, Zenith, and Nokia." Mr. Kang received his MBA from Oklahoma City University.

At a Board of Directors meeting on May 24th, 2005 the Board voted to expand from four to seven members. The new members, Ms. Kuo, Jeff Bumb-Vice-President and CFO of Vector Fabrication, Inc., and Bruce Breslow, former Mayor and Nevada State Commissioner, bring new excitement and vision to the Company, as well as valuable business experience and relationships in Asia that can provide near term benefits to the Company. Mr. Bumb noted "Mali's leadership and ability to open the doors to new investors and business partners, particularly in Asia, means that DVS will once

again be able to stand on firm financial ground and focus on developing new cutting edge technology and products.”

During his two-terms as mayor of Sparks, Nevada, Bruce Breslow played an instrumental role in the revitalization of the city. Thereafter, Mr. Breslow was appointed by Nevada Governor Kenny Guinn as a Transportation Services Authority Commissioner and as Chairman of the Employee Management Committee. Mr. Breslow observed “With Ms. Kuo’s proven ability to provide strong financial support, the Company can now return its focus to growth and development from a position of strength. Ms. Kuo has proven she can raise capital and run a profitable company and I’m confident she’ll be able to strengthen DVS once again.”

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 and China and a subsidiary in 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, statements regarding DVS's future financial performance (particularly profitability), ability to raise capital in the future, future relationships with investors and business partners and future product development. Important factors that may cause actual results to differ include, but are not limited to, financial performance of the Company and the success of pending and future financing efforts involving Ms. Kuo, the Company's continued ability to maintain its Nasdaq SmallCap Market listing in light of its current non-compliance with the shareholders' equity listing requirement, the effect of economic and business conditions, the sufficiency of financing to satisfy "going-concern" requirements, 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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