



Digital Video Systems, Inc.

For Immediate Release

Digital Video Systems Reorganizes Board of Directors

Monday June 28, 8:01 am ET

PALO ALTO, Calif., June 28 /PRNewswire-FirstCall/ -- Digital Video Systems (Nasdaq: [DVID](#) - [News](#)) today announced that Bob Kondamoori, Dr. Edmund Sun and Grover Wickersham have left the Company's board of Directors, and that Robert Lishman has been elected to fill one of the vacancies. These changes are a result of the Company's plans to reduce the size of the board to five members while increasing the Company's percentage of independent directors.

Mr. Kondamoori will continue to serve the Company as a director of Digital Video Systems Electronics (DVSE), its wholly owned subsidiary based in India, and as a member of the board of the Company's Korean subsidiary. Dr. Edmund Sun will serve as Chairman of the Company's Technical Advisory Committee. Grover Wickersham will continue to serve as a director of the Company's wholly owned Nevada holding company, which holds shares of DVSE.

Since June 2001, Mr. Lishman has been President of Glenbrook Capital Management ("GCM"), the general partner of Glenbrook Capital, L.P., a hedge fund. As of May 31, 2004, Glenbrook L.P owned approximately 5.2% of the Company's outstanding Common Stock. For more than five years, Mr. Lishman has also been a private investor and a business consultant to various technology companies. He holds a B.A. degree from Harvard College.

Chairman and CEO Thomas A. Spanier commented, "We will continue to rely on the services of Dr. Sun, Grover and Bob in their new roles for the Company. We appreciate the guidance, insights and dedication they have shown as Board members. However, reducing the size of the Board should increase its responsiveness and efficiency, bolster our quotient of independent board members, reduce board-related expenses and eliminate the travel and communication costs associated with individuals who have obligations in disparate worldwide locations."

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.

(more)

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 ability of the Board to be more efficient through reduced size and reduction of expenses. Factors that may cause actual results to differ include, but are not limited to, the sufficiency of working capital, 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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