



## **DVS Digital Video Systems, Inc.**

### **DVS ATTRACTS KEY INDUSTRY EXPERT LALIT AHUJA TO NEW INDIA VENTURE**

PALO ALTO, CALIF. OCT. 28, 2003 - Digital Video Systems, Inc. (DVS/NASDAQ: DVID) today announced that a prominent executive in India's burgeoning electronics industry, Lalit Ahuja, has been named Managing Director and Member of the Board of Directors of DVS Electronics India (DVSE), the new DVS subsidiary based in Bangalore, India.

The former Managing Director of NDS India, a News Corp subsidiary, Mr. Ahuja brings to DVSE expertise gained in more than 20 years' commercial electronics and software experience. He will be responsible for all sales and marketing activities of the new wholly-owned venture of DVS, a leader in DVD loaders, players and related technologies.

“Our entry into the Indian market is a natural move for us”, commented DVS CEO, Douglas T. Watson. “DVD penetration in India is just now beginning to accelerate, and we are excited about having an executive with Mr. Ahuja’s experience and track record to take charge of this major market opportunity. His extensive knowledge and business acumen will be invaluable to us in pursuing our growth strategies.”

Commenting on his appointment, Mr. Ahuja said, "I believe that with the Indian market on the verge of explosive growth for DVD players and home theater systems, DVS, as a market leader in DVD technologies, has a unique opportunity to lead the development of this market. It will be gratifying to be at the forefront of this effort."

Prior to joining DVSE, Mr. Ahuja was Managing Director of NDS India, a leading provider of conditional access systems and interactive applications for digital TV in India and CEO of New Media and Convergence Business of STAR TV, a News Corp venture.

For five years, beginning in 1995, Mr. Ahuja served as Country Head (India), President and Managing Director of LG Soft India Private Limited (LGSI). LGSI is part of Seoul-based LG Group (formerly Lucky-Goldstar) and is the global IT arm for LG Group. He joined LGSI from one of India's premier software consulting and professional organizations, Datamatics Ltd., where as President he established alliances with numerous Fortune 500 companies including AT&T, EDS, General Motors, Mitsubishi Bank and British Airways.

Mr. Ahuja received his BS in Mechanical Engineering from Birla Institute of Technology and Science, India, and his MS in Computing Science and Engineering from the Indian Institute of Technology. He will report to Bob Kondamoori, Chairman of DVSE and Co-Chairman of DVS.

**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 branch offices in South Korea, China and India.

**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 opportunities of DVS and DVSE in India, the potential growth of the DVD market in India, and the Company's expected market and leadership position in India. Important factors that may cause actual results to differ include, but are not limited to, demand for the Company's products in India, the timely availability of components, the sufficiency of working capital, the risks inherent in conducting business in India, the impact of competitive products and services, the company's ability to manage growth and acquisitions of technology or businesses, the effect of economic and business conditions, 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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